

**ROBIN SYMES LIMITED**  
**REPORT AND ACCOUNTS**

*for the year ended*  
**31 DECEMBER 1998**



## **ROBIN SYMES LIMITED**

<b>CONTENTS</b>	<b>Pages</b>
Director and advisers	2
Director's report	3
Statement of director's responsibilities in respect of the accounts	4
Auditors' report	5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the accounts	9-16

**ROBIN SYMES LIMITED**

**DIRECTORS AND ADVISERS**

DIRECTOR

R. Symes

SECRETARY

C. Sparwasser

REGISTERED OFFICE

St. Alphage House  
2 Fore Street  
London EC2Y 5DH

BANKERS

The Citibank Private Bank  
Berkeley Square House  
4-19 Berkeley Square  
London W1 5LA

AUDITORS

Smith & Williamson  
Chartered Accountants  
No 1 Riding House Street  
London W1A 3AS

COMPANY'S REGISTERED NUMBER

1315755

# **ROBIN SYMES LIMITED**

## **DIRECTOR'S REPORT**

The director presents his report and the accounts for the year ended 31 December 1998.

### **Activities**

The principal activity of the company continues to be that of dealing in antiquities.

### **Review of business**

The director considers the year's trading and the future prospects of the company to be satisfactory.

### **Results for the year and dividends**

The profit for the year after taxation was £162,130 (1997: loss £941,545). The directors recommend a payment of a dividend £300 per ordinary £1 share.

### **Charitable contributions**

During the year the company made charitable contributions of £5,900 (1997: £4,450).

### **Director and his interests**

The director of the company at 31 December 1998, who served throughout the year, and his interests in the share capital of the company, together with his interests at 31 December 1998, were:

	1998	1997
R. Symes	99	99

### **Year 2000**

The director has considered the risks and uncertainties connected with the compatibility of the company's and third party systems with the year 2000. The current view of the directors' is that whilst there are inherent risks and uncertainties associated with the "millennium bug", including exposure to compliance failures in the systems of business partners, action taken to date is adequate. The directors do not anticipate significant additional IT costs to arise from adapting the company's systems to comply with Year 2000 requirements.

### **Auditors**

A resolution to reappoint Smith & Williamson as auditors will be proposed at the next Annual General Meeting.

APPROVED BY THE BOARD OF DIRECTORS  
AND SIGNED ON BEHALF OF THE BOARD



Director/Secretary

## **ROBIN SYMES LIMITED**

### **STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS**

Company law requires the director to prepare accounts for each financial year which 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 those accounts, the director is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the accounts.
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 accounts comply with the Companies Act 1985. He is 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.

The  
**Smith & Williamson**  
— • G r o u p • —

**AUDITORS' REPORT TO THE SHAREHOLDERS OF ROBIN SYMES LIMITED**

We have audited the accounts on pages 6 to 16 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 9 to 10.

**Respective responsibilities of director and auditors**

As described on page 4, the company's director is responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the accounts, 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31 December 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Smith & Williamson*

*28 October 1999*

SMITH & WILLIAMSON  
Chartered Accountants  
Registered Auditors

No 1 Riding House Street  
London W1A 3AS

**ROBIN SYMES LIMITED**

**PROFIT AND LOSS ACCOUNT for the year ended 31 DECEMBER 1998**

	Notes	1998	1997
		£	£
Turnover	1	6,506,795	2,115,459
Cost of sales		(4,289,535)	(1,218,683)
<b>Gross profit</b>		<b>2,217,260</b>	<b>896,776</b>
Distribution costs		(356,568)	(302,307)
Administrative expenses		(1,025,851)	(1,149,167)
<b>Operating profit/(loss)</b>		<b>834,841</b>	<b>(554,698)</b>
Interest receivable and similar income		12,294	10,499
Interest payable and similar charges	3	(682,424)	(657,346)
<b>Profit/(loss) on ordinary activities before taxation</b>	4	<b>164,711</b>	<b>(1,201,545)</b>
Tax (charge)/ credit on profit/(loss) on ordinary activities	5	(2,581)	260,000
<b>Profit/(loss) on ordinary activities after taxation</b>		<b>162,130</b>	<b>(941,545)</b>
Dividends	6	(30,000)	-
<b>Retained profit /(loss) for the financial year</b>	14	<b>132,130</b>	<b>(941,545)</b>

All of the company's operations are classed as continuing. There were no gains or losses in either year other than those included in the above profit and loss account.

