

**Crown Artist Brush Limited**

**Directors' report and financial  
statements**

**Registered number 267073**

**31 December 2013**

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## Strategic report

### Business review and results

The company's profit for the financial year is £214,000 (2012: £271,000). No interim dividend was paid during the year (2012: £nil). The directors do not recommend that a final dividend be paid (2012: £nil).

### Trading

Turnover for the year showed a decrease of £550,000 or 11% reduction on 2012. This decrease was a result of transferring the manufacture and sales of student brush ranges (Cotman Winton & Galeria) to a fellow subsidiary in China.

Capital spend, stock levels and debtors were tightly controlled.

Operating profit showed a decrease of £216,000, most of which arose from the one off increases in administrative expenses relating to transfer of production to China.

### Outlook

There are no current plans to transfer any other ranges to the China subsidiary.

### Principal Risks

Fifty percent of the company's turnover is intercompany to other subsidiaries within the ColArt Group. The remaining business is split between a small number of third party customers.

The company manages its credit risk by making sure all new customers are credit checked, that credit limits are set and that the large majority of international accounts are insured.

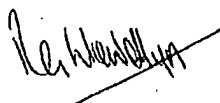
Interest rate risk is managed by group.

### Employees

The company's employment policies are based on equal opportunity for all staff. The selection and advancement of staff is based on ability and suitability for the relevant job and the subsequent training development, promotion and assessment of staff performance are based on competence and not gender, ethnic origin or disability. In the event of an employee becoming disabled while in employment, every effort will be made by the company to find continuing and suitable work, including the offer of retraining.

Staff are kept fully informed of the company's progress both at a company level and at group level through in-house publications, routine briefings and consultations with recognised trade unions. These routine meetings also provide a forum for discussions and consultations on health, safety and welfare matters, which are accompanied by training and codes of working practices designed to protect the health and safety of employees.

By order of the board



R Llewellyn  
Director

Studio Building  
21 Evesham Street  
London  
W11 4AJ

30 September 2014

## Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2013.

### Principal activities

The principal activity of the company is the manufacture of artists' brushes.

### Directors

The directors who held office during the year were as follows:

G Roper  
R Llewellyn

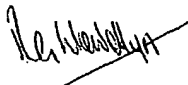
### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

By order of the board



R Llewellyn  
Director

Studio Building  
21 Evesham Street  
London  
W11 4AJ

30 September 2014

## **Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



**KPMG LLP**

8 Salisbury Square  
London  
EC4Y 8BB  
United Kingdom

**Independent auditor's report to the members of Crown Artist Brush Limited**

We have audited the financial statements of Crown Artist Brush Limited for the year ended 31 December 2013 set out on pages 6 to 20. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor.**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditor's report to the members of Crown Artist Brush Limited** *(continued)*

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Nicole Martin (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

8 Salisbury Square

London

EC4Y 8BB

United Kingdom

30 September 2014

**Profit and loss account**  
*for the year ended 31 December 2013*

	<i>Note</i>	2013 £000	2012 £000
Turnover	2	4,376	4,926
Cost of sales		(3,626)	(4,273)
<b>Gross profit</b>		<b>750</b>	<b>653</b>
Distribution costs		(17)	(13)
Administrative expenses		(449)	(140)
<b>Operating profit</b>	3	<b>284</b>	<b>500</b>
Other finance (costs)/income	7	(46)	(89)
<b>Profit on ordinary activities before taxation</b>		<b>238</b>	<b>411</b>
Tax on profit on ordinary activities	6	(24)	(140)
<b>Profit for the financial year</b>		<b>214</b>	<b>271</b>

The above results relate entirely to continuing activities. The notes on pages 9 to 20 form an integral part of these financial statements.



