

ANNELY JUDA FINE ART LIMITED

Annual Report and Financial Statements

For the year ended 31 December 2024



ANNELY JUDA FINE ART LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2024

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ANNELY JUDA FINE ART LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2024

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D Juda
N Fellmann

COMPANY SECRETARY

Y Juda

REGISTERED OFFICE

23 Dering Street
London
W1S 1AW
United Kingdom

BANKERS

Barclays Bank PLC
Floor 27
1 Churchill Place
London
E14 5HP

SOLICITORS

Charles Russell
8-10 Fetter Lane
London
EC4A 1RS

AUDITOR

Fairhurst Audit Services Ltd
Statutory Auditor
Wigan, WN1 2TB

ANNELY JUDA FINE ART LIMITED

STRATEGIC REPORT

BUSINESS REVIEW AND PRINCIPAL ACTIVITY

The directors present their strategic report for the year ended 31 December 2024. The principal activity of the company is that of dealers in fine art. The directors were pleased with the profits in 2024, as they had not expected significant profits.

As shown in the company's profit and loss account on page 11, turnover decreased to £10,348,315 (2023 - £13,584,945) and gross profit decreased to £2,964,598 (2023 - £3,215,220).

KEY PERFORMANCE INDICATORS

	2024	2023
Change in turnover	-23.8%	-27.4%
Change in gross profit	-7.8%	-39.5%

The nature of the company's business is such that financial benchmarks are difficult to establish with each work of art being unique and without there being any standard level of margin. The directors seek to control overheads within the level of margin achieved and have achieved a profit in the year.

The balance sheet on page 12 shows that the company's financial position is, in net assets terms, an improvement on the prior year.

PRINCIPAL RISKS AND UNCERTAINTIES

The company operates in a highly competitive market which is a continuing risk to the company. It is important for the directors to gauge the market and the direction in which it is developing and to avoid over investment in a particular artist or school.

The level of business is also extremely dependent on the state of the global economy with the company regularly making sales in the US, Europe and other countries including the United Kingdom.

RESULTS AND DIVIDENDS

Details of the results for the year are set out in the profit and loss account on page 11. The profit after tax was £166,441 (2023 - £140,816). The company paid a dividend of £250,000 during the year (2023 - £100,000).

FUTURE PROSPECTS

The directors are concerned with the present economic climate and do not expect significant profits nor losses for 2025. However, they feel confident that the company has enough liquidity to cover any possible downturn.

BUSINESS RISKS

The company's principal financial assets are bank balances, stock of works of art and trade debtors. The company's credit risk is primarily attributable to its trade debtors. The company has no significant concentration of credit risk with exposure spread over a range of customers. The company is well placed to manage its business risks, despite the current uncertain economic outlook. It has a reasonable level of liquidity which is important in enabling the company to act timely for opportunities in the market and have no borrowing from third parties.

ANNELY JUDA FINE ART LIMITED

STRATEGIC REPORT

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, appearing to be 'D. Juda', with a stylized, cursive flourish at the end.

D Juda

Director

Date: 23 May 2025

ANNELY JUDA FINE ART LIMITED

DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the financial statements and auditor's report for the year ended 31 December 2024.

DIRECTORS

The directors who served during the year and to the date of this report were as follows:

D Juda
N Fellmann

DIVIDENDS

The company paid a final dividend of £25 per share (2023 - £10 per share), during the year of £250,000 (2023 - £100,000).

FUTURE DEVELOPMENTS

Details of future developments can be found in the Strategic Report on page 2.

FINANCIAL RISKS AND RISK MANAGEMENT

Details of the business risks can be found in the Strategic Report on page 2.

POST BALANCE SHEET EVENTS

There were no post balance sheet events since 31 December 2024.

