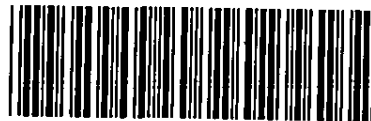


**THE FINE ART GROUP LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31ST DECEMBER 2007**

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COMPANIES HOUSE

**BLOOMER HEAVEN LIMITED**  
**Chartered Accountants**  
**33 Lionel Street**  
**Birmingham**  
**B3 1AB**

# **THE FINE ART GROUP LIMITED**

## **ABBREVIATED ACCOUNTS**

**YEAR ENDED 31ST DECEMBER 2007**

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# THE FINE ART GROUP LIMITED

## ABBREVIATED BALANCE SHEET

31ST DECEMBER 2007

	Note	2007 £	2006 £
<b>Fixed Assets</b>			
Investments	2	37,595	34,550
<b>Current Assets</b>			
Debtors		114,179	128,773
Cash at bank and in hand		160,703	157,814
		<u>274,882</u>	<u>286,587</u>
<b>Creditors: Amounts Falling due Within One Year</b>		<u>9,597</u>	<u>25,705</u>
<b>Net Current Assets</b>		<u>265,285</u>	<u>260,882</u>
<b>Total Assets Less Current Liabilities</b>		<u>302,880</u>	<u>295,432</u>
<b>Capital and Reserves</b>			
Called-up equity share capital	4	100,000	100,000
Profit and loss account		202,880	195,432
<b>Shareholders' Funds</b>		<u>302,880</u>	<u>295,432</u>

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The director acknowledges his responsibility for ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and preparing accounts 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 section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved and signed by the director and authorised for issue on 22nd September 2008

G B Jones  
Director

# THE FINE ART GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2007

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### 1. Accounting Policies

#### Basis of Accounting

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

#### Consolidation

The company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

#### Turnover

The turnover shown in the profit and loss account represents management charges to subsidiary undertakings.

#### Pension Costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### Deferred Taxation

Deferred taxation is provided using the liability method in respect of all timing differences.

#### Investments

Investments are stated at cost less provision for diminution in value.

### 2. Fixed Assets

	Investments £
<b>Cost</b>	
At 1st January 2007 and 31st December 2007	<u>170,200</u>
<b>Amounts Written Off</b>	
At 1st January 2007	135,650
Written off in prior years written back	(3,045)
At 31st December 2007	<u>132,605</u>
<b>Net Book Value</b>	
At 31st December 2007	<u>37,595</u>
At 31st December 2006	<u>34,550</u>

The company holds 100% of the ordinary share capital of Solomon & Whitehead Limited and Artistick Limited. These companies are registered in England and Wales and both are involved in fine art publishing, distribution and retailing.

The cost stated above, includes a long term loan of £170,000 to Artistick Limited. As detailed in note 3, this loan has been provided against to the extent of the deficit of funds in that company's balance sheet.

During the year ended 31st December 2007, Solomon & Whitehead Limited made a loss of £114,827 and had net assets of £450,808 at that date and Artistick Limited made a profit of £3,045 and had a deficit of capital and reserves of £132,505 at that date.

# THE FINE ART GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2007

### 3. Transactions With the Director

During the year the company received management charges of £65,000 (2006 £67,000) from Solomon and Whitehead, and £2,000 (2006 £2,000) from Artistick Limited, being wholly owned subsidiary undertakings of the company

The company is owed £170,000 (2006 £170,000) by Artistick Limited a subsidiary undertaking. This debt has been provided against to the extent of the deficit of the funds in its balance sheet, £132,505 (2006 £135,550). The net balance of £37,495 (2006 £34,450) is included in note 2 to these abbreviated accounts

At the year end, the company was owed the following amounts by group undertakings

	2007 £	2006 £
Solomon & Whitehead Limited	<u>43,021</u>	<u>57,674</u>
Purechance Limited	<u>67,566</u>	<u>67,566</u>
Artistick Limited	<u>125</u>	<u>-</u>

The company has given an unlimited guarantee in respect of group bank borrowings. The potential liability under this guarantee at the year end was £28,658 (2006 £Nil)

The company has a liability under a group VAT registration at the year end of £22,191 (2006 £33,199)

### 4. Share Capital

#### Authorised share capital:

	2007 £	2006 £
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

#### Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

### 5. Ultimate Parent Company

The ultimate holding company is Purechance Limited, a company registered in England and Wales