# ROBIN SYMES LIMITED

## BALANCE SHEET as at 31 DECEMBER 1998

	Notes	1998	1997
		£	£
<b>Fixed assets</b>			
Intangible assets	7	4,375	5,625
Tangible assets	8	551,886	579,274
		<u>556,261</u>	<u>584,899</u>
<b>Current assets</b>			
Stocks	9	9,430,092	8,022,090
Debtors	10	351,848	845,569
Cash at bank and in hand		378,891	370,984
		<u>10,160,831</u>	<u>9,238,643</u>
<b>Creditors: amounts falling due within one year</b>	11	(10,199,386)	(9,437,966)
<b>Net current liabilities</b>		<u>(38,555)</u>	<u>(199,323)</u>
<b>Net assets</b>		<u>517,706</u>	<u>385,576</u>
<b>Capital and reserves</b>			
Called up share capital	12	100	100
Share premium account	13	16,177	16,177
Profit and loss account	13	501,429	369,299
		<u>517,706</u>	<u>385,576</u>
<b>Shareholders' funds</b>	14	<u>517,706</u>	<u>385,576</u>

The accounts were approved by the Director on 7 September 1999

R. Symes  
Director

*R. Symes*



**ROBIN SYMES LIMITED**

**CASH FLOW STATEMENT for the year ended 31 DECEMBER 1998**

	Notes	1998	1997
		£	£
Net cash outflow from operating activities	16	(30,727)	(1,780,894)
<b>Returns on investments and servicing of finance</b>			
Interest received		12,294	10,499
Interest paid		(682,424)	(657,346)
<b>Net cash outflow from returns on investments and servicing of finance</b>		(670,130)	(646,847)
<b>Taxation</b>			
Corporation tax paid		-	(2,369)
Corporation tax refunded		-	129,214
		-	126,845
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets		(8,392)	(3,074)
<b>Net cash outflow for capital expenditure and financial investment</b>		(8,392)	(3,074)
<b>Cash outflow before financing</b>		(709,249)	(2,303,970)
<b>Decrease in cash in the year</b>	17	(709,249)	(2,303,970)

## **ROBIN SYMES LIMITED**

### **NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 1998**

#### **1 Accounting policies**

The accounts have been prepared in accordance with applicable accounting standards. A summary of the more important accounting policies adopted are described below.

##### **Basis of accounting**

The accounts have been prepared under the historical cost convention, modified by the revaluation of certain fixed assets.

##### **Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

##### **Fixed assets**

Tangible assets are stated at cost less depreciation. Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets concerned. The following annual rates are used.

Land and Buildings Freehold	-	2% straight line
Land and Buildings Leasehold	-	Lease costs - over the term of the lease
		Improvements - 15% reducing balance
Library	-	10% reducing balance
Fixtures and fittings	-	10% reducing balance
Motor vehicles	-	25% reducing balance

##### **Deferred taxation**

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

##### **Pension costs**

Contributions to defined contribution schemes are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

##### **Leases**

Rental costs under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

# ROBIN SYMES LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 1998 (continued)

### 1 Accounting policies (continued)

#### Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in a foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the profit and loss account.

#### Stocks

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

The director makes provisions so as to give the best estimate of realisable value, but this process is highly subjective due to the uniqueness of stock held, its desirability to certain collectors and changing market trends. The value is based on stock being realised in the normal course of business, which may be in excess of one year.

#### Turnover

Turnover, which excludes value added tax, represents the invoiced value of goods and services supplied.

2 Employees and directors	1998 £	1997 £
Directors' remuneration	128,500	125,000
Company pension contributions to money purchase schemes	43,329	20,000

The average number of persons, including directors, employed by the company during the year was:

	No.	No.
Selling and distribution	4	4
Administration	3	3
	<hr/> 7	<hr/> 7
	<hr/>	<hr/>
Staff costs for the above persons were:	£	£
Wages and salaries	307,221	302,641
Social security costs	30,454	30,363
Pension costs	43,329	20,000
	<hr/> 381,004	<hr/> 353,004
	<hr/>	<hr/>

**ROBIN SYMES LIMITED**

**NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 1998 (continued)**

	1998	1997
	£	£
<b>3 Interest payable and similar charges</b>		
Bank loans and overdrafts	682,424	657,346
	<hr/>	<hr/>
<b>4 Profit/(loss) on ordinary activities before taxation</b> is stated after charging:-	<b>£</b>	<b>£</b>
Amortisation of intangible assets	1,250	1,250
Depreciation - owned assets	35,780	78,300
Auditors' remuneration	12,000	12,000
Exchange loss	49,366	212,385
Operating leases	35,000	35,000
	<hr/>	<hr/>
<b>5 Tax charge/(credit) on profit/(loss) on ordinary activities</b>	<b>£</b>	<b>£</b>
UK corporation tax at 31% (1997: 31%)	2,581	-
Over provision in respect of prior years	-	(260,000)
	<hr/>	<hr/>
	2,581	(260,000)
	<hr/>	<hr/>
The current tax charge does not correspond to the profit reported in the profit and loss account due to the availability of losses brought forward.		
<b>6 Dividends</b>	<b>£</b>	<b>£</b>
Proposed dividends	30,000	-
	<hr/>	<hr/>

**ROBIN SYMES LIMITED****NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 1998 (continued)****7 Intangible fixed assets**