**Balance sheet**  
*at 31 December 2013*

	Note	2013 £000	2012 £000
<b>Fixed assets</b>			
Tangible assets	8	120	143
<b>Current assets</b>			
Stock	9	894	984
Debtors	10	2,370	2,135
		<u>3,264</u>	<u>3,119</u>
Creditors: amounts falling due within one year	11	(723)	(740)
<b>Net current assets</b>		<u>2,541</u>	<u>2,379</u>
<b>Total assets less current liabilities, being net assets excluding pension deficit</b>		<u>2,661</u>	<u>2,522</u>
Pension deficit	17	(1,174)	(1,500)
<b>Net assets including pension deficit</b>		<u>1,487</u>	<u>1,022</u>
<b>Capital and reserves</b>			
Called up share capital	13	270	270
Share premium account	14	359	359
Profit and loss account	14	858	393
<b>Equity Shareholders' funds</b>		<u>1,487</u>	<u>1,022</u>

These financial statements were approved by the board of directors on 30 September 2014 and were signed on its behalf by:

  
R Llewellyn

Director

Company registered number: 267073

**Statement of total recognised gains & losses**  
*for the year ended 31 December 2013*

	<i>Note</i>	2013 £000	2012 £000
Profit for the financial year		214	271
Actuarial loss recognised in the pension scheme	17	383	(25)
Deferred tax recognised on actuarial loss	12	(132)	6
		<hr/>	<hr/>
Total recognised gains/(losses) relating to the year		465	252
		<hr/>	<hr/>

**Reconciliation of movements in shareholders' funds**  
*for the year ended 31 December 2013*

	2013 £000	2012 £000
Profit for the financial year	214	271
Other recognised losses relating to the financial year	251	(19)
	<hr/>	<hr/>
Net increase in shareholders' funds	465	252
Opening shareholders' funds	1,022	770
	<hr/>	<hr/>
Closing shareholders' funds	1,487	1,022
	<hr/>	<hr/>

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

#### *Basis of preparation*

The accounts have been prepared under the historical cost convention. Accounting policies have been consistently applied. The company, as a member of the group headed by Lindengruppen AB, has taken advantage of the exemption under the terms of Financial Reporting Standard No.1 from publishing a cash flow statement.

The financial statements have been prepared on the going concern basis, which the directors believe to be appropriate for the following reasons.

The company is dependent for its working capital on funds provided to it by Lindengruppen AB, the company's ultimate parent, through a Group cash pool arrangement with its principal bankers. Lindengruppen AB has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing its reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of the approval of these financial statements, they have no reason to believe that it will not do so.

#### *Turnover*

Turnover represents the net amount invoiced to external customers and affiliated companies during the year, exclusive of VAT and other sales related taxes. Turnover is recognised when the significant risks and rewards of ownership have been transferred to the customer. This is usually on despatch.

#### *Taxation*

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of those assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### *Tangible and intangible assets*

Tangible fixed assets and intangible fixed assets are stated at cost or valuation, net of depreciation or amortisation and any provision for impairment.

Except for freehold land, the cost of fixed assets (less estimated residual value) is written off on a straight line basis over the period of the expected useful life of the asset. For this purpose, expected lives are determined within the following limits.

Freehold land and buildings	-	not more than twenty years
Plant and equipment	-	not more than fifteen years

## **Notes (continued)**

### **1 Accounting policies (continued)**

#### ***Foreign currency balances***

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### ***Stocks***

Stock is stated at the lower of cost or net realisable value. Cost comprises materials, direct labour and an appropriate proportion of overhead expenses and is arrived at by the 'first in-first out' method.

#### ***Operating lease commitments***

Operating lease commitments are charged in the financial statements on a straight line basis even if this is not the time the liabilities arise.

Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the renewal date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

#### ***Defined Benefit Pension scheme***

The company participates in the ColArt Pension Scheme which has both a Defined Benefit and a Defined Contribution section. The Defined Benefit section of the Scheme was closed to new entrants and the Defined Contribution Section was introduced for new entrants joining from 1<sup>st</sup> August 2002. Following consultation during 2007 the Defined Benefit section of the scheme was changed to a CARE scheme for future accruals after 1 April 2007. The scheme's assets are held in a separate trustee administered pension fund.

The latest actuarial valuation of the scheme was carried out on 31 March 2012 (signed on 21 May 2013). It has been updated to 31 December 2013 by qualified independent actuaries using revised assumptions that are consistent with FRS 17.

### **2 Analysis of turnover**

Turnover arose solely from the principal activity of the business.

