Registered number: 11401108

ARTFARM GROUP LIMITED

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

ARTFARM GROUP LIMITED

COMPANY INFORMATION

DIRECTORS	Lord E M Davies E A Venters I Wirth M Wirth-Hauser
REGISTERED NUMBER	11401108
REGISTERED OFFICE	Stockwell House 13 High Street Bruton Somerset BA10 0AB
INDEPENDENT AUDITOR	Rawlinson & Hunter Audit LLP Statutory Auditor & Chartered Accountants Eighth Floor 6 New Street Square New Fetter Lane London EC4A 3AQ

ARTFARM GROUP LIMITED

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

INTRODUCTION

The directors present their Annual Report, consisting of the Group Strategic Report and Directors' Report, and the Consolidated Financial Statements of Artfarm Group Limited ("the company") for the year ended 31 December 2019. The comparatives are for the period from incorporation on 6 June 2018 to 31 December 2018. References to "group" refer to the consolidated group, being the company and its subsidiary undertakings (Artfarm Limited, Highlands Hospitality Limited, Highlands Hospitality Inc., Roth Bar & Grill Limited, Invercauld Arms Limited, The Fife Arms (Braemar) Limited, Roundhill Estate Limited, London Artfarm Limited and Artfarm Hispania SL) (together "the group" or the "the Artfarm Group").

PRINCIPAL ACTIVITIES

Whilst the group continues to trade at a financial loss, this is driven by both trends in the sector in which the group operates combined with the ambitious expansion plans. The Artfarm Group aims to redefine what culturally led development can achieve and is by its nature capital intensive with hotels in particular taking anywhere between ten and twenty years to payback. During the year the group entered into a joint venture with Rushbond plc to develop the 28 acre site of Bretton Hall in the centre of the Yorkshire Sculpture Park. This development will run in parallel to the investment in the Invercauld Arms in Scotland (situated in the same village as the Fife Arms) and a new hospitality venue in central London for which a long term lease was signed after the balance sheet date.

In order to realise this ambitious scaling of the operations, 2019 has been a year of investment in its central services and capabilities to enable Artfarm to achieve its plans and drive towards profit.

2019 was also notable for the considerable success achieved by the Fife Arms, which was awarded 'Hotel of the Year' by The Sunday Times in October and finished the year with 50% occupancy achieved solely through direct channels. The Sunday Times award, the outstanding UK and international press and the compelling occupancy achievement underscore the success of the Artfarm model. It is to find unique sites with great stories, to which Artfarm invites leading artists to interpret those stories with commissions and site-specific installations. Artfarm believes that art has a unique power to inspire and believes in sharing it with the community through accessible learning programmes. It is through Artfarm's passion for art, commitment to community and its unique sustainability vision that Artfarm's mould breaking hospitality offer can be defined.

The Fife Arms joins the existing stable of restaurants that includes Roth Bar & Grill in Somerset and Manuela in Los Angeles, both of which continue to trade profitably. The pub in Somerset – The Bull Inn – nears break even and in December Artfarm also opened a new pub in Braemar called the Invercauld.

Given these developments - both current and future - and building on existing offers, Artfarm believes it is uniquely placed to take advantage of what its customers clearly tell is a unique and inspiring proposition.

On 26 November 2018, the company acquired, as part of a share for share exchange, the entire share capital of Artfarm Limited and its subsidiary undertakings, Highlands Hospitality Limited, Highlands Hospitality Inc., and Artfarm Hispania SL. As, due to this business combination, no change in ownership took place, the group has accounted for this transaction in accordance with merger accounting from the date the company acquired the subsidiary undertakings. Under merger accounting, the assets and liabilities of all combining entities are reflected in the Consolidated Finance Statements at their carrying amounts immediately prior to the business combination. The comparative Consolidated Statement of Comprehensive Income therefore comprises the results of the company for the period 6 June 2018 to 31 December 2018 and the results of the group from 26 November 2018.

BUSINESS REVIEW (continued)

During the year, as part of a share for share exchange, the company acquired the share capital of Roundhill Estate Limited. Under merger accounting, the results for Roundhill Estate Limited have been consolidated into these consolidated financial statements as if control had been obtained by the company at 1 January 2019.

