

Company Registration No. 00912987 (England and Wales)

CRANE KALMAN GALLERY LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

FRIDAY



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CRANE KALMAN GALLERY LIMITED

COMPANY INFORMATION

Directors	A T Kalman S Kalman R Light
Secretary	S Kalman
Company number	00912987
Registered office	29/30 Fitzroy Square London W1T 6LQ
Accountants	Goodman Jones LLP 29/30 Fitzroy Square London W1T 6LQ
Business address	178 Brompton Road London SW3 1HQ

CRANE KALMAN GALLERY LIMITED

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CRANE KALMAN GALLERY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2011

The directors present their report and financial statements for the year ended 30 June 2011

Principal activities

The principal activity of the company is the sale of fine paintings

Directors

The following directors have held office since 1 July 2010

A T Kalman
S Kalman
R Light

Charitable donations	2011 £	2010 £
During the year the company made the following payments.		
Charitable donations	2,447	7,891

Statement of directors' responsibilities

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

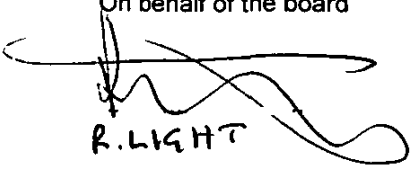
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgements and accounting estimates that are reasonable and prudent,
- 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board


R. LIGHT

DIRECTOR

30.3.2012

CRANE KALMAN GALLERY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2011

		2011	2010
	Notes	£	£
Turnover		4,264,250	4,842,610
Cost of sales		(3,531,567)	(4,028,306)
Gross profit		732,683	814,304
Administrative expenses		(578,794)	(655,997)
Operating profit	2	153,889	158,307
Other interest receivable and similar income	3	112	1,480
Interest payable and similar charges		(10,927)	(21,270)
Profit on ordinary activities before taxation		143,074	138,517
Tax on profit on ordinary activities	4	(32,038)	(15,315)
Profit for the year	12	111,036	123,202

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

CRANE KALMAN GALLERY LIMITED

BALANCE SHEET

AS AT 30 JUNE 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Tangible assets	5		12,324		10,196
Current assets					
Stocks		1,825,666		1,744,404	
Debtors	6	260,539		252,765	
Cash at bank and in hand		173,859		214,648	
		2,260,064		2,211,817	
Creditors: amounts falling due within one year	7	(612,555)		(653,671)	
Net current assets			1,647,509		1,558,146
Total assets less current liabilities			1,659,833		1,568,342
Creditors: amounts falling due after more than one year	8		(29,055)		(48,600)
Provisions for liabilities	9		(1,861)		(1,861)
			1,628,917		1,517,881
Capital and reserves					
Called up share capital	11		100		100
Profit and loss account	12		1,628,817		1,517,781
Shareholders' funds	13		1,628,917		1,517,881

CRANE KALMAN GALLERY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2011

For the financial year ended 30 June 2011 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board and authorised for issue on 20.3.2012



R. Light

Director

Company Registration No. 00912987

CRANE KALMAN GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The directors have considered the financial risks facing the company caused by the current general economic uncertainties and believe it has access to adequate working capital facilities to address those risks. They therefore continue to use the going concern principle in the preparation of the financial statements

1.2 Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the period

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Fixtures, fittings & equipment	15% Reducing balance
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1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.5 Stock

Stock is valued at the lower of cost and net realisable value

1.6 Pensions

Pension contributions are charged to the profit and loss account as incurred. These contributions are invested separately from the company's assets

1.7 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

CRANE KALMAN GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

2	Operating profit	2011	2010
		£	£
	Operating profit is stated after charging		
	Depreciation of tangible assets	2,175	1,799
	Loss on foreign exchange transactions	-	4,439
	Operating lease rentals	63,562	61,754
	Directors' remuneration	208,940	223,926
	and after crediting		
	Profit on foreign exchange transactions	(21,020)	-
		<u> </u>	<u> </u>
3	Investment income	2011	2010
		£	£
	Bank interest	112	706
	Other interest	-	774
		<u> </u>	<u> </u>
		<u>112</u>	<u>1,480</u>

