Gusbourne PLC

Report and financial statements for the year ended 31 December 2022

Company Number 08225727

Contents

Financial Summary

Continuing strong growth in net revenue, with net revenue up 49% at £6,243,000, and Adjusted EBITDA loss narrowed to £1,131,000, a 22% reduction from the prior period.

	2022 £'000	2021 £'000	Change %
Net revenue & adjusted EBITDA			
Net revenue [1]	6,243	4,191	49%
Gross profit	3,697	2,344	58%
Adjusted EBITDA [2]	(1,131)	(1,452)	22%
Gross profit %	59.2%	55.9%	
Statutory results			
Net revenue[1]	6,243	4,191	49%
Gross profit	3,697	2,344	58%
Fair value movement in biological produce	(239)	(704)	
Sales and marketing expenses	(3,479)	(2,460)	
Administrative expenses	(1,481)	(1,336)	
Depreciation	(601)	(600)	
Total Administrative expenses	(5,561)	(4,396)	
Operating profit/(loss)	(2,103)	(2,756)	
Reconciliation of operating profit/(loss) to adjusted EBITDA			
Operating profit/(loss)	(2,103)	(2,756)	
Add back;			
Depreciation	601	600	
Aborted planning and capital expenditure write-off	132	-	
Fair value movement in biological produce	239	704	
Adjusted EBITDA[2]	(1,131)	(1,452)	

[1] *Net revenue is revenue reported by the Group after excise duties payable*
[2] *Adjusted EBITDA means profit/(loss)from operations before aborted planning and capital expenditure write-off, fair value movement in biological produce, interest, tax, depreciation and amortisation.*

Highlights

Highlights of 2022 include:

- Net revenue* up by 49% to £6.24m (2021: £4.19m) with strong growth across the Group's three main distribution channels:
    - UK Trade sales up by 53% (2021: 177%) to £3.06m (2021: £2.00m)
    - Direct to consumer ("DTC") net revenue which includes tours and related cellar door operations in Kent, was up by 29% (2021: 96%)to £1.71m (2021: £1.32m)
    - International sales up by 78% (2021: 23%) to £1.39m (2021: £0.78m)
- A five-year CAGR (compound annual growth rate) in net revenue of 44% (2021: 46%)
- Gross profit margin at 59.2% (2021: 55.9%)
- Adjusted EBITDA** loss narrowed to £1.13m (2021: £1.45m)
- Acquisition of a further 55 hectares of freehold land for £1.7m, contiguous with the Group's existing Kent vineyards. The Group is planning to plant most of this new land with new vineyards in 2024
- £6.0m increase of long term asset backed financing facility from PNC from £10.5m to £16.5m
- Ongoing success in international and UK wine competitions with a record number of awards for its wines, including a record number of gold medals

* Net revenue represents Revenue after deducting excise duties

** Adjusted EBITDA means profit/(loss)from operations before aborted planning and capital expenditure write-off, fair value movement in biological produce, interest, tax, depreciation and amortisation.

Chairman's statement

The burgeoning global appetite for English fine wine continues to underpin Gusbourne's significant revenue growth as 2022 marked another year of strong progress for the Group both at home and abroad.

Since our first vines were planted almost twenty years ago, Gusbourne has focused on building long-term assets to drive value creation for all our stakeholders, striving from the outset to achieve international brand recognition. The world class quality of our products remains of critical importance and the latest milestone in this journey was marked with the launch of our luxury cuvee, Fifty One Degrees North, to notable critical acclaim worldwide.

All sales channels delivered excellent growth during the year. Our Direct to Consumer ("DTC") net revenue grew by 29% to £1.7m, driven by online sales and cellar door operations in Kent, as customers responded positively to an expanded product offering. Our UK Trade revenue grew by 53% to £3.1m as the industry continued its recovery from COVID-19 and returned to normalised hospitality market conditions. Our international revenue grew by 78% to £1.4m as we expanded into 30 export markets, with distribution in more new territories planned in 2023 and beyond.

Our strategy is firmly on track to deliver against previously announced scale and profitability ambitions. We remain fully committed to driving increasing revenue across a growing range of premium sparkling and still wine product ranges combined with related experiential services which will help to further cement the brand's luxury positioning. Moving towards EBITDA breakeven is also a key priority for 2023.

The Board

We made several changes to our Board during the year to support Gusbourne's ongoing growth and execution of our detailed corporate strategy. I am extremely pleased to welcome Katharine Berry, who was appointed as Chief Financial Officer ("CFO") in August 2022 and joined the Board on 21 March 2023. Two of our Non-Executive Directors retired, and I would like to thank Andrew Weeber, Gusbourne's founder, and Paul Bentham for all their dedication, hard work and contributions to the success of Gusbourne. Finally, Jon Pollard, Chief Operating Officer, stood down from the Board but continues in his Executive role.

The Gusbourne Team

I remain extremely proud of the hard work and dedication shown by the entire Gusbourne team who always show up with a winning attitude. No-one reflects this more prominently than Charlie Holland, our CEO, who has overseen another year of excellent strategic progress and remains one of the most talented and respected winemakers on the world stage.

Outlook

Although the macro-economic outlook remains uncertain with consumer confidence still fragile, the Board remains confident in the future success of Gusbourne as a leading light in the rapidly growing English fine wine market. We have all the key ingredients in place for long-term success with great product, great distribution, and a great team, and very much look forward to another exciting year ahead.

Jim Ormonde
Chairman

Chief Executive Officer's review

2022 was another year of significant financial, operational and strategic progress for Gusbourne. Since our foundation in 2004, Gusbourne has strived to create England's finest and most celebrated wines, by leveraging our core assets – an unrelenting focus on quality; excellent and carefully curated distribution, our enhanced product portfolio and have taken advantage of the long-term investments made into land and planting over the last 20 years. Combined with the ongoing global appetite for English wine, the result has been another year of strong revenue growth. The Group reported £6.2m revenue, an increase of 49% compared to 2021, with all three distribution channels expanding the customer base both in the UK and overseas, reinforcing Gusbourne's brand as a leading light in the dynamic and fast growing English fine wine sector.

Gross profit margin improved to 59.2% (2021: 55.9%) due to an improvement in distribution channel and pricing mix. Our new and wider product mix strategy helped deliver this improved margin. Operating costs, especially administration expenses, remain carefully managed. We continue to invest in the Gusbourne brand, with discretionary marketing investment to help support brand awareness and future sales growth. The combination of good cost discipline and significant top-line growth meant the Group achieved a material improvement in our cost to sales ratio. The Group narrowed its adjusted EBITDA loss for the year to £1.1m (2021: £1.5m EBITDA loss).

The continued success of the Group is a testament to the hard work of the Gusbourne team. Their dynamism, enthusiasm and dedication are the foundation of our business and, as always, greatly appreciated and I thank them all for their ongoing efforts that are driving Gusbourne forward.

Group vision and growth strategy

The Group's vision is to continue to produce premium quality vintage wines from grapes grown in our own vineyards and to promote Gusbourne as a luxury brand. This is achieved through our ongoing dedication to excellence in all aspects of our vineyard, winemaking, branding and enhanced by our chosen commercial relationships and curated distribution channels.

The Group's growth strategy is based on three strategic pillars:

- **Growth and development of Gusbourne's luxury brand status:** Maintain and further develop Gusbourne's luxury brand status, ensuring that the Group's premium quality and market positioning of its products are maintained, through our ongoing product portfolio development, distribution choices and pricing strategy.
- **Developing strong direct relationships with our customers:** Support the continuing strong growth in DTC sales with online sales and marketing investment, and offline with planned further investment in Gusbourne's cellar door operations. These operations enable us to meet our customers in person and provide an immersive brand experience, thus creating a more direct relationship with our customers.
- **Careful expansion of our international trade footprint:** Invest in the continued growth of UK Trade and International sales to deliver further market penetration in the UK and overseas.

Land

The Gusbourne business was founded in 2004 by Andrew Weeber with the first vineyard plantings at Appledore in Kent. The first wines were released in 2010 to critical acclaim. In 2013 and 2015, additional vineyards were planted in both Kent and West Sussex. At the end of 2022, the group had 93 hectares of mature planted vineyards. The Group acquired a further 55 of hectares in Kent during 2022, the majority of which we plan to plant in 2024. We also plan to plant additional vineyards on land in Sussex and by 2025 we plan to have a total of approximately 152 hectares of land under vine. The Group will continue to look to acquire appropriate land to support our long-term growth ambitions.

Chief Executive Officer's review continued

Products

Right from its beginning, Gusbourne's intention has always been to produce the finest English sparkling wines. Starting with carefully chosen sites, we use best practice in establishing and maintaining the vineyards and conduct green harvests to ensure we achieve the highest quality grapes for each vintage. A quest for excellence is at the heart of everything we do. For our sparkling wine, we blind taste hundreds of components before finalising our blends and even after the wines are bottled, they spend extended time on their lees to add depth and flavour. Once disgorged, extra cork ageing further enhances complexity. Our winemaking process remains traditional, but one that is open to innovation where appropriate. It takes four years to bring a vineyard into full production and a further four years to transform those grapes into Gusbourne's premium sparkling wine.

2022 saw the launch of our luxury cuvee, 51 Degree's North, a wine that represents the pinnacle of the Gusbourne range and is positioned alongside the world's finest sparkling wines. The response from the wine critics has been extremely positive and we are excited about the next vintage release of this wine.

Gusbourne also produce a growing range of premium vintage English still wines which continue to win prestigious international awards and regularly sellout. We anticipate further expanding the range of our still wines, which in line with other comparable still fine wines are commercially released with less ageing in our cellars.

Recent awards

We have continued our success in major wine competitions, with 2022 proving our most successful year ever, winning over 40 medals at national and international competitions, including 21 gold and platinum medals, where we are judged against some of the finest wines from around the world. Particular highlights include:

- four trophies, including retaining Estate Winery of the Year at the WineGB award, the Vintage Sparkling Wine trophy at the 2022 International Wine Challenge (along with eleven other medals)
- thirteen medals (including two golds) at the Decanter World Wine Awards
- five gold medals and Best in Class at the Champagne and Sparkling Wine World Championships
- the Judges Selection Medal in the prestigious Texsom awards in the United States in May, and
- two editor's Choice listings in Wine Enthusiast

Distribution: Three sales channels

Gusbourne has three main sales channels, UK Trade, International and Direct to Consumer, which all have delivered significant growth during the year.

- **UK Trade**
  UK Trade continued its strong progress, net revenue up by 53% (2021: 177%). The Group has established new trade accounts across premium hotels and restaurants, further strengthening its already high penetration to Michelin star restaurants and 5-star hotels.

- **International**
  Our wines are now distributed to 30 countries around the world as we grow the Gusbourne brand globally, working with specialist distribution partners. International sales have continued to thrive growing by 78% (2021: 23%). The brand has seen particularly strong momentum in the Nordics, Japan

and the US. Continued investment in sales and marketing has enabled us to develop and grow existing markets and expand into exciting new territories with significant growth potential. The Group expects to add further countries in 2023.

- **Direct to Consumer**
  Both wine sales and tour and tasting events based on our cellar door operations in Kent have continued to deliver strong growth, with sales up 29% for 2022 compared to 2021.

  DTC wine sales grew by 17% reflecting our ongoing investment in digital marketing through the creation of rich and engaging content, compelling wine offers and new and exciting product releases. DTC remains a key strategic direction for Gusbourne as we continue to develop our online and digital presence. Tour and tasting events at Gusbourne's successful cellar door facility in Kent (the Nest), are now in their sixth full year of operation. Situated amongst our vineyards and winery operations in Kent, this facility offers an immersive experience allowing us to fully engage with our customers, encouraging them to enjoy the vineyards, visit the winery and taste our wines in a beautiful setting. Tour and tasting events income based on our cellar door operations has been particularly robust, with a growth of 70% to £0.53m from £0.31m. We continue to improve and expand these services, having carried out reconfiguration of space at the Nest, providing capacity for more visitors to have a unique and unforgettable experience.

2022 Harvest

We anticipate the wines from the 2022 harvest to be among some of the best we have produced, ranking alongside the excellent 2014, 2016, 2018 and 2020. We harvested one of our biggest yields to date, which is crucially important, but it is the high quality of the fruit which particularly excites us.

The 2022 growing season was nearly perfect, dominated by warm, dry weather in which the vineyards thrived. The team's careful management of the vines throughout the summer, which included two heatwaves and a rigorous quality-controlling green harvest, meant that the fruit quality and quantity was superb.

The resulting sparkling wines will be bottled during the summer of 2023, further adding to our inventory levels for sale in future years.

The English wine market

The English wine market remains highly dynamic and has continued to see significant growth, in terms of supply, demand by UK consumers and demand in international markets. This is an exciting time for English wines, with brands like Gusbourne at the forefront of the creation of a fine wine market and putting the UK on the global stage.

Data from WineGB, the industry body for the English wine trade, reports plantings have increased by 70% over the last five years, with Chardonnay, Pinot Noir and Pinot Meunier the most significant varietals. Sparkling wines account for approximately 70% of total production and still wines 30%.