The loss for the year attributable to the group amounted to £6,997,018 *(period ended 31 December 2018 - £1,608,038)*. The loss for the year is considered by the directors to be satisfactory given that the group is currently in its development phase. The directors have received assurances from the parent company that it will continue to support the company and group and accordingly consider the year-end financial position to be satisfactory.

PRINCIPAL RISKS AND UNCERTAINTIES

Foreign exchange risk

The group is exposed to movement in foreign exchange rates as a result of transactions within the group, with its parent undertaking, and with suppliers. The company manages these risks by maintaining foreign currency bank accounts.

Credit risk

The directors do not consider that the group has significant credit risk. The group has implemented policies and arrangements with its clients to minimise the potential credit risk.

Liquidity risk

The group manages the liquidity position with the objective of maintaining the ability to fund commitments and repay liabilities in accordance with suppliers' payment terms. The group relies on the continuing support of the company's parent undertaking.

Interest rate risk

The group's operating activities are currently funded through a mixture of loans from the parent company and 3rd party loan financing. Accordingly, whilst the group is exposed to interest rate risk, this is mitigated by the short term nature of the 3rd party loan financing and the parent company financing being at a fixed rate.

Covid-19

The Covid-19 pandemic that has taken hold in the UK will undoubtedly have an effect on all UK companies in a wide ranging manner, potentially affecting their operational capability, liquidity and financial position.

The directors have considered the implications and have put in place business continuity plans that should allow the company to continue in operation.

However, we are at an early stage of this pandemic and Government policy is constantly evolving. Accordingly, we are unable to assess the full potential impact and we are keeping the matter under constant review.

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

FINANCIAL KEY PERFORMANCE INDICATORS ("KPIs")

In acknowledgement that the group is in its growth phase, the directors consider the financial KPIs of the group are as follows:

	2019	2018
EBITDA	(£3,322,998)	(£1,162,809)
Gross assets	42,651,414	£29,467,915
Net liabilities	16,702,733	£8,894,285

This report was approved by the board and signed on its behalf by

Iwan Wirth

I Wirth
Director
Date: 29/09/2020

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and audited Consolidated Financial Statements for the year ended 31 December 2019. The comparatives present the result for the period from incorporation on 6 June 2018 to 31 December 2018.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the Consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 the group and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group and to 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESULTS AND DIVIDENDS

The loss for the period amounted to £6,997,018 *(2018 period to 31 December 2018 - £1,608,038)*.
There were no dividends paid and declared during the period.

DIRECTORS

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

Lord E M Davies
E A Venters
I Wirth
M Wirth-Hauser

PRINCIPAL RISKS AND UNCERTAINTIES

The directors assessment of the principal risks and uncertainties is set out in the Group Strategic Report.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

AUDITOR

Under section 487(2) of the Companies Act 2006, Rawlinson & Hunter Audit LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf by

Iwan Wirth

I Wirth
Director

Date: 29/09/2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTFARM GROUP LIMITED

OPINION

We have audited the Consolidated Financial Statements of Artfarm Group Limited ("the company") and its subsidiary undertakings (collectively "the group") for year ended 31 December 2019, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated and Company Statement of Changes in Equity and the related notes. 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 group's and of the parent company's affairs as at 31 December 2019 and of the group's loss 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Consolidated Financial Statements, other than the financial statements and our Auditor's Report 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTFARM GROUP LIMITED

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

OPINION 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 Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 Directors' Responsibilities Statement on page 4, 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 is 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTFARM GROUP LIMITED

AUDITOR'S 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 an Auditor's Report 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.

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 Auditor's Report.

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 an Auditor's Report 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.

Rawlinson & Hunter Audit LLP

David Davies (Senior Statutory Auditor)
for and on behalf of
Rawlinson & Hunter Audit LLP
Statutory Auditor
Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ
Date: 29 September 2020

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Year ended 31 December 2019 £	Period ended 31 December 2018 £
TURNOVER	4	12,211,366	1,143,403
Cost of sales		(8,795,569)	(1,116,512)
GROSS PROFIT		3,415,797	26,891
Administrative expenses		(6,738,795)	(1,230,084)
Depreciation		(2,108,103)	(208,446)
Other operating income		-	40,384
OPERATING LOSS	5	(5,431,101)	(1,371,255)
Interest receivable and similar income	9	61,225	209,170
Interest payable and similar charges	10	(1,546,151)	(441,006)
LOSS BEFORE TAXATION		(6,916,027)	(1,603,091)
Tax on loss	11	(626)	-
LOSS FOR THE FINANCIAL YEAR/PERIOD		(6,916,653)	(1,603,091)
Currency translation differences		(80,365)	(4,947)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD		(6,997,018)	(1,608,038)

The result for the period is wholly attributable to continuing activities.