## Notes (continued)

### 3 Operating profit

	2013 £000	2012 £000
<i>Operating profit is stated after charging the following:</i>		
Depreciation		
- depreciable properties	-	10
- plant and equipment	23	31
Hire of equipment	4	33
Audit of these financial statements	10	10
	<u>          </u>	<u>          </u>

### 4 Directors' emoluments and interests

Total emoluments paid for services to the Company was:

	2013 £000	2012 £000
Aggregate emoluments (including pension contributions of £9,000 (2012: £9,000))	101	100
	<u>          </u>	<u>          </u>

Retirement benefits are accruing to one director under a defined benefit scheme.

### 5 Staff numbers and costs

The average number of persons employed by the Company during the year, analysed by category, was as follows:

	Number of employees 2013	2012
Selling and Administration	21	4
Production	31	58
	<u>          </u>	<u>          </u>
	52	62
	<u>          </u>	<u>          </u>

The aggregate payroll costs of these persons were as follows:

	2013 £000	2012 £000
Wages and salaries	1,080	1,238
Social security costs	92	94
Other pension costs – defined contribution scheme	81	138
	<u>          </u>	<u>          </u>
	1,253	1,470
	<u>          </u>	<u>          </u>

## Notes (continued)

### 6 Taxation

#### Analysis of charge in year

	2013 £000	2012 £000
<i>Current tax</i>		
Current tax on profit for the year	39	95
Total current tax	<u>39</u>	<u>95</u>
<i>Deferred tax (see note 12)</i>		
Origination/reversal of timing differences	(20)	6
Effect of decreased tax rate	5	39
Total deferred tax charge	<u>(15)</u>	<u>45</u>
Tax on profit on ordinary activities	<u>24</u>	<u>140</u>

#### Factors affecting the tax charge for the year

The current tax charge for the year is explained below:

	2013 £000	2012 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	239	411
Current tax thereon at 23.25 % (2012: 24.5%)	<u>56</u>	<u>101</u>
<i>Effects of:</i>		
Disallowed expenses	5	-
Capital allowances in excess of depreciation	-	(6)
FRS17 provision movement	<u>(22)</u>	<u>-</u>
Total current tax charge as above	<u>39</u>	<u>95</u>

A reduction in the rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

The deferred tax balance at 31 December 2013 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

## Notes (continued)

### 7 Other finance (costs)/income

	2013 £'000	2012 £'000
Expected return on pension scheme assets	324	303
Interest on pension scheme liabilities	(370)	(392)
	<u>(46)</u>	<u>(89)</u>

### 8 Tangible fixed assets

	Freehold land £000	Freehold buildings £000	Plant and machinery £000	Total £000
<b>Cost</b>				
At beginning of year	60	266	840	1,166
Additions	-	-	-	-
	<u>60</u>	<u>266</u>	<u>840</u>	<u>1,166</u>
At end of year	60	266	840	1,166
	<u>60</u>	<u>266</u>	<u>840</u>	<u>1,166</u>
<b>Depreciation</b>				
At beginning of year	-	265	758	1,023
Charge for year	-	-	23	23
	<u>-</u>	<u>265</u>	<u>781</u>	<u>1,046</u>
At end of year	-	265	781	1,046
	<u>-</u>	<u>265</u>	<u>781</u>	<u>1,046</u>
<b>Net book value</b>				
At 31 December 2013	60	1	59	120
	<u>60</u>	<u>1</u>	<u>59</u>	<u>120</u>
At 31 December 2012	60	1	82	143
	<u>60</u>	<u>1</u>	<u>82</u>	<u>143</u>

**Notes (continued)**

**9 Stocks**

	2013 £000	2012 £000
Raw materials and consumables	476	386
Work in progress	336	465
Finished goods and goods for resale	82	133
	<u>894</u>	<u>984</u>

**10 Debtors**

	2013 £000	2012 £000
Trade debtors	283	228
Amounts owed by group undertakings	2,034	1,882
Deferred tax assets (see note 12)	36	-
Prepayments and accrued income	17	25
	<u>2,370</u>	<u>2,135</u>

All amounts shown under debtors fall due for payment within one year.