Sales of UK wine in the UK market are over nine million bottles, with a growing presence of UK wines in the exports markets. Key exports markets for the industry are Norway, USA, Sweden, Japan and Hong Kong. Gusbourne has a strong presence in all of these markets, with significant further growth potential ahead.

Chief Executive Officer's review continued

Current trading and outlook

The macro-economic environment remains complex, including the effect of the Russia–Ukraine war, with consumer confidence affected by inflationary pressures in many markets. At the same time, consumer interest in Gusbourne wine and English wine generally continues to grow across the globe. Against this backdrop, we remain confident about Gusbourne's future prospects and expect to deliver another year of strong growth across all our distribution channels. Gusbourne has the benefit of increased supply and inventories from the expansion of the land planted in recent years and the ongoing expansion of its international presence. The increased revenue base combined with anticipated improvement in gross margin and cost discipline is expected to see the Group move towards EBITDA breakeven for the current financial year. Longer-term, increases in production from new vineyards are anticipated to drive further revenue growth and margin improvement through scale.

Charlie Holland
Chief Executive

Chief Financial Officer's review

Key performance indicators

Net revenue and adjusted EBITDA - 5 year summary

Years ended 31 December	2018 £'000	2019 £'000	2020 £'000	2021 £'000	2022 £'000
Net revenue*	**1,261**	**1,653**	**2,109**	**4,191**	**6,243**
Cost of sales	(560)	(735)	(879)	(1,847)	(2,546)
Gross profit	**701**	**918**	**1,230**	**2,344**	**3,697**
Sales and marketing expenses	(914)	(1,389)	(1,478)	(2,460)	(3,479)
Administration expenses **	(694)	(814)	(1,073)	(1,336)	(1,349)
Adjusted EBITDA (loss)/profit* **	**(907)**	**(1,285)**	**(1,321)**	**(1,452)**	**(1,131)**
Aborted planning and capital expenditure write-off	-	-	-	-	(132)
Fair value movement in biological produce	125	(172)	(221)	(704)	(239)
EBITDA******	**(782)**	**(1,457)**	**(1,542)**	**(2,156)**	**(1,502)**
Net revenue annual growth %	**26.4%**	**31.1%**	**27.6%**	**98.7%**	**49.0%**
Net revenue 5 year CAGR		**30.7%**	**34.8%**	**45.6%**	**44.3%**
Gross profit %	**55.6%**	**55.5%**	**58.3%**	**55.9%**	**59.2%**
Sales and marketing %	**72%**	**84%**	**70%**	**59%**	**56%**
Administration expenses %	**55%**	**49%**	**51%**	**32%**	**22%**
Adjusted EBITDA (loss)/profit %	**-72%**	**-78%**	**-63%**	**-35%**	**-18%**

* Net revenue represents revenue after deducting excise duties

** Excluding depreciation

** Adjusted EBITDA means profit/(loss)from operations before aborted planning and capital expenditure write-off, fair value movement in biological produce, interest, tax, depreciation and amortisation.

**** EBITDA means profit from operations/(loss from operations) before interest, tax, depreciation and amortisation.

Chief Financial Officer's review continued

Net revenue by distribution channel - 5 year summary

Years ended 31 December	2018 £'000	2019 £'000	2020 £'000	2021 £'000	2022 £'000	2022 % Growth	2021 % Growth
Net revenue							
Direct to Consumer (DTC)*	144	299	586	1,016	1,185	16.5	73.4
UK Trade	827	934	721	1,997	3,058	53.2	177.0
International	179	292	634	781	1,391	78.0	23.2
Net wine sales	**1,150**	**1,525**	**1,941**	**3,795**	**5,634**	**48.5**	**95.5**
Tour and related income (DTC)*	43	71	90	309	525	69.9	242.3
Other Income	68	57	78	87	84	-3.4	11.5
Total net revenue	**1,261**	**1,653**	**2,109**	**4,191**	**6,243**	**49.0**	**98.7**
Percentages of total net revenue							
Direct to Consumer (DTC)	14.8%	22.4%	32.1%	31.6%	27.4%		
UK Trade	65.6%	56.5%	34.2%	47.6%	49.0%		
International	14.2%	17.7%	30.1%	18.6%	22.3%		
Other Income	5.4%	3.4%	3.7%	2.1%	1.3%		
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**		

*DTC total net revenue £1,710,000 (2021: £1,325,000), 29% growth versus prior year (2021: 96%)

Net revenue

Net revenue for the year was up by 49% (2021: 99%) to £6.24m (2021: £4.19m, 2020: £2.11m and 2019 : £1.65m), reflecting continued robust sales growth across our three main distribution channels:

- UK Trade sales grew by 53% to £3.06m. UK Trade sales represent 49% (2021: 48%) of net revenue. The Group has established new trade accounts across premium hotels and restaurants to support the Gusbourne brand;
- Direct to consumer net revenue which includes tours and related cellar door operations in Kent grew by 29% to £1.71m. DTC represents 27% (2021: 32%) of net revenue for the year. Revenues from tours and experiences have increased by 70% compared to 2021 and our Gusbourne Reserved customer base increased by over 45%; and
- International sales grew by 78% (2021: 23%) to £1.39m (2021: £0.78m) and represented 22% of total net revenue (2021: 19%).

Gross profit

The gross profit margin on net revenue increased to 59.2% (2021: 55.9%), largely due to distribution channel and pricing mix factors. Gross profit margin is one of the main KPI's of the Group which it aims to maintain and enhance, and which derives from a number of key variables:

- The historic cost of wine inventories, based on production costs up to four years prior to sale;
- The sales distribution mix, with DTC generally at higher margins at gross profit level than the other two main channels;

- The product distribution mix with more premium product offerings now being introduced and further enhancing overall gross margins;
- Selected inflationary price adjustments to recover the Group's own increasing costs, where and when appropriate; and
- Direct distribution costs

These variables are monitored and optimized as part of the Group's forward planning to maintain and enhance its gross profit margins.

Adjusted EBITDA loss

The Group narrowed its adjusted EBITDA operating loss for the year to £1.1m (2021: £1.5m). This was after charging sales and marketing expenses of £3.5m (2021: £2.5m) and administrative expenses of £1.3m (2021: £1.3m).

Administrative expenses have remained relatively unchanged over the year. Sales and marketing expenses have increased by £1.0m over the year and continue to include key planned elements of discretionary investment spend to support the ongoing brand development and the potential longer-term sales growth of the Group.

Sales and marketing costs as a percentage of net revenue has continued to decline in recent years and represented 56% of net revenue for the year, down from 59% in 2021. It is expected that these costs will continue to decline as a percentage of net revenue over the coming years.

£132,000 costs were written-off in relation to planning and capital expenditure pre-pandemic which has been aborted.

Finance expenses

Finance expenses for the year amounted to £0.5m (2021: £0.8m) and reflect the interest expense on the Group's long-term secured debt from PNC together with the amortisation of bank transaction costs. The prior year charge included the discount expense of short-term deep discount bonds which were converted into equity or repaid in that year.

Tax

The Group reported a tax credit of £74,000 (2021: nil) relating to research and development tax credits. At 31 December 2022, the Group had tax loses available to carry forward of £20.7m (2021: £17.7m).

Earnings per share

The Group reported a basic loss per share of 4.17 pence (2021: 7.29 pence).

Chief Financial Officer's review continued

Balance Sheet assets* - 5 year summary

Years ended 31 December	2018 £'000	2019 £'000	2020 £'000	2021 £'000	2022 £'000
Assets					
Freehold land and buildings	6,488	6,383	6,263	6,134	7,830
Right of use assets	-	2,068	2,022	1,976	1,930
Vineyards	3,289	3,144	3,004	2,858	2,712
Plant, machinery and other equipment	1,757	1,636	1,504	1,375	1,726
Other receivables	97	90	38	32	16
Total non current assets	**11,631**	**13,321**	**12,831**	**12,375**	**14,214**
Inventories	5,282	7,463	9,325	10,638	12,579
Trade and other receivables	496	707	869	1,275	1,291
Trade and other payables	(483)	(752)	(769)	(1,118)	(1,500)
Working capital	**5,295**	**7,418**	**9,425**	**10,795**	**12,370**
Total operating assets	**16,926**	**20,739**	**22,256**	**23,170**	**26,584**
Cash	1,311	1,009	262	3,128	269
Goodwill	1,007	1,007	1,007	1,007	1,007
Total assets	**19,244**	**22,755**	**23,525**	**27,305**	**27,860**

* Net of trade and other payables

Balance Sheet liabilities and equity*

Years ended 31 December	2018 £'000	2019 £'000	2020 £'000	2021 £'000	2022 £'000
Debt					
PNC Business Credit (Asset finance facilities)	-	-	6,613	9,326	12,373
Other bank debt	2,173	2,058	-	-	-
Deep discount bonds	2,761	3,001	5,132	-	-
Short term debt	-	3,379	544	-	-
Lease liabilities	-	2,123	2,108	2,094	2,078
Total debt	**4,934**	**10,561**	**14,397**	**11,420**	**14,451**
Equity	**14,310**	**12,194**	**9,128**	**15,885**	**13,409**
Total liabilities	**19,244**	**22,755**	**23,525**	**27,305**	**27,860**

* Excluding trade and other payables

Balance Sheet

The Group's balance sheet reflects the long-term nature of the sparkling wine industry and the important investments that have already been made to support the long-term growth ambitions of the Group. The production of premium quality wine from new vineyards is, by its very nature, a long-term project of at least ten years. It takes around two years to select and prepare optimal vineyard sites and order the appropriate vines for planting. It takes a further four years from planting to bring a vineyard into full production and a further four years to transform these grapes into Gusbourne's premium sparkling wine. This requires capital expenditure on vineyards and related property, plant and equipment as well as significant working capital to support inventories over the long production cycle.

The total assets employed in the business at 31 December 2022 was £27.9m (2021: £27.3m) represented by the following principle operating assets:

Fixed assets

- 196 hectares of Freehold land and buildings of £7.8m (2021: £6.1m) – with buildings at cost less depreciation
- 93 hectares of mature vineyards of £2.7m (2021: £2.9m) – at cost less depreciation
- Plant, machinery and other equipment of £1.7m (2021: £1.4m) – at cost less depreciation
- Right of use assets (under IFRS 16) of £1.9m (2021: £2.0m)

Inventories

Inventories at 31 December 2022 at the lower of cost and net realisable value amounted to £12.6m (2021: £10.6m). These inventories represent wine in its various stages of production from wine in tank from the last harvest to the finished products which take around four years to produce. These additional four years reflect the time it takes to transform our high-quality grapes into Gusbourne's premium sparkling wine. An important point to note is that these wine inventories already include the wine (at its various stages of production) to support sales planned for the next four years. The anticipated underlying surplus of net realisable value over the cost of these wine inventories, which is not reflected in these accounts, will become an increasingly significant factor of the Group's asset base as these inventories continue to grow.

Cash flow

The Group's operating cash outflow flow for the year was £2.9m (2021: £3.3m). This represented an Adjusted EBITDA loss of £1.1m (2021: £1.5m loss) and net working capital outflows (mostly an increase in wine inventories) of £1.8m (2021: £1.8m).

Capital expenditure was £2.5m for 2022 (2021: £0.2m) and included the purchase of an additional 55 hectares of freehold land in Kent (£1.7m), plant and machinery (£0.7m) and building improvements (£0.1m).

The capital expenditure was financed by the Group's own cash resources and the working capital was financed by additional drawings from the PNC facility.

Chief Financial Officer's review continued

Financing and net debt

At 31 December 2022 the Group's total assets of £27.9m (2021: £27.3m) were financed by:

- Shareholder's equity of £13.4m (2021: £15.9m).
- Long term secured debt from PNC of £12.4m (2021: £9.3m). The PNC facilities are provided on a revolving basis over a minimum period of 5 years to 12 August 2027 and allow flexible drawdown and repayments in line with the Group's working capital requirements. On 15 August 2022 these asset-based lending facilities were extended by an additional £6.0m from the existing £10.5m to £16.5m. The interest rate is at the annual rate of 2.50% per cent (2021: 2.75 per cent) over Sterling Overnight Index Average ("SONIA"), (2021: Bank of England Base Rate). Further details are shown in note 17.
- Lease liabilities under IFRS 16 of £2.1m (2021: £2.1m).

At 31 December 2022, the Group's net debt (PNC facility less Cash, excluding IFRS16 lease liabilities) amounted to £12.1m (2021:£6.2m).

Katharine Berry
Chief Financial Officer

Principal risks and uncertainties

Financing

The Group plans to raise further equity and/or debt funds in the future to fund the Group's growth strategy over the coming years, through the issue of Gusbourne PLC shares and/or the raising of debt finance. Such funding may not be achieved, and additional shares may have a dilutive effect on existing shareholders.

Mitigation: The Group's senior management team has carefully developed its long-term business planning processes in support of any such new investment and the Group benefits from a loyal and supportive shareholder base.