The notes on pages 16 to 33 form part of these financial statements.

ARTFARM GROUP LIMITED
REGISTERED NUMBER: 11401108

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note		2019 £		2018 £
FIXED ASSETS					
Tangible assets	13		29,603,297		27,976,628
Investment property	14		6,414,606		-
Intangible assets	15		1,336		1,500
Investments	16		4,371,334		-
			40,390,573		27,978,128
CURRENT ASSETS					
Stocks	17	470,255		287,089	
Debtors: amounts falling due after more than one year	18	-		42,800	
Debtors: amounts falling due within one year	18	749,258		861,369	
Cash at bank and in hand	19	1,041,328		298,529	
		2,260,841		1,489,787	
CREDITORS					
Creditors: amounts falling due within one year	20	(20,163,546)		(16,254,557)	
NET CURRENT LIABILITIES			(17,902,705)		(14,764,770)
Creditors: amounts falling due after more than one year	21		(39,190,601)		(22,107,643)
NET LIABILITIES			£(16,702,733)		£(8,894,285)
CAPITAL AND RESERVES					
Called up share capital	23		5		5
Profit and loss account	24		(16,702,738)		(8,894,290)
			£(16,702,733)		£(8,894,285)

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

Iwan Wirth

I Wirth
Director
Date: 29/09/2020

The notes on pages 16 to 33 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note		2019 £		2018 £
FIXED ASSETS					
Investments	16		**30,921,484**		20,052,483
					20,052,483
CURRENT ASSETS					
Debtors	18	**60,201**		1	
Cash at bank and in hand	19	**23,533**			
		83,734		1	
CREDITORS					
Creditors: amounts falling due within one year		-		-	
NET CURRENT ASSETS			**83,734**		1
Creditors: amounts falling due after more than one year	21		**(30,938,224)**		(20,050,275)
NET ASSETS			**£ 66,994**		£ 2,209
CAPITAL AND RESERVES					
Called up share capital	23		**5**		5
Profit and loss account	24		**66,989**		2,204
			£ 66,994		£ 2,209

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

Iwan Wirth

I Wirth

Director

Date: 29/09/2020

The notes on pages 16 to 33 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Profit and loss account £	Total equity £
Loss for the period ended 31 December 2018	-	(1,603,091)	(1,603,091)
Currency translation differences	-	(4,947)	(4,947)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	(1,608,038)	(1,608,038)
Share issued on incorporation (Note 23)	5	-	5
Retained losses acquired in formation of the group		(7,286,252)	(7,286,252)
TOTAL TRANSACTIONS WITH OWNERS	5	(8,894,290)	(8,894,290)
AT 31 DECEMBER 2018	£ 5	£ (8,894,290)	£ (8,894,290)
Loss for the year ended 31 December 2019	-	(6,916,653)	(6,916,653)
Currency translation differences	-	(80,365)	(80,365)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	(6,997,018)	(6,997,018)
Retained losses acquired as part of group restructure		(811,430)	(811,430)
TOTAL TRANSACTIONS WITH OWNERS	-	(811,430)	(811,430)
AT 31 DECEMBER 2019	£ 5	£(16,702,738)	£(16,702,733)

The notes on pages 16 to 33 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Profit and loss account £	Total equity £
Profit for the period ended 31 December 2018	-	2,204	2,204
Shares issued during the period (Note 23)	5	-	5
AT 31 DECEMBER 2018	£ 5	£ 2,204	£ 2,209
Profit for the year ended 31 December 2019	-	64,785	64,785
AT 31 DECEMBER 2019	£ 5	£ 66,989	£ 66,994

