

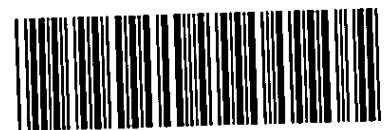
Report of the Directors and
Financial Statements for the Year Ended 31 March 2009
for
Barford Sculptures Limited

MABCO Limited T/A Maurice Braganza & Co
Registered Auditors
Chartered Accountants
Russell Chambers
Covent Garden
London
WC2E 8AA



MABCO LTD (Incorporating Maurice Braganza & Co)

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COMPANIES HOUSE

Barford Sculptures Limited

Company Information
for the Year Ended 31 March 2009

DIRECTORS: Sir Anthony Caro
Lady Sheila Caro
Paul Gideon Caro

SECRETARY: Lady Sheila Caro

REGISTERED OFFICE: Russell Chambers
The Piazza
Covent Garden
LONDON WC2E 8AA

REGISTERED NUMBER: 00976370 (England and Wales)

AUDITORS: MABCO Limited T/A Maurice Braganza & Co
Registered Auditors
Chartered Accountants
Russell Chambers
Covent Garden
London
WC2E 8AA



Barford Sculptures Limited

Report of the Directors
for the Year Ended 31 March 2009

The directors present their report with the financial statements of the company for the year ended 31 March 2009.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the creation of works of art.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2008 to the date of this report.

Sir Anthony Caro
Lady Sheila Caro

Other changes in directors holding office are as follows:

Paul Gideon Caro - appointed 25 August 2008

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). The financial statements are required by law to 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, MABCO Limited T/A Maurice Braganza & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Barford Sculptures Limited

Report of the Directors
for the Year Ended 31 March 2009

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



Sir Anthony Caro - Director

15 September 2009



Barford Sculptures Limited

**Report of the Independent Auditors to the Shareholders of
Barford Sculptures Limited**

We have audited the financial statements of Barford Sculptures Limited for the year ended 31 March 2009 on pages six to twelve. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 a Report of the Auditors 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available to Small Entities, in the circumstances set out in note fifteen to the financial statements.

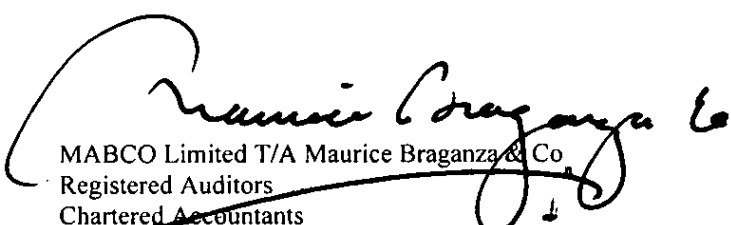
Barford Sculptures Limited

Report of the Independent Auditors to the Shareholders of
Barford Sculptures Limited

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.



MABCO Limited T/A Maurice Braganza & Co
Registered Auditors
Chartered Accountants
Russell Chambers
Covent Garden
London
WC2E 8AA

15 September 2009

Barford Sculptures Limited

Profit and Loss Account
for the Year Ended 31 March 2009

	Notes	31.3.09 £	£	31.3.08 £	£
TURNOVER	2		3,812,588		2,258,899
Cost of sales			784,594		497,890
GROSS PROFIT			3,027,994		1,761,009
Administrative expenses			180,517		113,461
			2,847,477		1,647,548
Other operating income			12,480		17,950
OPERATING PROFIT	3		2,859,957		1,665,498
Income from fixed asset investments		(1,312)		23,425	
Interest receivable and similar income		155,098		108,823	
			153,786		132,248
			3,013,743		1,797,746
Interest payable and similar charges			1,071		-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			3,012,672		1,797,746
Tax on profit on ordinary activities	4		847,559		540,683
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			2,165,113		1,257,063

The notes form part of these financial statements

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MABCO LTD (Incorporating Maurice Braganza & Co)

Barford Sculptures Limited

Balance Sheet
31 March 2009

	Notes	31.3.09 £	£	31.3.08 £	£
FIXED ASSETS					
Tangible assets	5		18,674		15,850
Investments	6		401,171		376,171
			<hr/> 419,845		<hr/> 392,021
CURRENT ASSETS					
Stocks		58,870		-	
Debtors	7	313,074		375,340	
Investments	8	1,372,948		1,426,752	
Cash at bank and in hand		4,866,306		2,310,095	
		<hr/> 6,611,198		<hr/> 4,112,187	
CREDITORS					
Amounts falling due within one year	9	1,282,155		716,833	
				<hr/>	
NET CURRENT ASSETS			<hr/> 5,329,043		<hr/> 3,395,354
TOTAL ASSETS LESS CURRENT LIABILITIES			<hr/> 5,748,888		<hr/> 3,787,375
PROVISIONS FOR LIABILITIES	11		<hr/> 2,400		<hr/> 1,000
NET ASSETS			<hr/> <hr/> 5,746,488		<hr/> <hr/> 3,786,375
CAPITAL AND RESERVES					
Called up share capital	12		110		110
Profit and loss account	13		5,746,378		3,786,265
			<hr/>		<hr/>
SHAREHOLDERS' FUNDS			<hr/> <hr/> 5,746,488		<hr/> <hr/> 3,786,375

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board of Directors on 15 September 2009 and were signed on its behalf by:



Sir Anthony Caro - Director

The notes form part of these financial statements

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MABCO LTD (Incorporating Maurice Braganza & Co)

Barford Sculptures Limited

Notes to the Financial Statements

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- Straight line over 15 years
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on cost

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Stocks & Work In Progress

Stocks are valued at the lower of cost and net realisable value.