GOING CONCERN

The directors do not expect significant profits nor losses for 2025, but have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future and the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have reviewed their costs and consider the company has good liquidity to meet its cost commitments, which includes significant renovation costs of the new gallery space at 16 Hanover Square, in preparation of moving in 2025. The cash at bank at 31 December 2024 was £5.7m (2023 - £6.0m). The net current assets at 31 December 2024 were £11.7m (2023 - £12.0m). The directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the next twelve months from the date of signing these financial statements and the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. This is based on the company having a strong balance sheet. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

AUDITOR

Each of the directors at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

ANNELY JUDA FINE ART LIMITED

DIRECTORS' REPORT

Approved by the Board of Directors and signed on behalf of the Board

D Juda 

Director

Date: 23 May 2025

ANNELY JUDA FINE ART LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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; and
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANNELY JUDA FINE ART LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Annelly Juda Fine Art Limited (the 'company') for the year ended 31 December 2024 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANNELY JUDA FINE ART LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page six, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANNELY JUDA FINE ART LIMITED (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect in the determination of material amounts and disclosures in the financial statement, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatements of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. As a result of these procedures we consider that the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and the Companies Act 2006.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, reviewing minutes of meetings and inspecting legal correspondence.

In assessing the susceptibility of the company's financial statements to material misstatement, including obtaining and understanding of how fraud might occur;

- We gained an understanding of the controls that management have in place to prevent and detect fraud.
- We enquired of management about any instances of fraud that had taken place during the year.

To address the risk of fraud through management bias and override of controls;

- We performed analytical procedures to identify any unusual or unexpected relationships;
- We tested journal entries to identify unusual transactions; and
- We assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANNELY JUDA FINE ART LIMITED (continued)

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



Louise Webster BSC BFP ACA (Senior Statutory Auditor)
for and on behalf of Fairhurst Audit Services Ltd
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

Date: 2 June 2025

ANNELY JUDA FINE ART LIMITED

PROFIT AND LOSS ACCOUNT **For the year ended 31 December 2024**

	Note	2024 £	2023 £
TURNOVER	3	10,348,315	13,584,945
Cost of sales		(7,383,717)	(10,369,725)
GROSS PROFIT		<u>2,964,598</u>	<u>3,215,220</u>
Distribution costs		(774,670)	(952,659)
Administrative expenses		(2,379,505)	(2,249,637)
Other income – compensation and royalties	4	186,448	23
		<u>(2,967,727)</u>	<u>(3,202,273)</u>
OPERATING (LOSS) / PROFIT	4	(3,130)	12,947
Interest receivable and similar income	6	250,977	212,110
PROFIT BEFORE TAXATION		247,847	225,057
Tax on profit	7	(81,406)	(84,241)
PROFIT AFTER TAXATION		<u>166,441</u>	<u>140,816</u>

All activities derive from continuing operations.

There are no comprehensive income or expenses other than the profit for the financial year and the preceding financial year. Accordingly, no statement of comprehensive income is given.

The notes set out on pages 15 to 23 form part of these financial statements.

ANNELY JUDA FINE ART LIMITED

BALANCE SHEET

As at 31 December 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	9	309,481	103,819
CURRENT ASSETS			
Stocks	10	6,282,297	6,555,405
Debtors	11	1,103,059	430,196
Cash at bank and in hand		5,693,418	5,965,180
		<u>13,078,774</u>	<u>12,950,781</u>
CREDITORS: amounts falling due within one year	12	<u>(1,338,609)</u>	<u>(918,105)</u>
NET CURRENT ASSETS		<u>11,740,165</u>	<u>12,032,676</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,049,646	12,136,495
PROVISIONS FOR LIABILITIES	13	<u>(18,331)</u>	<u>(21,621)</u>
NET ASSETS		<u>12,031,315</u>	<u>12,114,874</u>
CAPITAL AND RESERVES			
Called up share capital	14	10,000	10,000
Profit and loss account		<u>12,021,315</u>	<u>12,104,874</u>
SHAREHOLDERS' FUNDS		<u>12,031,315</u>	<u>12,114,874</u>

The notes set out on pages 15 to 23 form part of these financial statements.