The notes on pages 16 to 33 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the financial year/period	**(6,916,653)**	(1,603,091)
ADJUSTMENTS FOR:		
Depreciation of tangible assets	**2,108,103**	208,446
Interest paid	**1,546,151**	441,006
Interest received	**(61,225)**	(209,170)
(Increase) in stocks	**(183,166)**	(287,089)
Decrease / (increase) in debtors	**112,111**	(904,169)
Increase in creditors	**608,989**	2,026,556
Foreign translation movements	**(85,817)**	(4,947)
NET CASH USED IN OPERATING ACTIVITIES	**(2,871,507)**	(332,458)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment to acquire fixed assets	**(8,109,121)**	(686,968)
Working capital acquired on acquisition of subsidiaries	**(35,237)**	1,609,401
Interest received	**61,225**	209,170
Interest paid	**(1,546,151)**	(441,006)
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	**(9,629,284)**	690,597
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of new shares	**-**	5
Loans issued by group undertakings	**-**	20,050,275
Loans issued to group undertakings	**-**	(20,050,275)
New loans received	**13,242,590**	-
Repayments of loans	**-**	(59,615)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES	**13,242,590**	(59,610)
INCREASE IN CASH AND CASH EQUIVALENTS	**742,799**	298,529
Cash and cash equivalents at beginning of period	**298,529**	-
CASH AND CASH EQUIVALENTS AT THE END OF YEAR / PERIOD	**£ 1,041,328**	£ 298,529
Cash at bank and in hand	**£ 1,041,328**	£ 298,529

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2019	Cash flows	Other non-cash changes	At 31 December 2019
	£	£	£	£
Cash and cash equivalents				
Cash	298,529	742,799	-	1,041,328
	298,529	742,799	-	1,041,328
Borrowings				
Debt due within one year	(14,040,001)	-	(3,300,000)	(17,340,001)
Debt due after one year	(22,107,643)	(17,082,958)	-	(39,190,601)
	(36,147,644)	(17,082,958)	(3,300,000)	(56,530,602)
Total	(35,849,115)	(16,340,159)	(3,300,000)	(55,489,274)

The notes on pages 16 to 33 form part of these financial statements.

1. GENERAL INFORMATION

The company is a private company limited by shares and is incorporated in England. The address of its registered office is Stockwell House, 13 High Street, Bruton, Somerset, BA10 0AB.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102") and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgment in applying the group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

These accounts have been prepared on a going concern basis which assumes the continuation of the group's activities for the foreseeable future. The accounts show that the group made a loss before taxation in the year of £6,916,027 and at the balance sheet date its liabilities exceeded its assets by £16,702,733.

The group and company are dependent on financial support from the parent undertaking. The directors have received assurances from the immediate and ultimate parent undertakings that they will continue to support the company and group as required to ensure that all third party liabilities are satisfied and will not seek repayment of monies due to them unless all third party liabilities have been met.

On the basis of their assessment of the group and company's financial position and resources, the directors believe that the company is well placed to manage its business risks.

The Covid-19 pandemic has created significant operational and financial pressures on the group and company. Having considered the contingency plans in place, the support to businesses announced by the UK Government and having reviewed updated cashflow forecasts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and hence consider the adoption of the going concern basis in preparing these consolidated financial statements is appropriate.

2.3 BASIS OF CONSOLIDATION

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

As part of the group restructuring outlined within the Group Strategic Report, on 26 November 2018 the company acquired the share capital of Artfarm Limited (and in consequence gained control of its subsidiary undertakings), Highland Hospitality Limited, Highland Hospitality Inc. and Artfarm

Hispania SL as part of a share for share exchange. As, due to this business combination, no effective change in ownership took place, the group has accounted for this transaction in accordance with merger accounting from the date the company acquired the subsidiary undertakings. Under merger accounting, the assets and liabilities of all combining entities are reflected in the Consolidated Financial Statements at their carrying amounts immediately prior to the business combination. The Consolidated Statement of Comprehensive Income comprises the results of the company for the period and the results of the group from 26 November 2018.

2.4 TURNOVER

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The group recognises revenue when goods (such as food and beverages) and services (such as the supply of hotel rooms or events) are supplied to the customer.

2.5 INTANGIBLE ASSETS

Intangible assets relate to the cost of copyrights that have been capitalised and is being amortised over its anticipated useful life of 10 years.

2.6 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.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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	- Twenty-five years straight line
Leasehold improvements	- Length of lease (expires 28 Feb 2024)
Fixtures, fittings & equipment	- Five years straight line
Computer equipment	- Three to four years straight line
Motor vehicles	- Five years straight line
Office equipment	- Five years straight line
Hotel renovations	- Five or twenty-five years 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 Consolidated Statement of Comprehensive Income.

2.7 VALUATION OF INVESTMENTS AND JOINT VENTURES

Investments in subsidiaries and equity interests in joint ventures are measured at cost less accumulated impairment, if any.