**11 Creditors: amounts falling due within one year**

	2013 £000	2012 £000
Trade creditors	45	88
Amounts owed to group undertakings	280	261
Amounts owed to group undertakings in respect of group relief	141	102
Taxation and social security	145	132
Accruals and deferred income	112	157
	<u>723</u>	<u>740</u>



## Notes (continued)

### 12 Deferred tax

	2013 £000	2012 £000
At beginning of year	447	486
Amounts reflected through the Statement of Total Recognised Gains & Losses	(132)	6
Charge to profit & loss account	15	(45)
	<hr/>	<hr/>
At end of year	330	447
	<hr/>	<hr/>

The deferred taxation asset at 20% (2012: 23%) is as follows:

	2013 £000	2012 £000
Difference between depreciation and capital allowances	19	-
Other timing differences	17	-
	<hr/>	<hr/>
Total disclosed within debtors (10)	36	-
	<hr/>	<hr/>
Deferred tax asset arising on defined benefit pension scheme liability	294	447
	<hr/>	<hr/>
	330	447
	<hr/>	<hr/>

### 13 Called up share capital

	2013 £000	2012 £000
Allotted, called up and fully paid		
1,079,053 ordinary shares of 25p each	270	270
	<hr/>	<hr/>

**Notes (continued)**

**14 Share premium and reserves**

	Share premium account £000	Profit and loss account £000
At beginning of year	359	393
Profit for the year	-	214
Other recognised gains for the financial year	-	251
	<hr/>	<hr/>
At end of year	359	858
	<hr/>	<hr/>

**15 Contingent liabilities**

Crown Artist Brush Limited is dependent on a facility provided by Lindengruppen AB for its working capital and growth (see note 19). There are currently no charges on the assets of the company to support this facility.

**16 Commitments**

(a) Capital commitments at the end of the financial year for which no provision has been made amounted to £nil (2012: £nil).

(b) Annual commitments under non-cancellable operating leases are as follows:

	2013 £000	2012 £000
Plant and Machinery:		
Operating Leases that expire:		
- Within one year	16	7
- Within two to five years	15	3
	<hr/>	<hr/>
	31	10
	<hr/>	<hr/>

## Notes (continued)

### 17 Pension scheme

#### Company UK retirement benefits scheme

This is a defined benefit scheme operated by ColArt group of companies under which contributions were paid by members and the group into a fund. This fund is separate from the Group's finances and is administered by Trustees.

The Group pays a monthly contribution of £129,000 towards the elimination of the deficit on the fund from 16 May 2013.

A full actuarial valuation was carried out on 31 March 2012 (signed on 21 May 2013) by a qualified independent actuary and was updated to 31 December 2013.

<i>Company share of present values of scheme liabilities and assets:</i>	2013	2012	2011	2010
	£000	£000	£000	£000
Fair value of scheme assets	7,919	6,043	5,920	5,974
Present value of scheme liabilities	(9,387)	(7,990)	(7,850)	(7,780)
	<hr/>	<hr/>	<hr/>	<hr/>
Liability to be recognised in the balance sheet	(1,468)	(1,947)	(1,930)	(1,806)
Deferred tax	294	447	483	488
	<hr/>	<hr/>	<hr/>	<hr/>
Net liability	(1,174)	(1,500)	(1,447)	(1,318)
	<hr/>	<hr/>	<hr/>	<hr/>

<i>Company share of movements in present value of defined benefit obligation:</i>	2013	2012
	£000	£000
At 1 January 2013	7,990	7,850
Current service cost	25	108
Past service cost	3	-
Interest cost	370	392
Contribution by scheme participants	14	45
Actuarial gains	1,268	(41)
Benefits paid and death in service insurance premiums	(283)	(364)
	<hr/>	<hr/>
At 31 December 2013	9,387	7,990
	<hr/>	<hr/>