CRANE KALMAN GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

4	Taxation	2011 £	2010 £
	Domestic current year tax		
	U K corporation tax	32,038	15,315
	Total current tax	<u>32,038</u>	<u>15,315</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>143,074</u>	<u>138,517</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2010 - 21.00%)	<u>30,046</u>	<u>29,089</u>
	Effects of		
	Non deductible expenses	2,974	3,527
	Depreciation add back	457	378
	Capital allowances	(1,053)	(187)
	Tax losses utilised	-	(17,492)
	Other tax adjustments	(386)	-
		<u>1,992</u>	<u>(13,774)</u>
	Current tax charge for the year	<u>32,038</u>	<u>15,315</u>

CRANE KALMAN GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

5 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 July 2010	44,500
Additions	4,303
At 30 June 2011	48,803
Depreciation	
At 1 July 2010	34,304
Charge for the year	2,175
At 30 June 2011	36,479
Net book value	
At 30 June 2011	12,324
At 30 June 2010	10,196

6 Debtors

	2011 £	2010 £
Trade debtors	74,496	204,944
Other debtors	186,043	47,821
	260,539	252,765

7 Creditors: amounts falling due within one year

	2011 £	2010 £
Bank loans and overdrafts	281,705	237,538
Trade creditors	127,001	163,295
Taxation and social security	52,459	58,081
Other creditors	151,390	194,757
	612,555	653,671

CRANE KALMAN GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

8 Creditors: amounts falling due after more than one year	2011 £	2010 £
Other creditors	29,055	48,600
Analysis of loans		
Wholly repayable within five years	147,230	164,800
Included in current liabilities	(118,175)	(116,200)
	29,055	48,600
Loan maturity analysis		
In more than one year but not more than two years	17,815	16,200
In more than two years but not more than five years	11,240	32,400

Other creditors comprises loans from Crane Kalman Gallery Retirement Benefit Scheme secured by a fixed charge over nominated paintings included in stock. The original loan of £100,000 is repayable on demand and bears interest at base plus 3%. A subsequent loan of £81,000 advanced in 2009 is repayable in 5 equal annual instalments of capital plus interest at base plus 2%, at the balance sheet date £47,230 of this loan was outstanding.

9 Provisions for liabilities

	Deferred tax liability £
Balance at 1 July 2010 & at 30 June 2011	1,861

The deferred tax liability is made up as follows:

	2011 £	2010 £
Accelerated capital allowances	1,861	1,861

CRANE KALMAN GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

10 Pension and other post-retirement benefit commitments Defined contribution

	2011 £	2010 £
Contributions payable by the company for the year	<u>12,421</u>	<u>11,277</u>

11 Share capital

	2011 £	2010 £
Allotted, called up and fully paid 100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

12 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2010	1,517,781
Profit for the year	<u>111,036</u>
Balance at 30 June 2011	<u>1,628,817</u>

13 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	111,036	123,202
Opening shareholders' funds	<u>1,517,881</u>	<u>1,394,679</u>
Closing shareholders' funds	<u>1,628,917</u>	<u>1,517,881</u>

14 Financial commitments

At 30 June 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2012

	Land and buildings 2011 £	2010 £
Operating leases which expire in over five years	<u>52,000</u>	<u>51,000</u>

CRANE KALMAN GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

15 Control

The company is under the control of the directors A Kalman and S Kalman who own 90% of the share capital of the company

16 Related party relationships and transactions

At the balance sheet date the director Mr A T Kalman owed the company £57,822 (2010 creditor balance of £54,748) Mr Kalman is entitled to receive interest on monies advanced by him to assist the working capital requirements of the company at a rate of 4%, interest payable during the year amounted to £4,654 (2010 - £7,004) The company is also owed £68,704 (2010 creditor balance £365) from the director Ms S Kalman These loans were repaid shortly after the balance sheet date The director, Mr R Light owes the company £8,387 (2010 Nil) from the director Mr R Light All loans are unsecured