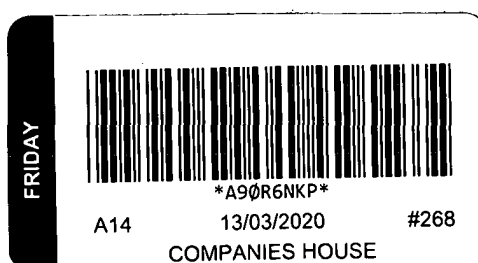


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Company Registration No. 06046527 (England and Wales)

AMORARTIS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019



AMORARTIS LIMITED

COMPANY INFORMATION

Directors	Miss H E Swaby	
	Mrs L Godson	
	Mr M J Ansell	
	Mrs S Hill	
	Mrs R V M Ball	
	Mr G Cheetham	(Appointed 1 August 2019)
	Mr R Newbery	(Appointed 1 August 2019)
Secretary	Mr M J Ansell	
Company number	06046527	
Registered office	De Montfort House Europa Way Lichfield Staffordshire WS14 9NW	
Auditor	Jackson Calvert Limited Bennett Corner House 33 Coleshill Street Sutton Coldfield West Midlands B72 1SD	

AMORARTIS LIMITED

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AMORARTIS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JULY 2019

The directors present the strategic report for the year ended 31 July 2019.

Fair review of the business

2019 has seen continuing investment in supporting systems and senior personnel. The business is now even better placed to enjoy significant growth with a strengthened management team and effective supporting systems. Given the emphasis focussed on these aspects, the gallery portfolio was only increased by one in the year, but we now look forward to an acceleration in gallery roll out in the current financial year which we believe will bring increased turnover and profitability.

During 2019, turnover was increased by 6%, whilst margins were maintained and overheads controlled giving a very satisfactory increase in net profits before taxation of 19%. This profitability has been achieved whilst generating positive cash flow, and despite a significant purchase of own shares referred to in notes 23 and 25, cash balances have increased by 32%.

The foregoing represents an impressive performance against a very difficult backdrop for the economy in general, but underlines the business as respected art dealers with a loyal client and artist base continuing to provide the market with exceptional and desirable products. The current financial year has started positively justifying the Board's belief that strategies employed will bring further increases in profitability.

Principal risks and uncertainties

The principal risks and uncertainties facing the group are continued market volatility and maintenance of profit margins, whilst improving the quantity and quality of its outlets to further drive growth.

Key performance indicators

The key financial and other performance indicators during the year were as follows:

	2019	2018	Change
	£'000	£'000	%
Turnover	51,761	48,850	+ 6%
Operating profit	5,015	4,222	+ 19%
Profit after tax	3,831	3,208	+ 19%
Equity Shareholders' funds	9,575	8,437	+ 13%
Current assets as % of current liabilities	180%	172%	+ 8%
Average number of employees	359	356	+ 1%

On behalf of the board



Mr M J Ansell

Director

28 November 2019

AMORARTIS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2019

The directors present their annual report and financial statements for the year ended 31 July 2019.

Principal activities

The principal activity of the group continued to be that of fine art publishing, retail and wholesale distribution.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Miss H E Swaby	
Mr J P S Kearns	(Resigned 31 December 2018)
Mrs L Godson	
Mr M J Ansell	
Mrs S Hill	
Mrs R V M Ball	
Mr G Cheetham	(Appointed 1 August 2019)
Mr R Newbery	(Appointed 1 August 2019)

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £193,293.

Directors' share options

Details of directors' share options are as follows:

	At 1 August 2018	Granted	Exercised	At 31 July 2019	Exercise date	Date from which exercisable	Expiry date
Rebecca Ball		500	500		26/09/2018	25/09/2018	24/09/2028

Acquisition of own shares

On 2 January 2019 the Company purchased into Treasury 3,513 Ordinary Shares from Mr JPS Kearns following a mutual agreement for him to leave the Company. The shares had an original nominal value of £1 each (£3,513 in aggregate) and represented 20.05% of the Company's issued share capital at the point of buy-back. The consideration paid to purchase these shares was £2,499,599.

Subsequently, the 3,513 Ordinary Shares held in Treasury were cancelled on 11 July 2019, resulting in the shares held in Treasury being nil at the period end. The maximum number of shares held in Treasury at any one time during the period was 3,513 Ordinary Shares.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

AMORARTIS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

Employee involvement

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present.