2.8 STOCKS

Stocks are stated at the lower of cost and net realisable value after making due allowance for slow-moving stocks.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

2.11 FINANCIAL INSTRUMENTS

The group 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest rate method. Debt instruments that are payable or receivable within one year , typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

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 Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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 group would receive for the asset if it were to be sold at the reporting date.

2.12 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.

2.13 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The company and group'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.

Exchange gains and losses are recognised in the Consolidated Statement of Comprehensive Income.

2.14 PENSIONS

Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Consolidated and Company Statements of Financial Position. The assets of the plan are held separately from the group in independently administered funds.

2.15 INTEREST INCOME

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

2.16 FINANCE COSTS

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.17 TAXATION

Tax is recognised in the Consolidated 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 reporting date in the countries where the company and the group operate and generate income.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exemptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are anticipated to reverse.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements, management has to make judgements on how to apply the group's accounting policies and make estimates about the future. The critical judgements that have been made in arriving at the amounts recognised in the financial statements and the key areas of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities in the next financial year, are discussed below:

Estimated useful life of tangible fixed assets

Tangible fixed assets stated at £29,903,297 in the Consolidated Statement of Financial Position at the year end are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of assets and residual values are assessed annually and may vary depending on a number of factors. In re assessing the asset lives, factors such as technological innovation, product life cycle and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

Impairment of tangible fixed assets

Management assesses annually whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Valuation of investment property

The group determines the fair value of investment property on an annual basis through the use of historical external valuations, or directors' valuation. The investment property is currently in development and as such the directors view that the valuation of the investment property equates to historical cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

4. TURNOVER

The whole of the turnover, except for management fees of £72,054 *(period to 31 December 2018 - £61,319)*, is attributable to hospitality sales.

A geographical analysis of turnover is as follows:

	2019 £	2018 £
United Kingdom	**7,095,065**	640,563
United States of America	**5,116,301**	502,840
	12,211,366	*£1,143,403*

5. OPERATING LOSS

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

	2019 £	2018 £
Depreciation of tangible fixed assets	**2,108,103**	208,446
Difference on foreign exchange	**(73,609)**	13,835
Other operating lease rentals	**309,322**	64,427

6. AUDITOR'S REMUNERATION

	2019 £	2018 £
Fees payable to the company's auditor for the audit of the company's annual financial statements	**5,000**	5,000
Fees payable to the subsidiary companies' auditor in respect of the audit of the subsidiary companies' accounts	**40,000**	30,000
Fees payable to the company's auditor in respect of accounting and taxation services	**17,000**	23,750

7. STAFF COSTS

	2019 £	2018 £
Wages and salaries	**7,065,766**	576,336
Social security costs	**431,543**	25,937
Other pension costs	**127,680**	8,113
	7,624,989	610,386

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Restaurant & hotel staff	**294**	13
Management (including directors)	**32**	6
	326	19

8. DIRECTORS' REMUNERATION

Key management remuneration, including directors, totalled £414,365 for the year *(period to 31 December 2018 - £Nil)*.

9. INTEREST RECEIVABLE

	2019 £	2018 £
Group interest receivable	**-**	207,812
Other interest receivable	**526**	1,358
Interest receivable from joint venture	**60,699**	-
	61,225	209,170

Group interest receivable relates to interest receivable by Artfarm Group Limited on intercompany loans from Highlands Hospitality Limited, Roth Bar & Grill Limited, Fife Arms (Braemar) Limited, and Artfarm Limited prior to the company becoming a member of the group on 26 November 2018.

Interest receivable from joint venture relates to loan notes issued to the joint venture (refer Note 16).

10. INTEREST PAYABLE AND SIMILAR CHARGES

	2019 £	2018 £
Bank interest payable	**953,700**	190,273
Group interest payable	**575,866**	224,500
Other interest payable	**16,585**	26,233
	1,546,151	441,006

Group interest payable relates to interest paid by Artfarm Group Limited to its parent undertaking.