Climate change

The Directors believe that climatic conditions in the South of England in recent years have generally been favourable to the growing of grapes used in sparkling wine production. However grape yields can be affected by certain adverse weather patterns such as late frosts and lack of sunshine during the flowering period. These climatic impacts can be quite localised. Please also refer to the paragraph ("Crop disease") below.

Mitigation: The Group's strategy to mitigate this risk is to monitor the micro climate in its existing vineyards through the use of temperature loggers and weather stations, with particular regard to late frosts, so that appropriate action can be promptly taken with the use of specialist frost prevention equipment. The Group's has also mitigated this risk by planting vines on carefully selected sites in both West Sussex and Kent which are each subject to separate climatic conditions.

Crop disease

Commercial viticulture is a farming system prone to disease pressures. The relatively cool climate of the UK can exacerbate these pressures. While there is no significant pressure from fatal diseases threatening vine growing in the UK at present, there are certain diseases which may reduce yield under adverse climatic circumstances.

Mitigation: These risks can be mitigated through good husbandry and management practices. Please also refer to the paragraph "Climate change" above.

Competition

With the anticipated continuing growth in vineyard plantings in the South of England, the supply of English sparkling wine is likely to continue to increase and provide increased competition from other suppliers. This may adversely affect retail prices of English sparkling wine and the assumed levels of pricing in the Group's growth strategy may not be achieved. The English sparkling wine industry may also face stronger competition from similar overseas products, which could also adversely affect the retail prices of the Gusbourne wines.

Mitigation: The Group's strategy remains to produce the highest quality products and develop the Gusbourne brand with related support to attract and retain customer loyalty. The Group's strategy to develop International sales as a significant contribution to sales will also mitigate this competitive risk in the UK market.

Principal risks and uncertainties continued

Political and economic environment

There continues to be political and economic uncertainty arising from the Ukrainian conflict, rising inflationary pressures and cost of living issues which may impact demand for the Group's products and services and also increase the cost of producing the Group's products.

Mitigation: The Group is mindful of the inflationary pressures that are being seen across all areas of the business but believe it is in a position to mitigate these pressures through its sales and product strategies and increased business efficiencies through scale and careful cost management. The Group has set out its mitigation plans associated with worsening economic conditions as part of its Going Concern consideration shown on page 44.

Section 172 statement

This section serves as our s172 statement and should be read in conjunction with the whole Strategic Report. The Directors are required by the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote success of the Group for the benefit of its shareholders as a whole and in doing so are required to have regard for the following:

- The likely long term consequences of any decision;
- The interests of the Group's employees;
- The need to foster the Group's business relationships with supplies, customers and others;
- The impact of the Group's operations on the community and environment;
- The desirability of the Group maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between shareholders of the Group.

In 2019 the Group adopted the Corporate Governance Code for Small and Mid-Size Quoted Companies from the Quoted Companies Alliance (the "QCA Code"). The Board's view is that the QCA Code is an appropriate code of conduct for the Group. There are details of how the Group applies the ten principles of the QCA Code on pages 25 to 29 of the Director's report.

The Chairman's, Chief Executive Officer's and Chief Financial Officer's statements describe the Group's activities, strategy and future prospects, including the considerations for long term decision making on pages 6 to 16.

The Board considers that its major stakeholders are its employees, customers, lenders and shareholders. When making decisions, the interests of these stakeholders is considered informally as part of the Board's group discussions.

The Board maintains a good relationship with the Group's employees. The Board has constructive dialogue with employees through the Executive Directors. Appropriate remuneration and incentive schemes including bonuses and commissions are implemented to align employees' objectives with those of the Group.

The Board ensures that the Group maintains good relationships with its suppliers by contracting on their standard business terms and paying them promptly, within agreed and reasonable terms.

Major customers are engaged with regularly. The Board receives regular reports on progress with customer relationships to ensure that their decision making takes into account the needs of the customer base.

The Board does not believe that the Group has a significant impact on the environments within which it operates. The Board recognises that the Group has a duty to be responsible and is conscious that its business processes minimise harm to the environment, and that it contributes as far as is practicable to the local communities in which it operates.

The Board recognises the importance of maintaining high standards of business conduct. The Group operates appropriate policies on business ethics and provides mechanisms for whistle blowing and complaints which all employees are aware of.

The Board aims to maintain good relationships with its shareholders and treats them equally. Further details of the how the Board communicates with its shareholders are shown on page 25.

Section 172 statement continued

As required by section 414CZA(1) of The Companies Act 2006 (Miscellaneous Reporting Regulations) we include below how the Directors have had regard to the matters set out in section 172(1) on the principal decisions taken in the 2022 financial year.

Financing - August 2022

Details of the financing arrangements entered into by the Group in August 2022 are shown on page 16.

The strategic report on pages 4 to 20 has been approved by the Board and signed on its behalf by:

Charlie Holland
Chief Executive Officer

Board of Directors

As at 31 December 2022

James 'Jim' Ormonde, Non-Executive Chairman

A member of the Audit, Remuneration and Nomination Committees.

Jim is a former newspaper and BBC journalist who left broadcasting to build Cardsave, one of the UK's largest independent card payment companies, now owned by WorldPay/FIS. Since selling Cardsave, he has served on several private and public boards whilst providing strategic advice to numerous large corporates and private equity firms. He recently founded a multi-family office in New York and London.

Mike Paul, Non-Executive Deputy Chairman

A member of the Audit, Remuneration and Nomination Committees.

Mike has worked in the wine industry for over thirty years. Having received a postgraduate Diploma in Business Studies, he became the Managing Director of the premium wine agency Percy Fox, representing a number of luxury wine brands. In 1990 Mike became European Director responsible for the development of Southcorp's business in Europe. He led Southcorp to become a major player in the UK wine market with brands such as Penfolds and Lindemans. In 2002 Mike was appointed Managing Director of Western Wines (UK), a leading importer of South African, Chilean and Italian wines, and owner of the leading South African brand, Kumala. He is closely involved with Wine GB, the organisation that represents UK wine producers.

Charlie Holland, Chief Winemaker and Chief Executive Officer ("CEO")

Charlie, who has been head of wine making at Gusbourne for over ten years, joined the board in October 2016 as Chief Winemaker and Chief Executive Officer. He is responsible for winemaking at Gusbourne but also represents the Group as its Chief Executive Officer and manages the day to day running of the business in conjunction with Katharine Berry, Jon Pollard and other members of the executive team in what remains a highly collaborative and relatively flat organisation.

Charlie holds a degree in marketing and a BSc in Viticulture and Oenology from Plumpton College. He has held a number of overseas wine making positions including in France, Germany, Australia, New Zealand and California. Prior to joining Gusbourne Charlie was winemaker for four years at Ridgeview, a well-known English sparkling wine producer.

Katharine Berry, Chief Financial Officer ("CFO")- appointed 21 March 2023

Katharine joined Gusbourne in September 2023. She is responsible for Finance and Human Resources, working with Charlie Holland, Jon Pollard and other members of the executive team in running the business.

Katharine is a fellow of the Institute for Chartered Accountants of England and Wales and holds an honours degree in Biology from the University of Manchester. She has held a number of senior positions as a Finance Director, with her previous role being in a fast growth Drinks business, prior to joining Gusbourne.

Board of Directors continued

Jon Pollard, Chief Vineyard Manager and Chief Operating Officer - resigned 21 March 2023

Jon has been the vineyard manager at the Gusbourne Estate since the first vines were planted eighteen years ago in 2004. He joined the board on 26 October 2016 as Chief Vineyard Manager and Chief Operating Officer. Following his resignation from the board in March 2023, he continues to be responsible for Gusbourne's vineyards and works closely with Charlie Holland and Katharine Berry on the day to day operations of the business.

Jon holds an honours degree in general agriculture from the University of Aberdeen and is also a graduate in wine studies from Plumpton College. He has worked closely with Andrew Weeber over the past twelve years to establish the vineyards which are widely regarded as some of the best in the country in terms of both grape quality and yield. Jon supervises the vineyard operations in both Kent and West Sussex and works closely with the Chief Winemaker to ensure the quality and consistency of the final product.

Lord Arbuthnot PC, Non-Executive Director

A member of the Audit, Remuneration (Chairman) and Nomination (Chairman) Committees.

James Arbuthnot was a Conservative MP for 28 years and served as Minister for Defence Procurement, Chief Whip and Chairman of the Defence Select Committee. He was appointed to the House of Lords in 2015.

James is the Chairman of the Nuffield Trust for the Forces of the Crown, and of the Airey Neave Trust, and a member of the Advisory Board of the Royal United Services Institution (RUSI) and of Montrose Associates.

He is chairman of the Advisory Panel of the defence company Thales (UK) and Chairman of Electricity Resilience Ltd.

Matthew David Clapp, Non-Executive Director

A member of the Audit, Remuneration and Nomination Committees.

Matthew is a non-executive Chairman of Shutdown Maintenance Services Ltd, a director of MDC Consulting Limited and a director of Joseridan Family Office. Matthew also consults for Levendi Investment Management, an investment advisory firm that advises on the use of structured investments and derivatives with over £800 million of assets under advice.

Matthew has spent over 15 years working in the markets for high end real estate developments, private members clubs and financial services. Matthew holds an MBA and is a Freeman of the City of London.

Ian George Robinson BA FCA, Non–Executive Director

A member of the Audit (Chairman), Remuneration and Nomination Committees.

Ian is currently Non-Executive Chairman of Jaywing Plc, an AIM listed agency and consulting business specialising in data science. He is also a director of a number of privately-owned businesses.

He has held other senior financial appointments both in the UK and overseas. He is a Fellow of the Institute of Chartered Accountants in England & Wales and holds an honours degree in economics from The University of Nottingham.

Andrew Weeber BSc, MB ChB, FCS, Non-Executive Director - resigned 21 March 2023

A member of the Audit, Remuneration and Nomination Committees.

After graduating from the University of Stellenbosch in 1968 with a BSC in Biochemistry & Physiology, Andrew continued to a Bachelor of Medicine and Surgery. He specialised at the University of Cape Town, and was awarded his FCS in Trauma and Orthopaedic Surgery in 1984.

Andrew went on to pursue a career spanning more than 20 years practising as a consultant orthopaedic surgeon in South Africa and the United Kingdom, whilst simultaneously pursuing his entrepreneurial interests. In 1986 he co-founded, and successfully exited, the 247-bed private Vergelegen Mediclinic Hospital, near Cape Town. In 1988 Andrew's interest in wine and biochemistry led him to acquire a 50% stake in a Robertson wine estate. He sold the estate in 1991 and moved to the United Kingdom in 1992.

In the United Kingdom, he developed an orthopaedic unit within the Friarage Hospital in North Yorkshire. He oversaw its growth to a regional specialisation centre, employing 21 surgeons. During this time, Andrew was appointed to the Medical Committee of the Football Association of England. Andrew retired from medicine in 2004 and focused on his personal business interests, primarily the development of the Gusbourne Estate; a project which he had established a year earlier on his 500 acre Estate in Kent. The first vintage was released in 2010 to critical acclaim and received numerous awards. This firmly established Gusbourne Estate's position at the forefront of premium English wine.

Andrew has held several board memberships, including 6 years at the 15,000 acre Alpheus Williams & Son Timber Corporation, until its successful acquisition by the SAPP 1 Group. A member of the Audit, Remuneration and Nomination Committees.

Paul Gerald Bentham, Non-Executive Director - resigned 21 March 2023

A member of the Audit, Remuneration and Nomination Committees.

Paul is the founder and until recently a Non-Executive Director of Retail Merchant Group Ltd. With a background in card payment services and retail banking projects he was the founder and previously the Executive Chairman of Cardsave UK Ltd. He is also engaged in various commercial and residential property projects, including investment-grade office and warehouse sites and purpose built student accommodation projects throughout the UK.

Report of the Directors
for the year ended 31 December 2022

The Directors present their report together with the audited financial statements for the year ended 31 December 2022.

As a Company whose shares are traded on the AIM market of the London Stock Exchange, the Company complies with the Quoted Companies Alliance ('QCA') Corporate Governance Code ('the Code') and its Statement of Compliance with the same can be found on the Company website www.gusbourne.com/investors.

Results and dividends

The consolidated statement of comprehensive income is set out on page 39 and shows the result for the year. No dividend was declared (December 2021: £Nil).

Principal activities

The principal activities of Gusbourne PLC ("the Company") and its subsidiaries ("the Group") comprise the production, sale and distribution of premium vintage English sparkling wine.

Review of the business and future developments

A review of the business together with an indication of future developments is given in the Chairman's statement on page 6, in the Chief Executive's review on pages 7 to 10 and in the Chief Financial Officer's review on pages 11 to 16. Principal risks and uncertainties are shown on pages 17 and 18.

Subsequent events

Details of post balance sheet events are shown in note 24 to the financial statements.