Future developments

The Group will continue to increase its retail portfolio whilst providing an unrivalled range of desirable artwork for its ever increasing database of retail clients and wholesale customers. This strategy will result in increases in turnover and profitability whilst maintaining the Group's position as the UK's leading supplier of contemporary artwork.

Auditor

In accordance with the company's articles, a resolution proposing that Jackson Calvert Limited be reappointed as auditor of the group will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



Mr M J Ansell

Director

28 November 2019

AMORARTIS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 JULY 2019

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AMORARTIS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AMORARTIS LIMITED

Opinion

We have audited the financial statements of Amorartis Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 July 2019 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 July 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

AMORARTIS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AMORARTIS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept 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.

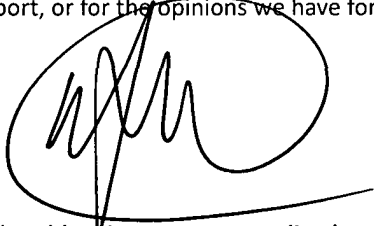
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

AMORARTIS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AMORARTIS LIMITED

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the bottom, enclosed within an oval shape.

William Mottershead (Senior Statutory Auditor)
for and on behalf of Jackson Calvert Limited

28 November 2019

Chartered Certified Accountants
Statutory Auditor

33 Coleshill Street
Sutton Coldfield
West Midlands
B72 1SD

AMORARTIS LIMITED

GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2019

	Notes	2019 £	2018 £
Turnover	3	51,761,339	48,850,110
Cost of sales		(20,369,391)	(19,505,294)
Gross profit		31,391,948	29,344,816
Administrative expenses		(26,392,237)	(25,148,851)
Other operating income		15,038	26,398
Operating profit	4	5,014,749	4,222,363
Interest receivable and similar income	7	14,874	4,004
Profit before taxation		5,029,623	4,226,367
Tax on profit	8	(1,198,455)	(1,018,191)
Profit for the financial year		3,831,168	3,208,176

Profit for the financial year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

AMORARTIS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2019

	2019	2018
	£	£
Profit for the year	3,831,168	3,208,176
Other comprehensive income	-	-
Total comprehensive income for the year	<u>3,831,168</u>	<u>3,208,176</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

AMORARTIS LIMITED

GROUP BALANCE SHEET

AS AT 31 JULY 2019

	Notes	2019 £	2018 £
Fixed assets			
Intangible assets	10	5,298	217,851
Tangible assets	11	4,761,211	4,987,859
		<u>4,766,509</u>	<u>5,205,710</u>
Current assets			
Stocks	15	6,734,291	7,220,354
Debtors	16	3,989,551	3,847,932
Cash at bank and in hand		8,563,791	5,549,704
		<u>19,287,633</u>	<u>16,617,990</u>
Creditors: amounts falling due within one year	17	<u>(10,697,261)</u>	<u>(9,635,364)</u>
Net current assets		<u>8,590,372</u>	<u>6,982,626</u>
Total assets less current liabilities		<u>13,356,881</u>	<u>12,188,336</u>
Creditors: amounts falling due after more than one year		<u>(3,750,000)</u>	<u>(3,750,000)</u>
Provisions for liabilities	19	<u>(31,627)</u>	<u>(1,358)</u>
Net assets		<u>9,575,254</u>	<u>8,436,978</u>
Capital and reserves			
Called up share capital	22	14,000	17,513
Capital redemption reserve		6,000	2,487
Profit and loss reserves		9,555,254	8,416,978
Total equity		<u>9,575,254</u>	<u>8,436,978</u>

The financial statements were approved by the board of directors and authorised for issue on 28 November 2019 and are signed on its behalf by:

Mark Ansell

Mr M J Ansell
Director

AMORARTIS LIMITED

COMPANY BALANCE SHEET

AS AT 31 JULY 2019

	Notes	2019 £	2018 £
Fixed assets			
Investments	12	3,763,500	3,763,500
Current assets			
Debtors	16	14,415	14,014
Cash at bank and in hand		1,250,000	-
		<u>1,264,415</u>	<u>14,014</u>
Creditors: amounts falling due within one year	17	<u>(1,250,001)</u>	<u>(1)</u>
Net current assets		<u>14,414</u>	<u>14,013</u>
Total assets less current liabilities		<u>3,777,914</u>	<u>3,777,513</u>
Creditors: amounts falling due after more than one year		<u>(3,750,000)</u>	<u>(3,750,000)</u>
Net assets		<u><u>27,914</u></u>	<u><u>27,513</u></u>
Capital and reserves			
Called up share capital	22	14,000	17,513
Capital redemption reserve		6,000	2,487
Profit and loss reserves		7,914	7,513
Total equity		<u><u>27,914</u></u>	<u><u>27,513</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £2,693,293 (2018 - £1,355,000 profit).