11. TAXATION

	2019 £	2018 £
CORPORATION TAX		
Current tax on loss for the year	**-**	-
Overseas tax	**626**	-
Tax on loss on ordinary activities	**626**	-

11. TAXATION (continued)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 19%.

The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	**(6,916,027)**	(1,608,038)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% *(2018 – 19%)*:	**(1,314,045)**	(305,527)
EFFECTS OF:		
Expenses not deductible for tax purposes	**23,422**	289
Depreciation in excess of capital allowances	**275,933**	71,856
Losses carried forward	**1,014,690**	233,382
Tax rate of local jurisdiction	**626**	-
TOTAL TAX CHARGE FOR THE YEAR	**626**	-

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The Finance Act 2016 (which received Royal Assent on 7 September 2016) reduced the main rate of corporation tax to 19% from 1 April 2017 and to 17% from 1 April 2020. As these rates have been substantively enacted at the Consolidated Statement of Financial Position date, the deferred tax figures for 2019 and 2018 have been calculated using these rates, albeit the current UK Government has announced the reduction to 17% will not be implemented. The group has taxation losses available for offset against future trading profits of approximately £6,370,000 *(period to 31 December 2018 - £3,412,000)*.

12. PARENT COMPANY PROFIT FOR THE YEAR

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent company for the period was £64,785 *(period to 31 December 2018 - £2,204)*.

13. TANGIBLE FIXED ASSETS

Group

	Freehold property	Leasehold improvements	Motor vehicles	Fixtures, fittings & equipment	Hotel and other building renovations & equipment	Total
	£	£	£	£	£	£
COST						
At 1 January 2019	4,038,460	1,075,038	191,146	4,364,987	19,554,957	29,224,588
Additions	1,128,993	-	-	323,729	2,259,340	3,712,062
Acquired on group restructure	-	-	-	31,000	-	1,000
Exchange adjustment	-	(26,633)	-	(18,744)	(3,729)	(49,106)
Transfer between classes	21,682,005	-	-	128,563	(21,810,568)	-
At 31 December 2019	**26,849,458**	**1,048,405**	**191,146**	**4,829,535**	**-**	**32,918,544**
DEPRECIATION						
At 1 January 2019	158,427	335,291	9,594	636,774	107,874	1,247,960
Charge for the period	67,517	153,756	38,216	883,788	964,826	2,108,103
Acquired on group restructure	-	-	-	(22,705)	-	(22,705)
Exchange adjustment	-	(8,306)	-	(8,269)	(1,536)	(18,111)
Transfer between classes	984,484	-	-	86,680	(1,071,164)	
At 31 December 2019	**1,210,428**	**480,741**	**47,810**	**1,576,268**	**-**	**3,315,247**
NET BOOK VALUE						
At 31 December 2019	**25,639,030**	**567,664**	**143,336**	**3,253, 267**	**-**	**29,603,297**
At 31 December 2018	3,880,033	739,747	181,552	3,728,213	19,447,083	27,976,628

14. INVESTMENT PROPERTY

Group

Valuation	**Freehold investment property** **£**
Acquired on group restructure	**6,388,881**
Additions at cost	**25,725**
At 31 December 2019	**6,414,606**

Investment properties are valued by the directors, after having consulted with their professional advisors, at their estimated market value as at 31 December 2019. Fair value movements of £Nil *(2018 - £Nil)* are included in other operating income.

15. INTANGIBLE ASSET

Group

	Copyrights **£**
COST	
At 1 January 2019 and 31 December 2019	1,500
AMORTISATION	
At 1 January 2019	-
Charge for the year	164
At 31 December 2019	164
NET BOOK VALUE	
At 31 December 2019	**1,336**
At 31 December 2018	1,500

16. FIXED ASSET INVESTMENTS

Group

	Investments in Joint Ventures £	Loans to Joint Ventures £	TOTAL £
Balance as at 1 January 2019	-	-	-
Additions	810,635	3,560,699	4,371,334
31 December 2019	810,635	3,560,699	4,371,334

On 4 June 2019, Artfarm Limited became the holder of £3,500,000 principal amount of unsecured Series A Loan Notes in Bretton Investment Partnership Limited, the joint venture in which the company acquired a 50% equity interest in during the year. Interest at 3% per annum accrues on the principal amount and on each of the interest payment dates 30 June and 31 December, shall be capitalised and added to the outstanding principal amount of the loan to be repaid to the noteholders. Interest for the year ended 31 December 2019 was £60,699 *(period ended 31 December 2018 – £nil)*.