Directors

The Directors of the Company during the year were as follows:

James Ormonde (Non-Executive Chairman)
Mike Paul (Non-Executive Deputy Chairman)
Charlie Holland (Chief Executive Officer)
Katharine Berry (Chief Financial Officer), appointed 21 March 2023
Jon Pollard (Chief Operating Officer), resigned 21 March 2023
Lord Arbuthnot PC (Non-Executive Director)
Paul Bentham (Non-Executive Director), resigned 21 March 2023
Matthew Clapp (Non-Executive Director)
Ian Robinson (Non-Executive Director)
Andrew Weeber (Non-Executive Director), resigned 21 March 2023

The beneficial interest of Directors who held office at 31 December 2022 in the share capital of the Company is shown below:

	Ordinary shares of 1 pence each			
	December 2022		December 2021	
	Number	Percentage	Number	Percentage
Andrew Weeber	2,722,221	4.48%	2,722,221	4.48%
Paul Bentham	1,835,630	3.02%	1,835,630	3.02%
Ian Robinson	542,753	0.89%	542,753	0.89%
Jim Ormonde	300,000	0.49%	300,000	0.49%
Mike Paul	160,806	0.26%	160,806	0.26%
Lord Arbuthnot PC	111,360	0.18%	111,360	0.18%
Matthew Clapp	73,027	0.12%	73,027	0.12%
Jon Pollard	48,394	0.08%	48,394	0.08%
Charlie Holland	42,000	0.07%	42,000	0.07%
Katharine Berry	-	-	-	-

Corporate governance statement

The Board of Gusbourne plc have adopted the Quoted Companies Alliance (QCA) Corporate Governance Code in line with the London Stock Exchange's recent changes to the AIM Rules requiring all AIM-listed companies to adopt and comply with a recognised corporate governance code from 28 September 2018. Our report sets out in broad terms how we presently comply with this code. We will also provide annual updates on our compliance with the code.

Principle 1: Establish a strategy and business model which promote long-term value for shareholders

Please refer to the Chief Executive's review on pages 7 to 10.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Group remains committed to listening and communicating openly with its shareholders to ensure that its strategy, business model and performance are clearly understood.

The AGM is the main forum for dialogue with retail shareholders and the Board. The Notice of Meeting is sent to shareholders at least 21 days before the meeting. The chairs of the Board and all committees, together with all other Directors, routinely attend the AGM and are available to answer questions raised by shareholders. For each vote, the number of proxy votes received for, against and withheld is announced at the meeting. The results of the AGM are subsequently published via RNS.

The Board as a whole is kept informed of the views and concerns of major shareholders. Members of the Board are available to meet with major shareholders if required to discuss issues of importance to them.

Report of the Directors continued

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

Engaging with our stakeholders, including shareholders, suppliers, customers and employees, strengthens our relationships helps the Board to understand the issues that matter most to them and our business and enables us to make better business decisions and deliver on our commitments.

Feedback from our stakeholders is continually monitored and reviewed by the Board with appropriate actions taken as necessary.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The principal risks and uncertainties facing the Group are set out on pages 17 and 18. This section also details how these risks are mitigated. They are also subject to regular review by the Audit Committee.

Principle 5: Maintaining the Board as a well-functioning, balanced team led by the Chair

The Board comprises the Non-Executive Chairman, two Executive Directors and four Non-Executive Directors. The Board maintains a suitable balance between independence and knowledge of the Group and its market, to enable it to discharge its duties and responsibilities effectively. All Directors are encouraged to use their independent judgement and to challenge all matters, both operational and strategic. The Group believes stability of the Board is essential to the execution of long-term strategic plans.

The Board considers the Non-Executive Director's of the Group to be independent. The Board notes that Ian Robinson and Matthew Clapp are associated with the Group's major shareholder which could appear to impair their independence for the purposes of the Code. However, the Board considers that both Ian Robinson and Matthew Clapp are able to bring an independent view to bear on all matters dealt with by the Board and its various Committees. Independence is a board judgement.

The Group has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

Further information on the board's skill set, including biographies of each director and their relevant expertise can be found on pages 21 to 23.

Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and experience for the market in which the Group operates together with the financial and general management skills, including accounting practices and broader plc governance experience, to deliver the necessary input to and oversight of the different opportunities and threats the Group faces.

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

Both the Chairman, James Ormonde and the Deputy Chairman, Mike Paul assess the individual contributions of each of the members of the team to ensure that:

- Their contribution is relevant and effective
- That they are committed
- Where relevant, they have maintained their independence

Over the next 12 months we intend to review the performance of the team as a unit to ensure that the members of the board collectively function in an efficient and productive manner. This will be done by surveying the Group's senior leadership team, as well as through other stakeholder engagement.

The make-up of the Board and succession planning is reviewed periodically to ensure the Group is not unduly exposed to either the loss of members of the Board or poor performance. Board members are re-elected every three years.

Principle 8: Promote a culture that is based on ethical values and behaviours

The Board aims to lead by example and do what is in the best interests of the Group. Our culture is highly collaborative in what remains a relatively flat organisation, with employees from across the business encouraged to work closely together, value the contribution that each person makes and always act in the best interests of the customer.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

Board programme

The Board meets at least four times each year where it sets direction for the Group.

A schedule of dates is compiled before the beginning of each financial year for that year's six Board meetings, aligned as optimally as possible with the Group's financial and trading calendars, while also ensuring an appropriate spread of meetings across the financial year. This may be supplemented by additional meetings as and when required.

Before each meeting, a formal agenda is produced, and the Board and its Committees receive relevant papers several days before meetings take place. Each matter is discussed, and any Director may challenge Group proposals, after which decisions are taken democratically. Should any Director have any concern that remains unresolved, they may ask for that concern to be noted in the minutes of the meeting, which are then circulated to all Directors. The Board or relevant Committee may agree actions, which are then followed up by the Group's management.

Roles of the Board, Chairman and Chief Executive Officer

The Board is responsible for the long-term success of the Group. There is a formal schedule of matters reserved to the Board. It is responsible for overall Group strategy; approval of major investments (whether Capex or Opex); approval of the annual and interim results; annual budgets; dividend policy; and Board structure. It monitors the exposure to key business risks and reviews the strategic direction of all trading

Report of the Directors continued

subsidiaries, their annual budgets and their performance in relation to those budgets. There is a clear division of responsibility at the head of the Group. The Chairman is responsible for running the business of the Board and for ensuring appropriate strategic focus and direction. The Chief Executive Officer is responsible for proposing the strategic focus to the Board, implementing it once it has been approved and overseeing the management of the Group through the Executive Team.

All Directors regularly receive relevant and timely information on the Group's operational and financial performance in advance of meetings. The business reports monthly on its headline performance against its agreed budget, and prior year performance and the Board reviews the monthly update on performance with any significant variances reviewed at each meeting. Where appropriate, senior executives below Board level may attend Board meetings to present business updates.

Executive Team

The Executive Team consists of Charlie Holland (Chief Executive Officer), Katharine Berry (Chief Financial Officer) and three non-directors, with input from the divisional managers and teams. They are responsible for formulation of the proposed strategic focus for submission to the Board, the day-to-day management of the Group's businesses and its overall trading, operational and financial performance in fulfilment of that strategy, as well as plans and budgets approved by the Board of Directors. It also manages and oversees key risks, management development and corporate responsibility programmes. The Chief Executive Officer reports to the plc Board on issues, progress and recommendations for change.

Board committees

The Board is supported by the Audit, Remuneration and Nomination committees. Each committee has access to any resources, information and advice it deems necessary, at the cost of the Group, to enable the committee to discharge its duties. The terms of reference of each committee are available on the Gusbourne plc investors' website.

The Remuneration Committee comprises Lord Arbuthnot PC (Chairman), James Ormonde, Matthew Clapp, Ian Robinson and Mike Paul and meets at least twice a year and at such other times as the Chairman of the Committee requires. The Committee considers all material elements of the remuneration policy to ensure that remuneration is sufficient to attract, retain and motivate Executive Directors and senior management of the quality required to manage the Group successfully. This is performed with reference to independent remuneration research and professional advice. The Committee recommends to the Board the framework for the remuneration packages of the individual Executive Directors. The Board is then responsible for implementing the recommendations although no Director is involved in deciding his own remuneration. The Directors are not permitted to vote on their own terms and conditions of remuneration.

The Audit Committee comprises Ian Robinson (Chairman), James Ormonde, Lord Arbuthnot PC, Matthew Clapp and Mike Paul and meets at least twice a year and at such other times as the Chairman of the Committee requires. The external auditors attend for part or all of each meeting. The Committee is responsible for reviewing a wide range of matters, including half-year and annual results before their submission to the Board, and for monitoring the controls that are in force to ensure the integrity of information reported to shareholders. The Committee advises the Board on the appointment of external auditors and on their remuneration for both audit and non-audit work, and discusses the nature, scope and results of the audit with the external auditors. The Committee keeps under review the cost effectiveness and the independence and objectivity of the external auditors. The Audit Committee is further responsible for ensuring that the ethical and compliance commitments of management and employees are understood throughout the Group.

The Committee has considered that in light of the present size of the Group that a separate internal audit function is not currently required. The Committee's position on the internal audit function is reviewed regularly, at least once a year.

The Nomination Committee comprises Lord Arbuthnot (Chairman), James Ormonde, Matthew Clapp, Ian Robinson and Mike Paul and meets at least twice a year. The Committee is responsible for reviewing the composition and structure of the Board and for making recommendations to the Board for its consideration and approval.

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company communicates with shareholders through the Annual Report and Accounts, full-year and half-year announcements, RNS and RNS Reach for significant developments, the Annual General Meeting (AGM) and one-to-one meetings with large existing or potential new shareholders. A range of corporate information, including all Company announcements, is also available to shareholders, investors and the public on the Company's investor website, www.gusbourneplc.com.

The Board receives regular updates on the views of shareholders through briefings and reports from other members of the Board and the Company's brokers. The Group regularly seeks feedback from employees through a number of mechanisms. This information is used to improve service in general as well as addressing any specific concerns.

Substantial shareholdings

Current shareholdings in excess of 3%:

Shareholder	Shareholding
Lord Ashcroft KCMG PC	66.35 %
Andrew Weeber	4.48 %
Paul Bentham	3.02 %

At 31 December 2022 the ultimate controlling party of the Company is Lord Ashcroft KCMG PC by virtue of his shareholding in the Company.

Charitable and political donations

During the year, the Group made charitable and political donations of £Nil (December 2021: £Nil).

Directors' third party indemnity provisions

The Group maintains appropriate insurance to cover Directors' and Officers' liability. The Group provides an indemnity in respect of all the Group's Directors. Neither the insurance nor the indemnity provides cover where the Director has acted fraudulently or dishonestly.

Report of the Directors continued

Financial risk management

The Group's objectives and policies relating to financial risk management are fully explained in Note 3 on pages 52 to 54.

Directors' responsibilities

The Directors are responsible for preparing the strategic report, director's 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 Group financial statements and the Company financial statements in accordance with United Kingdom adopted International Accounting Standards (IAS).

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 Group and Company and of the profit or loss of the Group for that year.

The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

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;
- state whether the Group and the Company financial statements have been prepared in accordance with UK adopted IAS, subject to any material departures disclosed and explained in the financial statements; 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 Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Auditors

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

A resolution to reappoint BDO LLP as auditors will be proposed at the next annual general meeting.

By order of the Board

Katharine Berry

Secretary and Director

Date: 6 June 2023

Report of the independent auditors
for the year ended 31 December 2022

Opinion on the financial statements

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 2022 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Gusbourne Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flows, the consolidated statement of changes in equity, the company balance sheet, the company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent 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 as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting have been detailed further in our assessment of key audit matters.

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 Group and the Parent 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.

Overview

Coverage	*100% (2021: 100%) of Group loss before tax* *100% (2021: 100%) of Group revenue* *100% (2021: 100%) of Group total assets*		
Key audit matters		2022	2021
	Going concern	✗	✗
Materiality	*Group financial statements as a whole* £300,000 (2021:£199,000) based on 1% (2021: 0.7%) of Total Assets		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

The Group consists of the Parent company and its sole subsidiary. The engagement team performed full scope audits on both components.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Report of the independent auditors
for the year ended 31 December 2022 continued

<table>
<tr><th colspan="2">Key audit matter</th><th>How the scope of our audit addressed the key audit matter</th></tr>
<tr><td>Going concern

Note 1 on page 44</td><td>The Directors are required to consider whether the Group has adequate working capital and long-term funding facilities to operate for the foreseeable future, which is considered to be a period of at least 12 months from the date of approval of the financial statements (the “going concern period”).

The Group forecasts assume continued support from existing lenders with increased facilities being made available to support the Group’s 3-year plan. If additional facilities are not given, the Directors, based on their sensitivities, consider that the Group can operate with existing financing over the going concern period.

The disclosures may not appropriately reflect the process undertaken by the Directors and the conclusions reached.

Given the judgements made in the forecasts, this is considered to be the key area of focus for the audit and hence a key audit matter given the business is in the development stage and continues to make a loss.</td><td>We reviewed and challenged the Directors’ forecasts to assess the Group and Parent Company’s ability to meet their financial obligations as they fall due and to continue as a going concern within the period of twelve months from the date of approval of the financial statements.

This included reviewing the assumptions and inputs in the cash flow forecast to assess whether these were in line with our understanding of the Group’s operations and other information obtained by us during the course of the audit. The forecasts included multiple sensitized scenarios as discussed in Note 1, including the scenario where additional financing is not obtained.