The financial statements of Annelly Juda Fine Art Limited, registered number 02261663, were approved by the Board of Directors and authorised for issue on 23rd May 2025

Signed on behalf of the Board of Directors



D Juda

Director

ANNELY JUDA FINE ART LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Called up share capital £	Profit and loss account £	Total £
At 1 January 2023	10,000	12,064,058	12,064,058
Profit for the financial year, being total comprehensive income	-	140,816	140,816
Dividend for the year (note 8)	-	(100,000)	(100,000)
At 31 December 2023	10,000	12,104,874	12,104,874
Profit for the financial year, being total comprehensive income	-	166,441	166,441
Dividend for the year (note 8)	-	(250,000)	(250,000)
At 31 December 2024	<u>10,000</u>	<u>12,021,315</u>	<u>12,031,315</u>

ANNELY JUDA FINE ART LIMITED

STATEMENT OF CASH FLOWS **For the year ended 31 December 2024**

	Note	2024 £	2023 £
Cash flows from operative activities:			
Operating (loss) / profit for the financial year		(3,130)	12,947
Adjustments for:			
Depreciation of property, plant & equipment	9	37,163	20,746
Loss on disposal of equipment		(213)	260
(Increase) / decrease in trade other receivables	11	(698,043)	814,642
Decrease / (increase) in inventories	10	273,108	(1,231,717)
Increase in trade creditors	12	335,808	16,936
		<u>(55,307)</u>	<u>(366,186)</u>
Cash from operations		(55,307)	(366,186)
Income taxes refunded / (paid)	7	25,180	(456,635)
		<u>(30,127)</u>	<u>(822,821)</u>
Net cash from operating activities		(30,127)	(822,821)
Cash flows from investing activities:			
Purchases of property, plant and equipment	9	(242,612)	(90,397)
Interest received	6	250,977	212,110
		<u>8,365</u>	<u>121,713</u>
Net cash from investing activities		8,365	121,713
Cash flows from financing activities:			
Dividends paid	8	(250,000)	(100,000)
		<u>(250,000)</u>	<u>(100,000)</u>
Net cash used in financing activities		(250,000)	(100,000)
Net (decrease)/increase in cash and cash equivalents		(271,762)	(801,108)
Cash and cash equivalents at beginning of year		5,965,180	6,766,288
Cash and cash equivalents at end of year		<u><u>5,693,418</u></u>	<u><u>5,965,180</u></u>

ANNELY JUDA FINE ART LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies, which have been applied consistently throughout the year and preceding year, adopted are described below.

General information and basis of accounting

Annely Juda Fine Art Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Annely Juda Fine Art Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates. The financial statements are also presented in pounds sterling.

Going concern

The directors do not expect significant profits nor losses for 2025, but have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future and the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have reviewed their costs and consider the company has good liquidity to meet its cost commitments as they fall due. The cash at bank at 31 December 2024 was £5.7m (2023: £6.0m). The net current assets at 31 December 2024 were £11.7m (2023 - £12.0m). The directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the next twelve months and the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. This is based on the company having a strong balance sheet. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

Turnover

The turnover of the company is the total amount receivable for goods sold net of VAT, when the significant risks and rewards are considered to have been transferred to the buyer.

Transfer of assets acquired from the unincorporated business

In preparing these financial statements, management has adopted the transitional arrangements within FRS102 Section 35 which does not require business combinations that took place pre-transition to be restated.

On commencement of trading on 1 January 2004, the assets of Annely Juda Fine Art, an unincorporated business, were transferred at book value as a group reconstruction under FRS 6, as the transfer involved no change to the ultimate owner. In order to achieve compliance with FRS 6, (now FRS 102 Section 18) goodwill, which arises on the difference between the consideration and the net assets acquired from the unincorporated business, has been eliminated against the profit and loss reserve. This represents a departure from the Companies Act 2006 conditions for merger accounting since there is no exchange of shares, and also from FRS 10 (now FRS 102 Section 18) which would have retained the goodwill as an asset and amortised it over its useful economic life. The directors consider that, since there has been no change in the owner, or his rights, recognition of goodwill would not give a true and fair view.