	<b>Goodwill</b>
	<b>£</b>
<b>Cost or valuation</b>	
At 1 January 1998 and at 31 December 1998	25,000
	<hr/>
<b>Depreciation</b>	
At 1 January 1998	19,375
Charge for the year	1,250
	<hr/>
At 31 December 1998	20,625
	<hr/>
<b>Net book value</b>	
At 31 December 1998	4,375
	<hr/>
At 31 December 1997	5,625
	<hr/>

**ROBIN SYMES LIMITED**
**NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 1998 (continued)**

8	Tangible fixed assets	Leasehold Land and Buildings £	Freehold Land and Buildings £	Motor Vehicles £	Library £	Fixtures and Fittings £	Total £
	<b>Cost or valuation</b>						
	At 1 January 1998	312,138	273,223	155,235	159,840	211,617	1,112,053
	Additions	-	-	-	-	8,392	8,392
	At 31 December 1998	312,138	273,223	155,235	159,840	220,009	1,120,445
	<b>Depreciation</b>						
	At 1 January 1998	184,019	48,794	145,561	30,370	124,035	532,779
	Charge for the year	5,353	5,465	2,418	12,947	9,597	35,780
	At 31 December 1998	189,372	54,259	147,979	43,317	133,632	568,559
	<b>Net book value</b>						
	At 31 December 1998	122,766	218,964	7,256	116,523	86,377	551,886
	At 31 December 1997	128,119	224,429	9,674	129,470	87,582	579,274

# ROBIN SYMES LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 1998 (continued)

### 9 Stocks

	1998 £	1997 £
Finished goods and goods for resale	9,430,092	8,022,090

Certain of the stock items included in this total have been assigned to the company's bankers as security for the payment and discharge of the bank overdraft included in creditors below.

### Consignment Stock

The company holds consignment stock owned by certain suppliers on terms which give the company the right to sell the stock in the normal course of business or, at its option, to return it unsold to the legal owner without penalty. The purchase price of this stock is independent of the time for which the company holds it and no deposit is required. The company has no obligation to purchase consignment stock from its consignors until such time as the stock is sold to a third party, at which time the purchase and associated liability are recorded.

At 31 December 1998 the company held consignment stock amounting to £4,153,849 (1997 - £4,559,932).

10 Debtors	1998 £	1997 £
Trade debtors	104,519	572,077
Other debtors	230,741	194,804
Prepayments and accrued income	16,588	78,688
	<hr/>	<hr/>
	351,848	845,569
	<hr/>	<hr/>

11 Creditors: amounts falling due within one year	£	£
Bank overdraft	9,407,269	8,690,113
Trade creditors	375,521	363,623
Corporation tax	2,581	-
Other taxation and social security	13,675	1,713
Other creditors	347,738	351,362
Accruals and deferred income	22,602	31,155
Proposed dividends	30,000	-
	<hr/>	<hr/>
	10,199,386	9,437,966
	<hr/>	<hr/>

# ROBIN SYMES LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 1998 (continued)

### 11 Creditors: amounts falling due within one year (continued)

The company's overdraft is secured by fixed and floating charges over all of the company's assets.

The overdraft facility available is \$15,000,000. This is repayable on six months notice, no later than 31 December 2004. This arrangement is subject to an annual review.

The bank has a personal guarantee from the director.

12	Called up share capital	1998 £	1997 £
	<b>Authorised, allotted, called up and fully paid</b>		
	100 ordinary shares of £1 each	100	100
		<hr/>	<hr/>

13	Reserves	Share premium £	Profit and loss account £
	At 1 January 1998	16,177	369,299
	Profit for the year	-	162,130
	Dividends	-	(30,000)
		<hr/>	<hr/>
	At 31 December 1998	16,177	501,429
		<hr/>	<hr/>

14	Reconciliation of movements in shareholders' funds	1998 £	1997 £
	Profit/(loss) for the financial year	162,130	(941,545)
	Dividends	(30,000)	-
		<hr/>	<hr/>
	Net additions/(reductions)	132,130	(941,545)
	Opening shareholders' funds	385,576	1,327,121
		<hr/>	<hr/>
	Closing shareholders' funds	517,706	385,576
		<hr/>	<hr/>



# ROBIN SYMES LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 1998 (Continued)

### 15 Operating lease commitments

At 31 December 1998 the company had annual commitments under operating leases as follows:

	1998 Land and buildings £	1997 £
For leases expiring:		
After five years	35,000	35,000

### 16 Reconciliation of operating profit to net cash outflow from operating activities

	1998 £	1997 £
Operating profit/(loss)	834,841	(554,698)
Depreciation	35,780	78,300
Amortisation	1,250	1,250
Increase in stocks	(1,408,002)	(1,229,906)
Decrease/(increase) in debtors	493,721	(17,088)
Increase/(decrease) in creditors	11,683	(58,752)
Net cash outflow from operating activities	(30,727)	(1,780,894)

### 17 Analysis of net debt

	At 1 January 1998 £	Cash flow £	At 31 December 1998 £
Cash in hand, at bank	370,984	7,907	378,891
Overdrafts	(8,690,113)	(717,156)	(9,407,269)
Total	(8,319,129)	(709,249)	(9,028,378)