We performed a mechanical check on the Directors’ cash flow forecasts. We have challenged the assumptions within the forecast including comparing forecast revenue between scenarios to the audited figures for the current financial year and to trading since the year end.

We performed sensitivity analysis on the cash flow forecasts and assessed the available headroom under sensitivity scenarios. We considered whether the reductions in operating cost and capital expenditure as part of Directors’ scenario testing were committed or are discretionary.

We held discussions with management and relevant Directors to understand their sensitivities, areas of uncertainty and recent discussions over additional financing and reviewed evidence to support these.
We also assessed the compliance of the forecast with loan covenants to ensure compliance with financing requirements through the going concern period.

We have reviewed and challenged the adequacy of the disclosures being made by the Directors to assess if they reflected the analysis performed by the Directors and that all material factors were considered.

Key observations:
Our observations are set out in the Conclusions relating to going concern section above.</td></tr>
</table>

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Parent company financial statements	
	2022 £	2021 £	**2022 £**	2021 £
Materiality	**300,000**	199,000	**153,000**	179,000
Basis for determining materiality	**1% of Total Assets**	0.7% of Total Assets	**1% of total assets**	90% of Group materiality
Rationale for the benchmark applied	The Group is at its development stage and continues to make losses. We have also increased the percentage applied because as the Group exits from it's development stage, we expect to consider an alternative benchmark. This increase will ensure we do not experience a sharp change in the year we reassess the benchmark used.			
Performance materiality	**225,000**	149,000	**115,000**	134,000
Basis for determining performance materiality	On the basis of our risk assessment, together with our assessment of the Group's overall control environment, our judgement was that performance materiality should be 75% (2021: 75%) of materiality			
Rationale for the percentage applied for performance materiality	On the basis of our understanding of the Group and the risk that the financial statements may contain misstatements. There was no change to the percentage applied from the prior year.			

Component materiality

We set materiality for the only significant component of the Group, based on a percentage of 1% of total assets, being £297,000 (2021: £179,000 based on 90% of Group materiality). In the audit of this component, we further applied performance materiality levels of 75% of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £15,000 (2021: £9,950). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Report of the independent auditors
for the year ended 31 December 2022 continued

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report 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. 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 course of 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.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the 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 Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Matters on which we are required to report by exception	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, 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.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Group and the industry in which it operates and considered the risk of acts by the Company that were contrary to applicable laws and regulations, including fraud. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, financial reporting legislation, the Companies Act 2006, and tax legislation. Our procedures included:

- We assessed the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items.
- Agreeing the financial statement disclosures to underlying supporting documentation
- Review of minutes of board meeting to identify any known or suspected irregularities including non-compliance with laws and regulations and fraud
- Enquiries with management and Directors about known or suspected non-compliance with laws and regulations and fraud.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;

Report of the independent auditors
for the year ended 31 December 2022 continued

- Review of minutes of meeting of those charged with governance to identify any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be in the recording of journal entries.

Our procedures in respect of the above included:

- We addressed the risk of management override of internal controls through testing journals, considering the rationale behind them and obtaining supporting documentation;
- We evaluated whether there was evidence of management bias by the Directors in accounting estimates that represented a risk of material misstatement due to fraud. In respect of the fair value of biological assets and the impairment of goodwill and intangibles, we challenged the assumptions and judgements made by the Directors in their significant accounting estimates by obtaining corroborative evidence and forming our own expectations where appropriate;

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available 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 Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hannah Pop
(Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

6 June 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated statement of comprehensive income

for the year ended 31 December 2022

	Note	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Revenue	4	**6,858**	4,613
Excise duties	4	**(615)**	(422)
Net revenue	4	**6,243**	4,191
Cost of sales		**(2,546)**	(1,847)
Gross profit		**3,697**	2,344
Fair value movement in biological produce	13	**(239)**	(704)
Administrative expenses		**(5,561)**	(4,396)
Loss from operations	5	**(2,103)**	(2,756)
Finance expenses	8	**(496)**	(817)
Loss before tax		**(2,599)**	(3,573)
Tax credit	9	**74**	-
Loss and total comprehensive loss for the year attributable to owners of the parent		**(2,525)**	(3,573)
Loss per share attributable to the ordinary equity holders of the parent:			
Basic (pence)	10	**(4.17)**	(7.29)
Diluted (pence)	10	**(4.17)**	(7.29)

The notes on pages 44 to 68 form part of these financial statements

Consolidated statement of financial position
at 31 December 2022

	Note	31 December 2022 £'000	31 December 2021 £'000
Assets			
Non-current assets			
Intangibles	11	**1,007**	1,007
Property, plant and equipment	12	**14,198**	12,343
Other receivables	15	**16**	32
		15,221	13,382
Current assets			
Biological Produce	13	**-**	-
Inventories	14	**12,579**	10,638
Trade and other receivables	15	**1,291**	1,275
Cash and cash equivalents	19	**269**	3,128
		14,139	15,041
Total assets		**29,360**	28,423
Liabilities			
Current liabilities			
Trade and other payables	16	**(1,500)**	(1,118)
Lease liabilities	18	**(84)**	(89)
		(1,584)	(1,207)
Non-current liabilities			
Loans and borrowings	17	**(12,373)**	(9,326)
Lease liabilities	18	**(1,994)**	(2,005)
		(14,367)	(11,331)
Total liabilities		**(15,951)**	(12,538)
Net assets		**13,409**	15,885

	Note	31 December 2022 £'000	31 December 2021 £'000
Issued capital and reserves attributable to owners of the parent			
Share capital	20	**12,191**	12,190
Share premium	21	**21,144**	21,103
Merger reserve	21	**(13)**	(13)
Share option reserve	21	**7**	-
Retained earnings	21	**(19,920)**	(17,395)
Total equity		**13,409**	15,885

The financial statements were approved and authorised for issue by the Board of Directors on 6 June 2023 and were signed on its behalf by:

James Ormonde
Non-Executive Chairman

Charlie Holland
Chief Executive Officer

The notes on pages 44 to 68 form part of these financial statements

Consolidated statement of cash flows

for the year ended 31 December 2022

	Note	31 December 2022 £'000	31 December 2021 £'000
Cash flows from operating activities			
Loss for the year before tax		**(2,599)**	(3,573)
Adjustments for:			
Depreciation of property, plant and equipment	12	**601**	599
Sale of property, plant and equipment	12	**(28)**	-
Finance expense	8	**496**	817
Fair value movement in biological produce	13	**239**	704
Equity share options issued		**7**	-
Increase in trade and other receivables		**74**	(318)
Increase in inventories		**(2,049)**	(1,886)
Increase in trade and other payables		**385**	349
Cash outflow from operations		**(2,874)**	(3,308)
Investing activities			
Purchases of property, plant and equipment, excluding vineyard establishment	12	**(2,502)**	(195)
Sale of property, plant and equipment	12	**28**	-
Net cash from investing activities		**(2,474)**	(195)
Financing activities			
Revolving facility repayments		**(4,547)**	(2,944)
Revolving facility drawdowns		**7,620**	5,584
Repayment of lease liabilities		**(101)**	(99)
Interest paid		**(456)**	(289)
Loan issue costs		**(66)**	(20)
Issue of ordinary shares	20	**46**	5,715
Share issue expense		**(7)**	(359)
Repayment of deep discount bonds		**-**	(1,219)
Net cash from financing activities		**2,489**	6,369
Net increase/(decrease) in cash and cash equivalents		**(2,859)**	2,866
Cash and cash equivalents at the beginning of the year	19	**3,128**	262
Cash and cash equivalents at the end of the year	19	**269**	3,128

The notes on pages 44 to 68 form part of these financial statements

Consolidated statement of changes in equity

for the year ended 31 December 2022

	Share capital £'000	Share premium £'000	Merger reserve £'000	Share option reserve £'000	Retained earnings £'000	Total attributable to equity holders of parent £'000
1 January 2021	**12,048**	**10,915**	**(13)**	**-**	**(13,822)**	**9,128**
Comprehensive loss for the year	-	-	-	-	(3,573)	(3,573)
Share issue	142	10,547	-	-	-	10,689
Share issue expenses	-	(359)	-	-	-	(359)
31 December 2021	**12,190**	**21,103**	**(13)**	**-**	**(17,395)**	**15,885**
1 January 2022	**12,190**	**21,103**	**(13)**	**-**	**(17,395)**	**15,885**
Comprehensive loss for the year	-	-	-	-	(2,525)	(2,525)
Share issue	1	48	-	-	-	49
Share issue expenses	-	(7)	-	-	-	(7)
Equity share options issued	-	-	-	7	-	7
31 December 2022	**12,191**	**21,144**	**(13)**	**7**	**(19,920)**	**13,409**

The notes on pages 44 to 68 form part of these financial statements

Notes forming part of the financial statements

for the year ended 31 December 2022

1 Accounting policies

Gusbourne PLC (the "Company") is a company incorporated and domiciled in the United Kingdom and quoted on the London Stock Exchange's AIM market. The consolidated financial statements of the Group for the year ended 31 December 2022 comprise the Company and its subsidiaries (together referred to as the "Group").

Basis of preparation

The Group's consolidated financial statements and the Company's financial statements have been prepared in accordance with UK adopted international accounting standards. The Company's financial statements are presented on pages 69 to 75.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's financial statements.

The financial statements are presented in pounds sterling. They have been prepared on the historical cost basis except that biological produce is stated at fair value.

Going concern

The consolidated financial statements have been prepared on a going concern basis in accordance with UK adopted international accounting standards.

In coming to their conclusion the Directors have considered the Group's profit and cash flow based on the Group's approved 3 year plans for the period of at least 12 months from the date these financial statements.

The Directors have considered a scenario in which the only cash available is from existing resources and committed facilities and planned but not yet committed capital expenditure is deferred. As at 31 December 2022 £16.5m was available to the Group, of which £4.2m was unutilised; represented by cash in hand and at bank of £0.3m and undrawn funds from the Group's asset-based lending facility of £3.9m. Under this scenario the available lending facilities and cash held at bank, cover working capital requirements without the need for an increased lending facility.

In coming to their going concern conclusion, and in the light of the uncertainty due to current economic conditions, the Directors have also run various downside "stress test" scenarios. These scenarios assess the impact of potential worsening economic conditions on the Group over the next 12 months and in particular a reduction of 20% of gross sales from that included within the Group 3-year plan. These stress tests indicate the Group can withstand this ongoing adverse impact on revenues and cashflow for at least the next 12 months. Under this scenario the directors have modelled the impact of certain additional cost mitigation actions, in relation to variable and discretionary costs. The directors believe that sufficient cost savings could be achieved from reducing sales and marketing and administrative costs and reducing capital expenditure to enable the Group to continue as a going concern for the next 12 months without any reduction in the forecasted spend on the winery and vineyard production costs. Under this scenario, the Group could continue to operate within the available lending facilities and cash held at bank without the need for an increased lending facility.

1 Accounting policies (continued)

FRS 16 Leases

The Group has entered into a number of long term leases in respect of land and buildings in West Sussex on which the Group has planted vineyards. The leases have a remaining life of 42 and 47 years.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case The Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Right-of-use assets are initially measured at the amount of the lease liability.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the leases. When the Group revises its estimate of the term of any lease (because, for example, it reassesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

Basis of consolidation

The Group's financial statements consolidate the financial statements of the Company and its subsidiary undertakings. Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities and the ability to use its power over the investee to affect the amounts of the Group's returns and which generally accompanies interest of more than one half of the voting rights. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The results of any subsidiaries sold or acquired are included in the Group income statement up to, or from, the date control passes. Intra-Group sales and profits are eliminated fully on consolidation.

On acquisition of a subsidiary, all of the subsidiary's separable, identifiable assets and liabilities existing at the date of acquisition are recorded at their fair values reflecting their condition at that date. On disposal of a subsidiary, the consideration received is compared with the carrying cost at the date of disposal and the gain or loss is recognised in the income statement. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets is recorded as goodwill. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Subsidiaries' results are amended where necessary to ensure consistency with the policies adopted by the Group.

Notes forming part of the financial statements continued

1 Accounting policies (continued)

Revenue

The majority of the group's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when the goods are dispatched by the Group or delivered either to the port of departure or port of arrival, depending on specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the group no longer has physical possession, usually will have a present right to payment and retains none of the significant risks and rewards of the goods in question.

All of the Group's revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

For all contracts there is a fixed unit price for each product sold. Therefore, there is no judgement involved allocating the contract price to each unit ordered in such contracts (it is the number of units multiplied by the fixed unit price for each product sold). Where a customer orders more than one product line, the Group is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

Revenue from vineyard tours and tastings is recognised on the date on which the tour or tasting takes place.

Net revenue is revenue less excise duties. The Group incurs excise duties in the United Kingdom and is a production tax which becomes payable once the Group's products are removed from bonded premises and are not directly related to the value of revenue. It is not included as a separate item on invoices issued to customers. Where a customer fails to pay for the Group's products the Group cannot reclaim the excise duty. The Group therefore recognises excise duty as a cost of the Group.