## Notes (continued)

### 18 Pension scheme (continued)

<i>Company share of movements in fair value of plan assets:</i>	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
At 1 January 2013	6,043	5,920
Employer contributions	170	205
Contributions by scheme participants	14	45
Benefits paid and death in service insurance premiums	(283)	(364)
Expected return on scheme assets	324	303
Actuarial loss on plan assets	1,651	(66)
	<hr/>	<hr/>
At 31 December 2013	7,919	6,043
	<hr/>	<hr/>

The actual return on scheme assets was £237,000

#### *Expense recognised in the profit and loss account:*

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Current service cost (included in administrative expenses)	25	108
Past service cost (included in administrative expenses)	3	-
Interest cost (included in other finance costs)	370	392
Expected return on scheme assets (included in other finance costs)	(324)	(303)
	<hr/>	<hr/>
Total expense recognised in profit and loss	74	197
	<hr/>	<hr/>

#### *Statement of total recognised gains and losses (STRGL):*

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Actual return less expected return on pension scheme assets	1,651	(66)
Experience gains and losses arising on the scheme liabilities	(72)	(159)
Changes in assumptions underlying the liabilities present value	(1,196)	200
	<hr/>	<hr/>
Actuarial loss recognised in STRGL	383	(25)
	<hr/>	<hr/>

The cumulative total amount recognised in the statement of total recognised gains and losses in respect of actuarial gains is £21,000 (2012: losses of £362,000).

## Notes (continued)

### 18 Pension scheme (continued)

*The principal actuarial assumptions used at the year end were as follows:*

	2013	2012
Discount rate	4.60%	4.40%
Expected rate of return on plan assets	6.00%	5.18%
Future salary increases	4.10%	3.40%
Inflation assumption	3.60%	2.90%

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The mortality assumptions adopted at 31 December 2013 were:

Male retiring at age 65 in 2013	21.1	(2012: 20.8)
Female retiring at age 65 in 2013	23.4	(2012: 23.1)
Male retiring at age 65 in 2032	22.8	(2012: 22.5)
Female retiring at age 65 in 2032	25.3	(2012: 25.1)

*The expected long term rates of return applicable for each period are as follows:*

	Long term rate of return expected	Fair value £000
Equity	7.6%	4,484
Cash	3.0%	449
Corporate Bonds	3.6%	2,986
Overall for Scheme	6.0%	7,919

The long-term expected rate of return on cash is determined by reference to gilt yields at the balance sheet dates. The long-term expected return on bonds is determined by reference to UK long dated government and corporate bond yields at the balance sheet date. The long-term expected rate of return on equities is based on the rate of return on bonds with an allowance for outperformance.

The Company expects to contribute approximately £91,000 to its defined benefit plans in the next financial year.

	2013 £000	2012 £000	2011 £000	2010 £000
Experience adjustment on plans liabilities	(72)	(159)	(133)	(114)
Experience adjustment on plan assets	1,651	(66)	(444)	289

## Notes (continued)

### 19 Related party disclosures

The company has taken advantage of the exemption conferred by FRS 8 'Related Party Disclosures' not to disclose transactions with other 100% owned members of the group headed by Lindengruppen AB, on the grounds that 100% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.

During the year the company undertook business transactions with other Lindengruppen AB Group companies as listed in the published accounts of Lindengruppen AB. At the end of the year there were outstanding balances of £322,000 (2012: £322,000) payables and £897,000 (2012: £897,000) receivables.

	2013 £000	2012 £000
Sales	2,096	2,765
Royalties receivable	21	74
Purchases	(1,506)	(1,391)
Royalties payable	(19)	(32)
Management charges payable	(40)	(445)
Management charges receivable	88	102
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### 20 Ultimate parent undertaking and controlling party

The immediate holding company is ColArt Fine Art & Graphics Limited, a company incorporated in Great Britain and registered in England and Wales.

The ultimate UK holding company is Wilhelm Becker Limited incorporated in Great Britain and registered in England and Wales.

The ultimate holding company is Lindengruppen AB, a company incorporated and registered in Sweden. The parent company of the largest and smallest group of which the company is a member and for which group financial statements are drawn up is Lindengruppen AB, a company incorporated and registered in Sweden.

Copies of the consolidated financial statements of Lindengruppen AB can be obtained from Bruksgården, SE-268 83, Höganas, Sweden.