Due to the nature of the art market, a nil realisable value is assigned to stock, unless there is certainty of sale.

Precious metals and other valuable materials are valued at cost.

Investments

Certain works of art purchased from individual artists are treated as fixed asset investments, and investments in the stock market are treated as current asset investments.

Investments are valued at cost. Provision is made for any permanent diminution in value.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not they will be recovered. Deferred tax is measured on an undiscounted basis using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Barford Sculptures Limited

Notes to the Financial Statements

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	31.3.09	31.3.08
United Kingdom	72.05%	82.70%
Europe	27.02%	10.17%
USA	0.92%	7.12%
	<u>100.00%</u>	<u>100.00%</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.3.09	31.3.08
	£	£
Depreciation - owned assets	6,526	4,929
Auditors' remuneration	6,750	6,750
Pension costs	12,611	-
	<u>14,029</u>	<u>13,916</u>

4. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.3.09	31.3.08
	£	£
Current tax:		
UK corporation tax	845,000	540,000
On franked investment income	1,159	933
Total current tax	<u>846,159</u>	<u>540,933</u>
Deferred tax	<u>1,400</u>	<u>(250)</u>
Tax on profit on ordinary activities	<u>847,559</u>	<u>540,683</u>

UK corporation tax has been charged at 28% (2008 - 30%).

Barford Sculptures Limited

Notes to the Financial Statements

4. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.09	31.3.08
	£	£
Profit on ordinary activities before tax	<u>3,012,672</u>	<u>1,797,746</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 - 30%)	843,548	539,324
Effects of:		
Difference between depreciation charge and capital allowances	(1,500)	250
Disallowed expenses	1,500	500
Franked investment income	(2,100)	(1,800)
Other differences	<u>4,711</u>	<u>2,659</u>
Current tax charge	<u>846,159</u>	<u>540,933</u>

Factors that may affect future tax charges

Tax of £39,000 (2008: £60,000) would have been payable if the listed investments were sold at the year-end at their market value.

5. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2008	15,568	19,594	67,374	31,326	133,862
Additions	-	8,900	450	-	9,350
At 31 March 2009	<u>15,568</u>	<u>28,494</u>	<u>67,824</u>	<u>31,326</u>	<u>143,212</u>
DEPRECIATION					
At 1 April 2008	14,301	17,931	61,034	24,746	118,012
Charge for year	105	2,113	1,019	3,289	6,526
At 31 March 2009	<u>14,406</u>	<u>20,044</u>	<u>62,053</u>	<u>28,035</u>	<u>124,538</u>
NET BOOK VALUE					
At 31 March 2009	<u>1,162</u>	<u>8,450</u>	<u>5,771</u>	<u>3,291</u>	<u>18,674</u>
At 31 March 2008	<u>1,267</u>	<u>1,663</u>	<u>6,340</u>	<u>6,580</u>	<u>15,850</u>

6. FIXED ASSET INVESTMENTS

The works of art have been valued by the directors on open market basis.

Barford Sculptures Limited

Notes to the Financial Statements

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.09	31.3.08
	£	£
Trade debtors	273,647	323,968
Prepayments and accrued income	39,427	51,372
	<u>313,074</u>	<u>375,340</u>

8. CURRENT ASSET INVESTMENTS

	31.3.09	31.3.08
	£	£
Listed investments	<u>1,372,948</u>	<u>1,426,752</u>

Market value of listed investments at 31 March 2009 - £1,512,361 (2008 - £1,626,915).

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.09	31.3.08
	£	£
Bank loans and overdrafts	41,526	2,628
Trade creditors	93,614	114,749
Tax	854,501	546,574
Social security and other taxes	267,381	9,583
Sundry creditors	42	42
Directors' current accounts	3,134	717
Accrued expenses	21,957	42,540
	<u>1,282,155</u>	<u>716,833</u>

10. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	31.3.09	31.3.08
	£	£
Expiring:		
Between one and five years	<u>30,000</u>	<u>30,000</u>

11. PROVISIONS FOR LIABILITIES

	31.3.09	31.3.08
	£	£
Deferred taxation	<u>2,400</u>	<u>1,000</u>

	Deferred tax £
Balance at 1 April 2008	1,000
Accelerated capital allowances Provided in the year	<u>1,400</u>
Balance at 31 March 2009	<u>2,400</u>

Barford Sculptures Limited

Notes to the Financial Statements

12. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	31.3.09 £	31.3.08 £
100	Ordinary A	£1	100	100
100	Ordinary non-voting B	£1	100	100
			<u>200</u>	<u>200</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	31.3.09 £	31.3.08 £
100	Ordinary A	£1	100	100
10	Ordinary non-voting B	£1	10	10
			<u>110</u>	<u>110</u>

13. RESERVES

	Profit and loss account £
At 1 April 2008	3,786,265
Profit for the year	2,165,113
Dividends	(205,000)
At 31 March 2009	<u>5,746,378</u>

14. RELATED PARTY DISCLOSURES

At the year end, the directors were owed £3,134 (2008: £717) by the company. This amount is interest free and there are no set repayment terms.

Dividends of £102,500 (2008: £120,000) each were paid to Sir Anthony Caro and Lady Sheila Caro in respect of their equal holding of Ordinary B shares.

15. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

16. CONTROLLING PARTY

The company is controlled by Sir Anthony Caro and Lady Sheila Caro.