Financial assets

Debt instruments at amortised cost

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. The financial assets meet the SPPI test and are held in a 'hold to collect' business model and therefore classified at amortised cost.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for trade receivables. The historical loss rates are adjusted for current and forward looking information relevant to the Group's customers.

1 Accounting policies (continued)

For trade receivables, which are reported net, such expected credit losses are recognised within administrative expenses in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

Financial liabilities

Borrowings

Borrowings are initially recognised at fair value net of any transaction costs directly attributable to the loan. They are subsequently measured at amortised cost with interest charged to the statement of comprehensive income based on the effective interest rate of the borrowings.

Warrants

Warrants issued to shareholders as part of an equity fund raise are accounted for as equity instruments. Details of Warrants are shown in note 20.

Trade and other payables

Comprises trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Share capital

Financial instruments issued by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability. The Group's ordinary shares are classified as equity instruments.

Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Notes forming part of the financial statements continued

1 Accounting policies (continued)

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable group company; or
- different group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Intangible Assets

Goodwill

Goodwill arises where a business is acquired and a higher amount is paid for that business than the fair value of the assets and liabilities acquired. Transaction costs attributable to acquisitions are expensed to the income statement.

Goodwill is recognised as an asset in the statement of financial position and is not amortised but is subject to an annual impairment review. Impairment occurs when the carrying value of goodwill is greater than the recoverable amount which is the higher of the value in use and fair value less disposal costs. The present value of the estimated future cash flows from the separately identifiable assets, termed a 'cash generating unit' is used to determine the fair value less cost of disposal to calculate the recoverable amount. The Group prepares and approves formal long term business plans for its operations which are used in these calculations.

Brand

Brand names acquired as part of acquisitions of businesses are capitalised separately from goodwill as intangible assets if their value can be measured reliably on initial recognition and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group.

Brand names have been assessed as having an indefinite life and are not amortised but are subject to an annual impairment review. Impairment occurs when the carrying value of the brand name is greater than the present value of the estimated future cash flows.

Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs.

Freehold land is not depreciated.

Vineyard establishment represents the expenditure incurred to plant and maintain new vineyards until the vines reach productivity. Once the vineyards are productive the accumulated cost is transferred to mature vineyards and depreciated over the expected useful economic life of the vineyard. Vineyard establishment is not depreciated.

1 Accounting policies (continued)

Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

Freehold buildings	4% per annum straight line
Plant, machinery and motor vehicles	5-25% per annum straight line
Computer equipment	33% per annum straight line
Mature vineyards	4% per annum straight line

The carrying value of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Biological assets and produce

Agricultural produce is accounted for under IAS 41 Agriculture. Harvesting of the grape crop is ordinarily carried out in October. The grapes are therefore measured at fair value less costs to sell in accordance with IAS 41 with any fair value gain or loss shown in the consolidated statement of comprehensive income. The fair value of grapes is determined by reference to estimated market prices at the time of harvest. Generally there is no readily obtainable market price for the Group's grapes because they are not sold on the open market, therefore management set the values based on their experience and knowledge of the sector including past purchase transactions. This measurement of fair value less costs to sell is the deemed cost of the grapes that is transferred into inventory upon harvest.

Under IAS 41, the agricultural produce is also valued at the end of each reporting period, with any fair value gain or loss shown in the consolidated statement of comprehensive income. Bearer plants are accounted for under IAS 16 and are held at cost.

Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs, including depreciation on right of use assets and interest on lease liabilities, incurred in bringing the inventories to their present location and condition. Grapes grown in the Group's vineyards are included in inventory at fair value less costs to sell at the point of harvest which is the deemed cost for the grapes.

Weighted average cost is used to determine the cost of ordinarily interchangeable items.

Leased assets

All leases are accounted for by recognising a right-of-use asset and a lease liability except for leases of low value assets and leases with an expected full term of 12 months or less.

Lease liabilities are measured at the present value of the unpaid contractual payments over the expected lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental

Notes forming part of the financial statements continued

1 Accounting policies (continued)

borrowing rate on commencement of the lease is used. On initial recognition, the carrying value of the lease liability also includes amounts expected to be payable under any residual value guarantee; the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to exercise that option; and any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for lease payments made at or before commencement of the lease and initial direct costs incurred.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at a revised discount rate that is implicit in the lease for the remainder of the lease term. The carrying value of lease liabilities is similarly revised if any variable element of future lease payments dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining lease term.

Right-of-use assets are reviewed regularly to ensure that the useful economic life of the asset is still appropriate based on the usage of the asset. Where the asset has reduced in value the Group considers the situation on an asset-by-asset basis and either treats the reduction as an acceleration of depreciation or as an impairment under IAS 36 ‘Impairment of Assets’. An acceleration of depreciation occurs in those cases where there is no opportunity or intention to utilise the asset before the end of the lease.

Exceptional items

Exceptional items are those which, by virtue of their nature, size or incidence, either individually or in aggregate, need to be disclosed separately to allow full understanding of the underlying performance of the Group.

Share based payments

The Group has issued share options to certain employees, in return for which the Group receives services from employees. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense, the Group recognise the options at their fair value at the grant date to establish the relevant fair values for PSP & CSOP options.

The total amount to be expensed is determined by reference to the fair value of the options granted including any market performance conditions (for example the Group’s share price) but excluding the impact of any service or non-market performance vesting conditions (for example the requirement of the grantee to remain an employee of the Group).

1 Accounting policies (continued)

Non-market vesting conditions are included in the assumptions regarding the number of options that are expected to vest. The total expense is recognised over the vesting period. At the end of each period the Group revises its estimates of the number of options expected to vest based on the non-market vesting conditions. It recognises the impact of any revision in the income statement with a corresponding adjustment to equity.

2 Critical accounting policies

Estimates and judgements

The Group makes certain estimates and judgements regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate are set out below.

There were no areas of judgement in the year. Where estimates and assumptions have been used these are outlined below.

Fair value of biological produce

The Group's biological produce is measured at fair value less costs to sell at the point of harvest. The fair value of grapes is determined by reference to estimated market prices at the time of harvest. Generally there is no readily obtainable market price for the Group's grapes because they are not sold on the open market, therefore management set the values based on their experience and knowledge of the sector including past purchase transactions. Refer to note 13 which provides information on sensitivity analysis around this.

Impairment reviews

The Group is required to test annually whether goodwill and brand names have suffered any impairment. The recoverable amount is determined based on fair value less costs of disposal calculations, which requires the estimation of the value and timing of future cash flows and the determination of a discount rate to calculate the present value of the cash flows. Further information is set out in note 11. Management does not believe that any reasonably possible change in a key assumption would result in impairment.

Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

Notes forming part of the financial statements continued

2 Critical accounting policies (continued)

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

- Biological Produce (Note 13)

For more detailed information in relation to the fair value measurement of the items above, please refer to the applicable notes.

3 Financial instruments - risk management

The Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

Bank loans
Trade receivables
Cash and cash equivalents
Finance leases
Trade and other payables

In addition, at the Company level:

Intercompany loans.

The carrying amounts are a reasonable estimate of fair values because of the short maturity of such instruments or their interest bearing nature.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The liquidity risk of the Group is managed centrally by the group treasury function. Budgets are set and agreed by the board in advance, enabling the Group's cash requirements to be anticipated.

3 Financial instruments - risk management (continued)

The following table sets out the contractual maturities (representing undiscounted contractual cash flows) of financial liabilities:

At 31 December 2021	Up to 3 months £'000	Between 3 and 12 months £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total £'000
Trade and other payables	788	330	-	-	-	1,118
Loans and borrowings	71	213	284	10,154	-	10,722
Lease liabilities	25	75	99	297	3,987	4,483
Total	**884**	**618**	**383**	**10,451**	**3,987**	**16,323**

At 31 December 2022	Up to 3 months £'000	Between 3 and 12 months £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total £'000
Trade and other payables	1,146	354	-	-	-	1,500
Loans and borrowings	201	603	804	14,317	-	15,925
Lease liabilities	25	74	99	298	3,887	4,383
Total	**1,372**	**1,031**	**903**	**14,615**	**3,887**	**22,808**

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and increase or decrease debt.

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions and the risk of default by these institutions. The Group reviews the creditworthiness of such financial institutions on a regular basis to satisfy itself that such risks are mitigated. The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of the cash and cash equivalents as shown in the consolidated statement of financial position.

Credit risk also arises from credit exposure to trade customers included in trade and other receivables.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. The expected loss rates are based on the Group's historical credit losses experienced over the three-year period to the period end. Trade receivable balances are monitored on an ongoing basis to ensure that the

Notes forming part of the financial statements continued

3 Financial instruments - risk management (continued)

Group's bad debts are kept to a minimum. The maximum trade credit risk exposure at 31 December 2022 in respect of trade receivables is £957,000 (2021: £563,000) and due to the prompt payment cycle of these trade receivables, the expected credit loss is negligible at £8,000 (2021: £31,000).

Further disclosures regarding trade and other receivables are provided in note 15.

Interest rate risk

The Group's main debt is exposed to interest rate fluctuations. The Group considers that the risk is not significant in the context of its business plans. Should there be a 0.5% increase in the bank's lending rate, the finance charge in the statement of comprehensive income would increase by £61,000 (2021: £47,000).

4 Revenue and segmental information

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Wine Sales	**5,634**	3,795
Other income	**609**	396
Net revenue	**6,243**	4,191
Excise duties	**615**	422
Revenue	**6,858**	4,613

The Directors consider the Group to have only one operating segment. Details of the sole operating segment are shown in the consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows.

The analysis by geographical area of the Group's revenue is set out as below:

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
UK	**4,852**	3,410
USA	**231**	158
Other	**1,160**	623
Net revenue	**6,243**	4,191

The Directors do not consider the Group places reliance on any major customers.

5 Loss from operations

Loss from operations has been arrived at after charging:

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Depreciation of property, plant and equipment	**601**	600
Profit on disposal of fixed assets	**28**	-
Staff costs expensed to consolidated statement of income	**1,770**	1,310
Furlough grant income	**-**	(45)

6 Auditor's remuneration

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Auditor's remuneration		
- Audit: consolidation and parent	**65**	65
- Audit: subsidiaries	**20**	20
	85	85

7 Staff costs

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Staff costs (including Directors) comprise:		
Wages and salaries	**2,492**	1,894
Social security contributions and similar taxes	**261**	187
Pension contributions	**106**	85
Share based payment	**7**	-
	2,866	2,166

£1,089,000 (2021: £811,000) of the staff costs shown in the table above have been included in crop growing costs for the year as shown in note 13.

The average number of employees of the Group, including Directors, during the year was 96 (December 2021: 68).

Notes forming part of the financial statements continued

7 Staff costs (continued)

Directors' remuneration was as follows:

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
The total emoluments of all Directors during the year was:		
Emoluments (including benefits)	**312**	342
	312	342
Contributions to defined contribution pension plans	**13**	11
Total	**325**	353

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Total emoluments for all directors excluding pension contributions:		
J Ormonde	**59**	55
A Weeber	**-**	-
M Paul	**48**	48
C Holland	**116**	117
J Pollard	**77**	86
Lord Arbuthnot PC	**-**	-
P Bentham	**-**	-
M Clapp	**12**	36
I Robinson	**-**	-
Total	**312**	342

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Pension contributions:		
J Pollard	**6**	6
C Holland	**7**	5
The emoluments of the highest paid Director during the year were:	**123**	122

The total emoluments for C Holland and J Pollard include benefits to the value of £1,000 (2021: £2,000) and £1,000 (2021: £1,000) respectively.

The Directors are considered to be key management

7 Staff costs (continued)

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Key management personnel costs were as follows:		
Short term employment benefits	**312**	342
Social security contributions	**26**	25
Contributions to defined contribution pension plans	**13**	11
	351	378

8 Finance expenses

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Finance expenses		
Interest payable on borrowings	**456**	325
Amortisation of bank transaction costs	**40**	42
Discount expense on deep discount bond	**-**	450
Total finance expenses	**496**	817

9 Taxation

There is no current or deferred tax charge for the year (2021: £nil).

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Loss on ordinary activities before tax	**(2,599)**	(3,573)
Loss on ordinary activities at the standard rate of corporation tax in the UK for the year of 19% (December 2021: 19%)	**(493)**	(679)
Effects of:		
Expenses not deductible for tax purposes	**134**	121
Unprovided deferred tax movements on short term temporary differences	**(158)**	(91)
Unrecognised losses carried forward	**517**	649
Research & development	**(74)**	-
Tax charge/(credit) for the year	**(74)**	-

Notes forming part of the financial statements continued

9 Taxation (continued)

No deferred tax asset has been recognised on unutilised taxable losses due to the lack of certainty over the taxable profits being available against which deductible temporary differences can be utilised. The unutilised tax losses carried forward are £20,654,000 (December 2021: £17,739,000).

Tax credit of £74,000 (2021: nil) relating to research and development tax credits for the years ended 31 December 2020 and 2021.