Company

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country	Holding	Principal activity
Artfarm Limited	UK	100 %*	Holding company
Highlands Hospitality Limited	UK	100 %*	Hospitality
Highlands Hospitality Inc.	USA	100 %*	Restaurant
Artfarm Hispania SL	Spain	100 %*	Hospitality
The Fife Arms (Braemar) Limited	UK	100 %	Hospitality
Roth Bar & Grill Limited	UK	100 %	Operation of a restaurant
Invercauld Arms Limited	UK	100 %	Hospitality
Roundhill Estate Limited	UK	100 %*	Hospitality
London Artfarm Limited	UK	100%	Dormant

16. FIXED ASSET INVESTMENTS (continued)

* These companies are direct subsidiaries of the company. The remaining subsidiaries are held indirectly by the company. As part of the group restructuring outlined within the Group Strategic Report, on 26 November 2018 the company acquired the share capital of these direct subsidiaries, with the exception of Roundhill Estate Limited, as part of a group reconstruction.

As part of the completion of the group reconstruction, the ownership of Roundhill Estate Limited was transferred from the parent entity during the year. On 13 December 2019, London Artfarm Limited, a new subsidiary entity, was incorporated. In the period from incorporation to 31 December 2019, this company was dormant.

All of the above companies were registered in the UK and have the same registered office as the company apart from Highlands Hospitality Inc. whose registered office is 909 E. 3rd Street, Los Angeles, California 90013 and Artfarm Hispania SL whose registered office is Placa Del Carme, Num 15 07702 Mao-Mahon, Illes Balears, Menorca, Spain.

	Loans due from subsidiary companies	Investments in subsidiary companies	Total
	£	£	£
COST			
At 1 January 2019	20,052,479	4	20,052,483
Additions	10,869,000	1	10,869,001
At 31 December 2019	**30,921,479**	**5**	**30,921,484**

Loans due from subsidiary companies comprise loans issued by the company which attract interest at LIBOR +1% and are repayable on 22 February 2024.

Investments in subsidiary companies comprise the company's investments in Artfarm Limited, Roundhill Estate Limited, Highlands Hospitality Limited, Highlands Hospitality Inc. and Artfarm Hispania SL.

17. STOCKS

	Group 2019	**Company 2019**	Group 2018	Company 2018
	£	**£**	£	£
Bar, restaurant & merchandise stocks	470,255	£	287,089	£ -

Stocks recognised in cost of sales in the period as an expense was £2,707,230 *(period to 31 December 2018 - £196,843)*. The difference between the replacement cost of stocks and its carrying amount is not material.

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2019 £	Company 2019 £	Group 2018 £	Company 2018 £
Bank loan	17,340,001	-	14,040,001	-
Trade creditors	786,762	-	1,096,874	-
Other taxation and social security	62,020	-	173,892	-
Other creditors	980,716	-	386,662	-
Accruals and deferred income	994,047	-	557,128	-
	20,163,546	-	16,254,557	-

Bank loans due within one year comprises a short term financing facility of £14,040,001 which is repayable on demand, bears interest at 2% above the bank's base rate subject to a minimum of 5.5% and is secured against the property of the group, except for that noted below. A guarantee has also been given by I Wirth and M Wirth-Hauser for £13,800,000 and an additional guarantee of £3,600,000 by an entity under the control of I Wirth and M Wirth-Hauser. Both guarantees are exclusive of interest and costs.

Also included in bank loans due within one year is a short term financing facility of £3,300,000 which is repayable on demand, bears interest at 5.5% and is secured against the group's investment property known as Roundhill Estate, Charlton Musgrove, Somerset. A guarantee has also been given by the Trustees of the Iwan and Manuela Wirth Art Trust, a related party of £3,300,000, excluding interest and costs.

Subsequent to the year end, both loans have been refinanced into 2 year 3.34% interest facilities.

21. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Group 2019 £	Company 2019 £	Group 2018 £	Company 2018 £
Amounts owed to group undertakings	39,190,601	30,938,224	22,107,643	20,050,275
	39,190,601	30,938,224	22,107,643	20,050,275

Included within amounts owed to group undertakings is a balance of £39,190,601 *(2018 – 22,107,643, of which £20,050,275 was owned to the then immediate parent company, Artfarm AG)* to Elidalbo AG the immediate parent undertaking. The loan bears interest at varying rates of interest between 1.5% and 3.0%. The loan is repayable in 4 years. Loan charged in the year was £575,866 *(period ended 31 December 2018 - £224,500).*