The capitalisation of purchased goodwill would have created an intangible fixed asset of £500,000 in Annely Juda Fine Art Limited's balance sheet. An annual amortisation charge to the profit and loss account of £25,000 would be required, based on a useful economic life of 20 years.

ANNELY JUDA FINE ART LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment.

Depreciation of fixed assets is provided so as to write off the cost of the assets over their estimated useful lives at the following rates:

Leasehold improvements	10-20% per annum
Fixtures and fittings	15% per annum
Computers and equipment	33% per annum

Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Stocks

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

Leases

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term.

Pension costs

The company operates a defined contribution scheme for the benefit of certain employees. Contributions are charged to the profit and loss account are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as accruals in the balance sheet.

Interest receivable

Interest is recognised when received.

Other income

Royalties are recognised in the year to which they relate.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

ANNELY JUDA FINE ART LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs).

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements that have a significant impact on the amounts recognised. The directors consider there are no critical accounting judgements.

Key source of estimation uncertainty - valuation of stock

The directors consider each piece of artwork for impairment using judgement based on their experience in the industry taking into account past and present trends both in the industry as a whole and interest in the artist.

A provision is recognised when cost is considered to be in excess of net realisable value. The carrying value of stock at year end was £6,282,297 (2023: £6,555,405). There were no impairment losses recognised in the year (2023 - £46,700).

ANNELY JUDA FINE ART LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

3. TURNOVER

All turnover is derived from the company's principal activity.

	2024 £	2023 £
The turnover attributable to the company's geographical markets is:		
United Kingdom	1,811,196	679,978
Rest of Europe	2,619,207	4,089,603
USA	902,126	1,384,555
Rest of the World	5,015,786	7,430,809
	<u>10,348,315</u>	<u>13,584,945</u>

4. OPERATING PROFIT

	2024 £	2023 £
Operating profit is stated after charging (crediting):		
Depreciation of tangible fixed assets (note 9)	37,163	20,746
Impairment of stock	-	46,700
Rentals under operating leases:		
Land and buildings	738,108	582,638
Foreign exchange loss	6,885	74,708
Royalty income	(15)	(23)
Statutory compensation from Landlord	<u>(186,433)</u>	<u>-</u>
 The analysis of auditor's remuneration is as follows:		
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>17,245</u>	<u>32,000</u>
 Fees Payable to the company's auditor for the provision of taxation compliance services	<u>3,750</u>	<u>7,400</u>
 Total non-audit fees	<u>3,750</u>	<u>7,400</u>

ANNELY JUDA FINE ART LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

5. INFORMATION REGARDING THE DIRECTORS AND EMPLOYEES

	2024 No	2023 No
The average monthly number of persons (including directors) employed by the company during the year was:		
Administration	7	7
Sales	5	5
	<u>12</u>	<u>12</u>
	£	£
The costs incurred in respect of these employees were:		
Wages and salaries	1,041,790	904,894
Social security costs	115,400	96,759
Pension costs	34,689	28,763
	<u>1,191,879</u>	<u>1,030,416</u>
Emoluments of the directors of the company included in staff costs were as follows:		
Emoluments	<u>304,211</u>	<u>215,000</u>
The remuneration of the highest paid director was:		
Emoluments	219,557	175,000
Pension costs	6,250	5,250
	<u>225,807</u>	<u>180,250</u>

During the year, two members (2023 - two) of key management were remunerated a total of £304,211 (2023 - £215,000).