10 Loss per share

Basic earnings per ordinary share are based on a loss of £2,525,000 (December 2021: £3,573,000) and ordinary shares 60,595,919 (December 2021: 48,989,920) of 1 pence each, being the weighted average number of shares in issue during the year.

	Loss £'000	Weighted average number of shares	Loss per Ordinary share pence
Year ended 31 December 2022	**(2,525)**	**60,595,919**	**(4.17)**
Year ended 31 December 2021	(3,573)	48,989,920	(7.29)

Diluted earnings per share are based on a loss of £2,525,000 and ordinary shares of 60,595,919 and no dilutive warrant options.

	Loss £'000	Diluted number of shares	Loss per Ordinary share pence
Year ended 31 December 2022	**(2,525)**	**60,595,919**	**(4.17)**
Year ended 31 December 2021	(3,573)	48,989,920	(7.29)

11 Intangibles

	Goodwill £'000	Brand £'000	Total £'000
Cost			
At 1 January 2022 and 31 December 2022	777	230	1,007
Impairment losses			
At 1 January 2022 and 31 December 2022	-	-	-
Net book value			
At 31 December 2021 and 31 December 2022	**777**	**230**	**1,007**

The carrying value of goodwill and the brand is allocated to the following cash-generating units:

	December 2020 £'000	December 2019 £'000
Gusbourne Estate	**1,007**	1,007

11 Intangibles (continued)

The brand value is the fair value of the brand name acquired as part of the acquisition of Gusbourne Estate in September 2013, and separately identified as an intangible.

Goodwill is the premium paid to acquire the Gusbourne Estate business over the fair value of its net assets.

Given the long term nature of vineyard establishment and wine production the Group's management prepare long term cash flow forecasts for up to 5 years, and then apply a discount rate to determine the present value of the future cash flows of the cash-generating unit to arrive at the fair value less costs of disposal. Where this amount is lower than the carrying value of the brand and goodwill allocated to the cash-generating unit an impairment charge is made. The discount rate used is 12.6% (December 2021: 12.8%) based on the Group's estimated weighted cost of capital. A growth rate of 2.5% has been applied over the term of the long term cash flow forecasts. The growth rate used is based on the long term average growth rate of the UK economy.

The discount rate would need to increase to 21.7% to result in an impairment of the Goodwill.

The fair value of intangibles is categorised as a level 3 recurring fair value measurement.

12 Property, plant and equipment

	Freehold Land and Buildings £'000	Plant, machinery and motor vehicles £'000	Right of use asset £'000	Mature Vineyards £'000	Computer equipment £'000	Total £'000
Cost						
At 1 January 2021	6,896	3,432	2,114	3,637	102	16,181
Additions	-	179	-	-	16	195
Disposals	-	-	-	-	-	-
At 31 December 2021	**6,896**	**3,611**	**2,114**	**3,637**	**118**	**16,376**
At 1 January 2022	6,896	3,611	2,114	3,637	118	16,376
Additions	1,824	645	-	-	33	2,502
Disposals	-	(65)	-	-	-	(65)
At 31 December 2022	**8,720**	**4,191**	**2,114**	**3,637**	**151**	**18,813**

Notes forming part of the financial statements continued

12 Property, plant and equipment (continued)

	Freehold Land and Buildings £'000	Plant, machinery and motor vehicles £'000	Right of use asset £'000	Mature Vineyards £'000	Computer equipment £'000	Total £'000
Accumulated depreciation						
At 1 January 2021	633	1,956	92	633	74	3,388
Depreciation charge for the year	129	313	46	146	11	645
Depreciation on disposals	-	-	-	-	-	-
At 31 December 2021	**762**	**2,269**	**138**	**779**	**85**	**4,033**
At 1 January 2022	762	2,269	138	779	85	4,033
Depreciation charge for the year	128	311	46	146	16	647
Depreciation on disposals	-	(65)	-	-	-	(65)
At 31 December 2022	**890**	**2,515**	**184**	**925**	**101**	**4,615**
Net book value						
At 31 December 2021	6,134	1,342	1,976	2,858	33	12,343
At 31 December 2022	**7,830**	**1,676**	**1,930**	**2,712**	**50**	**14,198**

Right of use assets comprise land leases on which vines have been planted and property leases from which vineyard operations are carried out. These assets have been created under IFRS 16 – Leases.

Depreciation on right of use assets is included in the cost of inventory, therefore £46,000 (2021: £46,000) transferred into stock in the year.

13 Biological produce

The fair value of biological produce was:

	December 2022 £'000	December 2021 £'000
At 1 January	-	-
Crop growing costs	1,830	1,609
Fair value of grapes harvested and transferred to inventory	(1,591)	(905)
Fair value movement in biological produce	(239)	(704)
At 31 December	**-**	**-**

The fair value of grapes harvested is determined by reference to estimated market prices less cost to sell at the time of harvest. The estimated market price for grapes used in respect of the 2022 harvest is £3,000 per tonne (2021: £2,500 per tonne).

13 Biological produce (continued)

A 10% increase in the estimated market price of grapes to £3,300 per tonne would result in an increase of £159,000 (2021: £90,000) in the fair value of the grapes harvested in the year. A 10% decrease in the estimated market price of grapes to £2,700 per tonne would result in a decrease of £159,000 (2021: £90,000) in the fair value of the grapes harvested in the year.

A fair value loss of £239,000 (2021: £704,000 loss) was recorded during the year and included within the consolidated statement of comprehensive income. This measurement of fair value less costs to sell is the deemed cost of the grapes that is transferred into inventory upon harvest.

14 Inventories

	December 2022 £'000	December 2021 £'000
Finished goods	1,249	985
Work in progress	11,330	9,653
Total inventories	**12,579**	**10,638**

During the year £1,858,000 (December 2021: £1,261,000) was transferred to cost of sales.

15 Trade and other receivables

	December 2022 £'000	December 2021 £'000
Non current assets		
Other receivables	16	32
	16	**32**
Current assets		
Trade receivables	957	563
Prepayments	113	691
Other receivables	147	21
Tax Debtor	74	-
Total trade and other receivables	**1,291**	**1,275**

Trade and other receivables are due within 1 year apart from £16,000 (December 2021: £32,000) included within other receivables which is due in more than 1 year.

The Group undertakes a credit check on any new customers and also monitors the credit worthiness of existing customers. If a customer fails the credit checking process then they are required to make payment up front for any goods or services. At 31 December 2022 the lifetime expected loss provision for trade receivables is 0.75%, £8,000 (2021: 5%, £31,000). This is based on expected credit losses from previous losses incurred by the Group.

Notes forming part of the financial statements continued

16 Trade and other payables

	December 2022 £'000	December 2021 £'000
Trade payables	**833**	611
Accruals	**501**	337
Other payables	**68**	39
Total financial liabilities, excluding loans and borrowings classified as financial liabilities measured at amortised cost	**1,402**	987
Other payables - tax and social security payments	**98**	131
Total trade and other payables	**1,500**	1,118

Book values are approximate to fair value at 31 December 2022 and 31 December 2021.

17 Loans and borrowings

	December 2022 £'000	December 2021 £'000
Non current liabilities		
Bank loans	**12,541**	9,468
Unamortised bank transaction costs	**(168)**	(142)
Total non current loans and borrowings	**12,373**	9,326

The bank loan of £12,373,000 with PNC Business Credit shown above is net of transaction costs of £168,000 which are being amortised over the life of the loan.

In August 2022 the Group entered into an amended and restated agreement with PNC Financial Services UK Limited to increase its existing £10.5 million 5-year asset-based lending facilities by an additional £6.0 million to provide the Group with a total £16.5 million asset-based lending facilities. The New PNC facilities have been made available to the Group for a minimum period of 5 years to 12 August 2027. The interest rate is at the annual rate of 2.50% (2021: 2.75%) over Sterling Overnight Index Average ("SONIA"), (2021: Bank of England Base Rate).

The facilities are secured by way of first priority charges over the Group's inventory, receivables and freehold property as well as an all assets debenture.

An analysis of the maturity of loans and borrowings is given below:

	December 2022 £'000	December 2021 £'000
Bank and other loans:		
Within 1 year	**-**	-
1-2 years	**-**	-
2-5 years	**12,373**	9,326

18 Lease liability

During the period the Group accounted for six leases under IFRS 16. The lease contracts provide for payments to increase each year by inflation or at a fixed rate and on others to be reset periodically to market rental rates. The leases also have provisions for early termination. The weighted average Incremental Borrowing Rate used to calculate the lease liability was 4.25%.

	Land £'000
Net carrying value – 1 January 2022	2,094
Interest	85
Payments	(101)
Net carrying value – 31 December 2022	**2,078**

	December 2022 £'000	December 2021 £'000
The lease payments under long term leases liabilities fall due as follows:		
Current lease liabilities	84	89
Non current lease liabilities	1,994	2,005
Total liabilities	**2,078**	2,094

During the period an interest charge of £85,000 (2021: £86,000) arose on the lease liability in respect of land leases. This interest cost has been added to growing crop costs on the basis that the lease liability solely relates to the production of grapes.

The Groups leases include break clauses. On a case-by-case basis, the Group will consider whether the absence of a break clause exposes the Group to excessive risk. Typically factors considered in deciding to negotiate a break clause include:

- The length of the lease term;
- The economic stability of the environment in which the property is located; and
- Whether the location represents a new area of operations for the Group.

At both 31 December 2022 and 2021 the carrying amounts of lease liabilities are not reduced by the amount of payments that would be avoided from exercising break clauses because on both dates it was considered reasonably certain that the Group would not exercise its right to exercise any right to break the lease.

Notes forming part of the financial statements continued

19 Note supporting statement of cash flows

Cash and cash equivalents for purposes of the statement of cash flows comprises:

	December 2022 £'000	December 2021 £'000
Cash at bank available	267	3,127
Cash on hand	2	1
	269	3,128

Changes in financing activities are shown in the reconciliation of liabilities from financing transactions below:

	Current loans and borrowings £'000 (Note 17)	Non-current loans and borrowings £'000 (Note 17)	Current lease liabilities £'000 (Note 18)	Non-current lease liabilities £'000 (Note 18)
At 1 January 2021	5,676	6,613	92	2,016
Cash flows	(1,219)	2,640	-	(99)
Non cash flows				
- Interest accruing in period	517	31	-	85
- Loan refinanced as deep discount bond	(4,974)	-	-	-
- Loans and borrowings classified as non-current at 31 December 2020 becoming current during 2021	-	-	(3)	3
- Amortisation of bank transaction costs	-	42	-	-
At 31 December 2021	**-**	**9,326**	**89**	**2,005**

19 Note supporting statement of cash flows (continued)

	Current loans and borrowings £'000 (Note 17)	Non-current loans and borrowings £'000 (Note 17)	Current lease liabilities £'000 (Note 18)	Non-current lease liabilities £'000 (Note 18)
At 1 January 2022	-	9,326	89	2,005
Cash flows	-	2,551	-	(101)
Non cash flows				
- Interest accruing in period	-	456	-	85
- Debt converted to equity in period	-	-	-	-
- Loans and borrowings classified as non-current at 31 December 2021 becoming current during 2022	-	-	(5)	5
- Amortisation of bank transaction costs	-	40	-	-
At 31 December 2022	**-**	**12,373**	**84**	**1,994**

20 Share capital

	Deferred shares of 49p each Number	Ordinary shares of 1p each Number	£'000
Issued and fully paid			
At 1 January 2021	23,639,762	46,478,619	12,048
Issued in the year	-	14,253,086	142
At 31 December 2021	**23,639,762**	**60,731,705**	**12,190**
Issued in the year	-	42,282	1
At 31 December 2022	**23,639,762**	**60,773,987**	**12,191**

The Deferred shares of 49 pence each have no rights attached to them.

On 2 March 2022 the Company issued 23,970 new ordinary shares of 1p each pursuant to an exercise of Warrants. All Warrants were exercised at 75p per share.

On 29 March 2022 the Company issued 226 new ordinary shares of 1p each pursuant to an exercise of Warrants. All Warrants were exercised at 75p per share.

On 3 May 2022 the Company issued 419 new ordinary shares of 1p each pursuant to an exercise of Warrants. All Warrants were exercised at 75p per share.

Notes forming part of the financial statements continued

20 Share capital (continued)

On 4 October 2022 the Company issued 4,580 new ordinary shares of 1p each pursuant to an exercise of Warrants. All Warrants were exercised at 75p per share.

On 16 December 2022 the Company issued 13,087 new ordinary shares of 1p each pursuant to an exercise of Warrants. All Warrants were exercised at 75p per share.

Unexercised Warrants at 31 December 2022 amounted to 3,959,977 (2021: 4,002,259) Ordinary Shares of 1 pence each. The warrants have a final exercise date of 16 December 2023 at 75p per Ordinary Share.The warrants are accounted for as a derivative financial liability measured on inception at fair value through the profit or loss. On inception, the fair value of the warrants was deemed to be £nil and thus no fair value was recognised.

21 Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share premium	The share premium account arose on the issue of shares by the Company at a premium to their nominal value. Expenses of share issues are charged to this account.
Merger reserve	The merger reserve arose on the business combination and is the difference between the nominal value of the shares issued and the market value of the shares acquired.
Retained earnings	The retained earnings represent cumulative net gains and losses recognised in the Group's statement of consolidated income.