22. FINANCIAL INSTRUMENTS AND FINANCIAL COMMITMENTS

	Group 2019 £	Company 2019 £	Group 2018 £	Company 2018 £
FINANCIAL ASSETS				
Financial assets measured at fair value through profit or loss	1,041,328	23,533	298,529	-
Financial assets that are debt instruments measured at amortised cost	4,128,490	30,981,656	679,186	20,052,479
Financial assets that are equity instruments measured at cost less impairment	750,000	5	-	4
	5,919,818	31,005,194	977,715	2,052,483
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost	59,273,470	30,938,224	30,800,310	20,050,275
FINANCIAL COMMITMENTS				
Financial commitment to Bretton Investment Partnership	2,000,000	-	-	-

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors, amounts owed by the joint venture and amounts owed by group undertakings.

Financial assets that are equity instruments measured at cost les impairment represents the group's equity interest in its joint venture.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, other creditors, amounts owed to parent and group undertakings, and accruals.

On 4 June 2019, the group became the holder of £3,500,000 fixed rate unsecured Series A Loan Notes in Bretton Investment Partnership Limited. In total, £11,000,000 Series A Loan Notes were created, with £5,500,000 to each party to the joint venture agreement, if required. At the balance sheet date, £2,000,000 Series A Loan Notes remained unsubscribed.

23. SHARE CAPITAL

	2019	2018
	£	£
ALLOTTED, CALLED UP AND FULLY PAID		
5 Ordinary shares of £1	5	5

24. RESERVES

Profit and loss account

The profit and loss account represents cumulative profits, losses and other comprehensive income net of dividends and other adjustments.

In accordance with merger accounting, the retained profit and losses prior to the group reconstruction in 2018 and 2019, are included within the profit and loss account of the group.

25. PENSION COMMITMENTS

The group contributes to defined contributions pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the funds and amounted to £127,680 *(period ended 31 December 2018 - £12,628)*. Contributions totalling £63,423 *(2018 - £3,759)* were payable to the fund at the balance sheet date are included in creditors.

26. OPERATING LEASE COMMITMENTS

At 31 December 2019 the group and the company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £	Group 2018 £
Not later than 1 year	**136,785**	137,782
Later than 1 year and not later than 5 years	**451,341**	510,994
Later than 5 years	**-**	21,259
	588,126	670,035

27. CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS

The immediate and ultimate parent entity is Elidalbo AG, an entity registered in Switzerland. The company has taken advantage of the exemption under FRS 102 of disclosure of transactions between wholly owned group companies. The ultimate controlling parties are I Wirth and M Wirth-Hauser.

The following transactions took place between the group and entities under common control.

	2019	2018
	£	£
Group		
Debtors		
Horsley Farm Partnership	**82,517**	3,193
The Moors Partnership LLP	**41,916**	2,057
Hauser & Wirth Gallery Limited	**101,137**	27,640
Hauser & Wirth AG	**-**	18,660
Creditors		
Hauser & Wirth Gallery Limited	**131,685**	185,126
Hauser & Wirth AG	**-**	660
Elidalbo Hispania SA	**-**	18,792
Sales		
Horsley Farm Partnership	**25,000**	1,333
The Moors Partnership LLP	**-**	3,405
Hauser & Wirth Gallery Limited	**424,688**	12,199
Hauser & Wirth AG	**129**	129
Expenses		
Hauser & Wirth CA	**-**	35,697
Hauser & Wirth Gallery Limited	**415,390**	2,083

At 31 December 2019, included within other creditors are amounts owed to I Wirth and M Wirth-Hauser, directors of the group, of £308,009 *(2018 - £188,000)*. These balances are interest free and repayable on demand. Included within other debtors is £25,409 *(2018 - £23,179)* owed by I Wirth and M Wirth-Hauser to the group. This balance is interest free and repayable on demand.

28. POST BALANCE SHEET EVENTS

As set out in Group Strategic Report, after the year end, the group entered into a long term lease to develop and run a new hospitality venue in central London.

As detailed in the Group Strategic Report, Covid-19 has had a detrimental effect on the business, with the closure of hotels and restaurants in the UK. The directors have considered the implications and have put in place business continuity plans that should allow the company to continue in operation.

However, we are at an early stage of this pandemic and Government policy is constantly evolving. Accordingly, we are unable to assess the full potential impact and we are keeping the matter under constant review.