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2024 £	2023 £
Bank deposit interest	<u>250,977</u>	<u>212,110</u>

ANNELY JUDA FINE ART LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

7. TAXATION

Analysis of the tax charge

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

	2024 £	2023 £
United Kingdom corporation tax on profits for the period	84,696	68,622
Adjustment in respect of previous periods	-	6
Total current tax	84,696	68,628
Deferred tax:		
Origination and reversal of timing differences	(3,290)	14,698
Adjustment in respect of previous periods	-	(9)
Effect of change of rates	-	924
Total deferred tax	(3,290)	15,613
Total tax per income statement	81,406	84,241

Reconciliation of total tax charge included in profit & loss

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

	2024 £	2023 £
Profit for the period:	247,848	225,057
Tax on profit at standard rate UK tax rate of 23.5% (2023: 23.52%)	61,962	52,935
<i>Factors affecting charge for the year:</i>		
Expenses not deductible for tax purposes	17,882	30,395
Income no taxable	-	(10)
Depreciation in excess of capital allowances	1,562	-
Adjustment from previous periods	-	(3)
Tax rate changes	924	924
Total actual amount of tax	81,406	84,241

ANNELY JUDA FINE ART LIMITED

NOTES TO THE FINANCIAL STATEMENTS **For the year ended 31 December 2024**

8. DIVIDENDS

	2024 £	2023 £
Dividends paid of £25 per ordinary share (2023 – £10 per ordinary share)	250,000	100,000
	<u> </u>	<u> </u>

9. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Fixtures and fittings £	Computers and equipment £	Total £
Cost				
At 1 January 2024	740,031	175,042	96,141	1,011,214
Additions	225,774	2,690	14,148	242,612
Disposals	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2024	965,805	177,732	110,289	1,253,826
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Accumulated depreciation				
At 1 January 2024	740,031	100,624	66,740	907,395
Charge for the year	6,249	16,366	14,548	37,163
Adjustment	-	(213)	-	(213)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2024	746,280	116,777	81,288	944,345
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value				
At 31 December 2024	219,525	60,955	29,001	309,481
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2023	-	74,418	29,401	103,819
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

10. STOCKS

	2024 £	2023 £
Goods for resale	6,282,297	6,555,405
	<u> </u>	<u> </u>

Due to the nature of stock held it is not practicable to quantify any potential differences between carrying value and replacement cost.

ANNELY JUDA FINE ART LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

11. DEBTORS

	2024 £	2023 £
Trade debtors	490,537	70,855
VAT recoverable	46,291	49,893
Prepayments	566,231	284,268
Corporation Tax	-	25,180
	<u>1,103,059</u>	<u>430,196</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade creditors	382,248	178,017
Director's current account (note 16)	258,360	412,851
Corporation tax	84,696	-
Other taxation and social security	110,787	110,763
Accruals	441,581	216,474
Deferred income	60,937	-
	<u>1,338,609</u>	<u>918,105</u>

13. PROVISIONS FOR LIABILITIES

Deferred taxation

	2024 £	2023 £
Provision at start of period	21,621	6,004
Adjustment in respect of prior years	-	(5)
Charge for the year	(3,290)	15,622
	<u>18,331</u>	<u>21,621</u>
Total	<u>18,331</u>	<u>21,621</u>

The amounts of deferred taxation provided in the accounts are as follows:

	2024 £	2023 £
Fixed asset timing differences	19,011	22,191
Short term timing differences	(680)	(570)
	<u>18,331</u>	<u>21,621</u>
Total	<u>18,331</u>	<u>21,621</u>

ANNELY JUDA FINE ART LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

14. CALLED UP SHARE CAPITAL AND RESERVES

	2024 £	2023 £
Called up, allotted and fully paid		
10,000 ordinary shares of £1 each	10,000	10,000

The Company has one class of ordinary shares which carry no right to fixed income.

The profit and loss account reserve represents cumulative profits, net of dividends paid.

15. OPERATING LEASE COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings	
	2024 £	2023 £
Within one year	386,207	376,729
Between one and five years	3,438,300	448,633
	<u>3,824,507</u>	<u>825,362</u>

16. RELATED PARTY DISCLOSURES

Other related parties

	2024 £	2023 £
Sales	81,198	28,143
Purchases	37,075	22,800
Donations	-	50,000
	<u>3,824,507</u>	<u>825,362</u>

Other related parties represent purchases and sales of artwork to family members of the directors.

Donations relate to a charitable foundation, a Director is a trustee of.

17. POST BALANCE SHEET EVENTS

There were no post balance sheet events since 31 December 2024.