22 Related party transactions

Deacon Street Partners Limited is considered a related party by virtue of the fact that Lord Ashcroft KCMG PC, the Company's ultimate controlling party, is also the ultimate controlling party of Deacon Street Partners Limited. During the year Deacon Street Partners Limited charged the Company £70,000 (December 2021: £70,000) in relation to management services. There was £44,000 due to Deacon Street Partners Limited as at 31 December 2022 (December 2021: £22,000).

Jaywing PLC is considered a related party by virtue of the fact that Ian Robinson, a director of Gusbourne PLC is also Non-Executive Chairman of Jaywing PLC. During the year Jaywing PLC charged the Company £108,000 (December 2021: £102,000) in relation to marketing services and £352,000 in relation to third party digital advertising. There was £36,000 due to Jaywing PLC as at 31 December 2022 (December 2021: £8,400).

On 18 June 2018, the company lent £50,000 to a director as an interest free loan, repayable by instalments from July 2019. The loan will be repaid in full by May 2024. The balance due from the director as at 31 December 2022 was £22,000 (December 2021: £38,000).

22 Related party transactions (continued)

On the 24 August 2022 the Group purchased 55 hectares of freehold agricultural land located in Appledore, Ashford in Kent (the "Land Purchase") from Andrew Weeber, Non-Executive Director and a shareholder of the Company, and his spouse. The property is adjacent to and contiguous with the Company's existing freehold estate in Kent, where the majority of the Company's existing mature vineyards are planted. The purchase price for the Land Purchase was £1.6 million plus related acquisition costs.

Details of related parties who subscribed for the warrants are shown in the table below:

Warrants exercisable at 75 pence each

Name	Held as at 31 December 2021 Number	Held as at 31 December 2022 Number
Lord Ashcroft KCMG PC*	2,660,158	2,660,158
Andrew Weeber	179,566	179,566
Paul Bentham**	121,083	121,083
Ian Robinson	35,801	35,801
Jim Ormonde	19,788	19,788
Mike Paul	10,607	10,607
Lord Arbuthnot PC	7,345	7,345
Matthew Clapp	4,816	4,816
Jon Pollard	3,171	3,171
Charlie Holland	2,770	2,770
	3,045,105	3,045,105

* via Belize Finance Limited, a related party of Lord Ashcroft KCMG PC
**via Franove Holdings Limited, a related party of Paul Bentham

23 Share based payments

The Company operates two equity-settled share based remuneration schemes for employees: a company share option scheme (CSOP) and a performance share plan (PSP) for executive directors and certain senior management. Under the PSP and CSOP, options over ordinary shares of 1 pence each in the Company may be granted at the discretion of the remuneration committee.

Vesting of the PSP Options is subject to the following performance criterion: the volume-weighted average mid-market closing price of a Share as derived from the AIM Appendix to the Daily Official List ("VWAP") over a period of forty five business days is equal to or greater than the agreed vesting price.

The performance period for PSP Options granted under the PSP will typically be four years commencing from the date of grant of the relevant PSP Options. Except in the event of a change of control of the Company and in certain 'good leaver' scenarios, no PSP Options may be exercised prior to the expiry of the performance period and unless the relevant performance criterion is met. PSP Options shall be granted under the PSP with an exercise price of 1 pence per Share (being equal to the nominal value of a Share). Shares acquired on exercise of PSP Options shall be subject to a two-year holding period.

Notes forming part of the financial statements continued

23 Share based payments (continued)

Vesting of the CSOP Option is subject to the following performance criterion: the VWAP over a period of forty five business days is equal to or greater than 100 pence. The performance period of the CSOP Options shall be three years from the date of grant. Except in the event of a change of control of the Company and in certain 'good leaver' scenarios, no CSOP Options may be exercised prior to the expiry of the performance period and unless the performance criterion is met. Shares acquired on exercise of the CSOP Options shall be subject to a holding period of one year.

Details of the share options granted are shown in the table below:

Grant date	20 December 2022	20 December 2022
Scheme	PSP	CSOP
Number of options granted	734,483	209,790
Share price at grant date	71.50p	71.50p
Exercise price	1.00p	71.50p
Expense for year ended 31 December 2022	£5,233	£1,505

24 Post balance sheet events

On 16 January 2023, the Group issued 2,174 new ordinary shares of 1 pence each in the capital of the Company ("Ordinary Shares") pursuant to an exercise of warrants by certain investors in the Company.

Company financial statements

Company balance sheet
at 31 December 2022

	Note	December 2022 £'000	December 2021 £'000
Assets			
Non-current assets			
Investments	3	**21,600**	21,600
Other receivables	4	**6,040**	3,584
Current assets			
Trade and other receivables	4	**159**	122
Cash and cash equivalents		**116**	3,013
Total assets		**27,915**	28,319
Current liabilities			
Trade and other payables	5	**(228)**	(262)
Total liabilities		**(228)**	(262)
Net assets		**27,687**	28,057
Issued capital and reserves attributable to owners			
Share capital	6	**12,191**	12,191
Share premium	7	**21,144**	21,105
Share option reserve	7	**7**	-
Retained earnings	7	**(5,655)**	(5,239)
Total equity		**27,687**	28,057

In accordance with Section 408 of the Companies Act 2006, the Company has not presented its own income statement in these financial statements. The Company results for the year include a loss after tax and before dividends payable of £416,000 (2021: £845,000) which is dealt with in the consolidated financial statements of the Group.

The financial statements were approved and authorised for issue by the Board on 6 June 2023 and were signed on its behalf by Katharine Berry.

Katharine Berry
Secretary and Director

The notes on pages 72 to 75 form part of these financial statements

Company statement of changes in equity

for the year ended 31 December 2022

	Share capital £'000	Share premium £'000	Share option reserve £'000	Retained earnings £'000	Total attributable to equity holders £'000
1 January 2021	**12,048**	**10,915**	**-**	**(4,394)**	**18,569**
Comprehensive loss for the year	-	-	-	(845)	(845)
Contributions by and distributions to owners:					
Share issue	143	10,549	-	-	10,692
Share issue expenses	-	(359)	-	-	(359)
31 December 2021	**12,191**	**21,105**	**-**	**(5,239)**	**28,057**
1 January 2022	**12,191**	**21,105**	**-**	**(5,239)**	**28,057**
Comprehensive loss for the year	-	-	-	(416)	(416)
Contributions by and distributions to owners:					
Share issue	-	46	-	-	46
Share issue expenses	-	(7)	-	-	(7)
Equity share options issued	-	-	7	-	7
31 December 2022	**12,191**	**21,144**	**7**	**(5,655)**	**27,687**

The notes on pages 72 to 75 form part of these financial statements.

Notes forming part of the company financial statements

for the year 31 December 2022

1 Accounting policies

Gusbourne PLC (the "Company") is a company limited by shares and registered in England and Wales with the registered number 08225727. The Company's registered office is Gusbourne, Kenardington Road, Appledore, Ashford, Kent, TN26 2BE.

The following principal accounting policies have been applied:

Basis of preparation

The separate financial statements of the Company are presented as required by the Companies Act 2006. The Company meets the definition of a qualifying entity under Financial Reporting Standard 101 ("FRS 101") issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 "Reduced Disclosure Framework" as issued by the Financial Reporting Council.

Disclosure exemptions adopted In preparing these financial statements

The company has taken advantage of certain disclosure exemptions conferred by FRS 101 and has not provided:

- Additional comparative information as per IAS 1 Presentation of Financial Statements paragraph 38 in respect of a reconciliation of the number of shares outstanding at the start and end of the prior period.
- A Statement of Cash Flows and related disclosures.
- A statement of compliance with IFRS (a statement of compliance with FRS 101 is provided instead).
- Additional comparative information for narrative disclosures and information, beyond IFRS requirements.
- Disclosures in relation to the objectives, policies and process for managing capital.
- Disclosure of the effect of future accounting standards not yet adopted.
- The remuneration of key management personnel.
- Related party transactions with two or more wholly owned members of the group.

In addition, and in accordance with FRS 101, further disclosure exemptions have been applied because equivalent disclosures are included in the consolidated financial statements. These financial statements do not include certain disclosures in respect of:

Share based payments – details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined as per paragraphs 45(b) and 46 to 52 of IFRS 2 Share-Based Payment. The Company's accounting policies are aligned with the Group's accounting policies as described in note 1 of the Group's consolidated financial statements. Additional accounting policies are noted below.

The financial statements have been prepared on a going concern basis in accordance with UK adopted international accounting standards.

Investment in subsidiaries

The company has an investment in two subsidiaries. Investments are valued at cost, less allowances for impairment. Impairment reviews are performed annually.

2 Directors and employees

The average number of staff employed by the Company during the year (comprising solely of Directors) was 9 (2021 - 9).

Details of the emoluments of the Directors can be found in note 7 of the consolidated financial statements.

3 Investments

The following were the subsidiary undertakings at the end of the year:

Name	Country of incorporation	Proportion of ownership interest at 31 December 2022
Gusbourne Estate Limited	England and Wales	100%
Gusbourne Wines Limited	England and Wales	100%

Gusbourne Estate Limited is involved in the production, sale and distribution of English sparkling wine. Gusbourne Wines Limited is dormant.

The registered address of Gusbourne Estate Limited and Gusbourne Wines Limited is Kenardington Road, Appledore, Kent TN26 2BE.

4 Trade and other receivables

	December 2022 £'000	December 2021 £'000
Non-current assets		
Trade and other receivables	**16**	32
Amounts due from group undertakings	**6,024**	3,552
Total non current assets	**6,040**	3,584
Current assets		
Trade and other receivables	**117**	71
Prepayments and accrued income	**42**	51
Total current assets	**159**	122
	6,199	3,706

Included in trade and receivables is an amount due from a director of £22,000 (2021: £38,000). £6,000 is due within one year and £16,000 is due for repayment by July 2024. Further details are shown in note 9.

Notes forming part of the company financial statements continued

5 Trade and other payables

	December 2022 £'000	December 2021 £'000
Current liabilities		
Trade payables	**69**	136
Accruals and deferred income	**159**	126
	228	262

6 Share Capital

Details of the share capital of the Company are included in note 20 to the Group's financial statements.

7 Reserves

Details of the nature and purpose of each reserve within equity are shown in note 21 to the Group's financial statements.

8 Ultimate controlling party

In the opinion of the Directors the ultimate controlling party at 31 December 2022 is Lord Ashcroft KCMG PC.

9 Related party transactions

Deacon Street Partners Limited is considered a related party by virtue of the fact that Lord Ashcroft KCMG PC, the Company's ultimate controlling party, is also the ultimate controlling party of Deacon Street Partners Limited. During the year Deacon Street Partners Limited charged the Company £70,000 (December 2021 - £70,000) in relation to management services. There was £44,000 due to Deacon Street Partners Limited as at 31 December 2022 (December 2021 - £22,000).

On 18 June 2018, the company lent £50,000 to a director as an interest free loan, repayable by instalments from July 2019. The loan will be repaid in full by July 2024. The balance due from the director as at 31 December 2022 was £22,000 (December 2021 - £38,000).

Details of related parties who subscribed for warrants are included in note 22 to the Group's financial statements.

10 Share based payments

The Company operates two equity-settled share based remuneration schemes for employees: a company share option scheme (CSOP) and a performance share plan (PSP) for executive directors and certain senior management. Under the PSP and CSOP, options over ordinary shares of 1 pence each in the Company may be granted at the discretion of the remuneration committee.

Details of the share options granted are shown in the table below:

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11 Post balance sheet events

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Company information

Country of incorporation of parent company

England and Wales

Legal form

Public limited company

Directors

J Ormonde (Non-Executive Chairman)
M A K Paul (Non-Executive Deputy Chairman)
C E Holland (Chief Executive Officer)
K D Berry (Chief Financial Officer), appointed 21 March 2023
Lord Arbuthnot PC (Non-Executive Director)
M D Clapp (Non-Executive Director)
I G Robinson (Non-Executive Director)
J Pollard (Chief Operating Officer), resigned 21 March 2023
P Bentham (Non-Executive Director), resigned 21 March 2023
A Weeber (Non-Executive Director), resigned 21 March 2023

Secretary and registered office

K D Berry
Gusbourne
Kenardington Road
Appledore
Ashford
Kent
TN26 2BE

Company number

08225727

Auditors

BDO LLP
55 Baker Street
London
W1U 3EU

Nominated adviser and Joint Broker

Panmure Gordon (UK) Limited
One New Change
London
EC4M 9AF

Solicitors

Fieldfisher LLP
Free Trade Exchange Level 5
37 Peter Street
Manchester
M2 5GB

Bankers

Barclays Bank PLC
30 Tower View
Kings Hill
Kent
ME19 4UY

PNC Financial Services UK Ltd
34-36 Perrymount Road
Haywards Heath
RH16 3DN

Registrars

Link Market Services Limited
10th Floor, Central Square
29 Wellington Street
Leeds
LS1 4DL