

INTERNATIONAL ART AND ANTIQUE LOSS REGISTER LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2018

INTERNATIONAL ART AND ANTIQUE LOSS REGISTER LTD
REGISTERED NUMBER: 02455350

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Tangible assets	6	175,745	197,180
		<u>175,745</u>	<u>197,180</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	7	1,158,315	1,039,150
Cash at bank and in hand	8	37,522	54,127
		<u>1,195,837</u>	<u>1,093,277</u>
Creditors: amounts falling due within one year	9	(401,686)	(419,402)
NET CURRENT ASSETS		<u>794,151</u>	<u>673,875</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>969,896</u>	<u>871,055</u>
Creditors: amounts falling due after more than one year	10	(1,730,804)	(1,730,804)
NET LIABILITIES		<u>(760,908)</u>	<u>(859,749)</u>
CAPITAL AND RESERVES			
Called up share capital	11	833,891	843,281
Share premium account		751,233	751,233
Capital redemption reserve		9,390	-
Profit and loss account		(2,355,422)	(2,454,263)
		<u>(760,908)</u>	<u>(859,749)</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

INTERNATIONAL ART AND ANTIQUE LOSS REGISTER LTD
REGISTERED NUMBER: 02455350

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr J G Y Radcliffe
Director

Date: 22 September 2019

The notes on pages 3 to 11 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. GENERAL INFORMATION

The International Art & Antique Loss Register Limited, (02455350), is a private limited company limited by shares, incorporated in England and Wales, with its registered office and principal place of business at 1st Floor, 63-66 Hatton Gardens, London, EC1N 8LE.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

The financial statements have been prepared on a going concern basis. On the basis of JGY Radcliffe's continued financial support for the company for a minimum period of at least 12 months from the date of signing these financial statements, the directors consider that the company is a going concern.

2.3 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES (CONTINUED)

2.4 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.6 PENSIONS

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES (CONTINUED)

2.7 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- Over the life of the lease until the first break clause
Fixtures and fittings	- 20% straight line
Office equipment	- 20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES (CONTINUED)

2.9 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.13 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

INTERNATIONAL ART AND ANTIQUE LOSS REGISTER LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

3. **TURNOVER**

Analysis of turnover by country of destination:

	2018 £	2017 £
United Kingdom	1,073,906	844,452
Rest of Europe	184,124	199,120
Rest of the world	31,688	31,464
	<u>1,289,718</u>	<u>1,075,036</u>

4. **OPERATING PROFIT/(LOSS)**

The operating profit/(loss) is stated after charging:

	2018 £	2017 £
Exchange differences	<u>4,563</u>	<u>13,022</u>

5. **EMPLOYEES**

The average monthly number of employees, including directors, during the year was 12 (2017 - 12).

INTERNATIONAL ART AND ANTIQUE LOSS REGISTER LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Office equipment £	Total £
COST OR VALUATION			
At 1 January 2018	62,287	689,823	752,110
Additions	850	31,360	32,210
At 31 December 2018	63,137	721,183	784,320
DEPRECIATION			
At 1 January 2018	55,287	499,643	554,930
Charge for the year on owned assets	2,500	51,145	53,645
At 31 December 2018	57,787	550,788	608,575
NET BOOK VALUE			
At 31 December 2018	5,350	170,395	175,745
<i>At 31 December 2017</i>	<i>7,000</i>	<i>190,180</i>	<i>197,180</i>

7. DEBTORS

	2018 £	2017 £
Trade debtors	445,454	305,138
Other debtors	107,676	143,220
Prepayments and accrued income	152,136	142,991
Deferred taxation	453,049	447,801
	1,158,315	1,039,150

INTERNATIONAL ART AND ANTIQUE LOSS REGISTER LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	37,522	54,127
	<u>37,522</u>	<u>54,127</u>

9. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	20,745	50,490
Other taxation and social security	57,726	50,681
Other creditors	8,000	8,000
Accruals and deferred income	315,215	310,231
	<u>401,686</u>	<u>419,402</u>

10. CREDITORS: Amounts falling due after more than one year

	2018 £	2017 £
Other creditors	1,730,804	1,730,804
	<u>1,730,804</u>	<u>1,730,804</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. SHARE CAPITAL

	2018 £	2017 £
Allotted, called up and fully paid		
48,084 (2017 - 48,084) Ordinary A shares of £1.000 each	48,084	48,084
4,074,213 (2017 - 5,952,272) Ordinary B shares of £0.005 each	20,371	29,761
76,919 (2017 - 76,919) Ordinary 'R1' shares of £1.000 each	76,919	76,919
258,000 (2017 - 258,000) Preference shares shares of £1.000 each	258,000	258,000
367,000 (2017 - 367,000) Redeemable preference shares of £1.000 each	367,000	367,000
12,703,400 (2017 - 12,703,400) Ordinary 'R2' shares of £0.005 each	63,517	63,517
	<u>833,891</u>	<u>843,281</u>

Redeemable preference shares

The preference shares are redeemable at the option of the company. They are redeemable at £1 per share and carry no voting rights. On a winding up of the company, the holders of the shares have the right to receive repayment of the nominal value plus all dividends declared but not paid in priority to any payment of capital or dividend to any other shareholder.

12. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. the pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £14,245 (2017: £10,146).

Contributions totalling £2,293 (2017: £2,239) were payable to the scheme at the end of the year and are included in creditors.

13. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	32,408	32,408
Later than 1 year and not later than 5 years	8,102	40,510
	<u>40,510</u>	<u>72,918</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

14. RELATED PARTY TRANSACTIONS

The company transacts business on an arms-length basis with a number of its shareholders providing logging of losses, searching for art trade, recoveries and investigations.

Other related party transactions

J G Y Radcliffe (Director)

Included in other creditors is a loan from JGY Radcliffe. the loan is interest free and is not repayable without 12 months notice being given by either party. At the balance sheet date, the amount due to JGY Radcliffe was £1,730,803 (2017: £1,730,803).

Limited companies under common control

At the year end the company was owed £107,559 (2017: £141,673) from Limited companies under the control of the directors. These loans are repayable on demand and no interest has been charged.

At the year end the company owed £8,000 (2017: £8,000) to Limited companies under the control of the directors. These loans are repayable on demand and no interest has been charged.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.