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

The financial statements were approved by the board of directors and authorised for issue on 28 November 2019 and are signed on its behalf by:



Mr M J Ansell
Director

Company Registration No. 06046527

AMORARTIS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2019

	Notes	Share capital £	Capital redemption reserve £	Own shares £	Profit and loss reserves £	Total £
Balance at 1 August 2017		17,513	2,487	-	6,563,802	6,583,802
Year ended 31 July 2018:						
Profit and total comprehensive income for the year		-	-	-	3,208,176	3,208,176
Dividends	9	-	-	-	(1,355,000)	(1,355,000)
Balance at 31 July 2018		17,513	2,487	-	8,416,978	8,436,978
Year ended 31 July 2019:						
Profit and total comprehensive income for the year		-	-	-	3,831,168	3,831,168
Dividends	9	-	-	-	(193,293)	(193,293)
Own shares acquired		-	-	3,513	(2,499,599)	(2,496,086)
Redemption of shares	22	-	3,513	-	-	3,513
Reduction of shares	22	(3,513)	-	-	-	(3,513)
Other movements		-	-	(3,513)	-	(3,513)
Balance at 31 July 2019		14,000	6,000	-	9,555,254	9,575,254

AMORARTIS LIMITED

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

	Notes	Share capital £	Capital redemption reserve £	Own shares £	Profit and loss reserves £	Total £
Balance at 1 August 2017		17,513	2,487	-	7,513	27,513
Year ended 31 July 2018:						
Profit and total comprehensive income for the year		-	-	-	1,355,000	1,355,000
Dividends	9	-	-	-	(1,355,000)	(1,355,000)
Balance at 31 July 2018		17,513	2,487	-	7,513	27,513
Year ended 31 July 2019:						
Profit and total comprehensive income for the year		-	-	-	2,693,293	2,693,293
Dividends	9	-	-	-	(193,293)	(193,293)
Own shares acquired		-	-	3,513	(2,499,599)	(2,496,086)
Redemption of shares	22	-	3,513	-	-	3,513
Reduction of shares	22	(3,513)	-	-	-	(3,513)
Other movements		-	-	(3,513)	-	(3,513)
Balance at 31 July 2019		14,000	6,000	-	7,914	27,914

AMORARTIS LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	26	8,339,943		5,851,231	
Income taxes paid		(997,204)		(1,169,999)	
Net cash inflow from operating activities		7,342,739		4,681,232	
Investing activities					
Purchase of intangible assets		(5,298)		-	
Proceeds on disposal of intangibles		-		134,334	
Purchase of tangible fixed assets		(1,663,166)		(1,465,035)	
Proceeds on disposal of tangible fixed assets		17,830		6,000	
Interest received		14,874		4,004	
Net cash used in investing activities		(1,635,760)		(1,320,697)	
Financing activities					
Redemption of shares		(3,513)		-	
Purchase of treasury shares		(2,496,086)		-	
Dividends paid to equity shareholders		(193,293)		(1,355,000)	
Net cash used in financing activities		(2,692,892)		(1,355,000)	
Net increase in cash and cash equivalents		3,014,087		2,005,535	
Cash and cash equivalents at beginning of year		5,549,704		3,544,169	
Cash and cash equivalents at end of year		8,563,791		5,549,704	

AMORARTIS LIMITED

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	27		1,249,599		-
Investing activities					
Dividends received		2,693,293		1,355,000	
Net cash generated from investing activities			2,693,293		1,355,000
Financing activities					
Redemption of shares		(3,513)		-	
Purchase of treasury shares		(2,496,086)		-	
Dividends paid to equity shareholders		(193,293)		(1,355,000)	
Net cash used in financing activities			(2,692,892)		(1,355,000)
Net increase in cash and cash equivalents			1,250,000		-
Cash and cash equivalents at beginning of year			-		-
Cash and cash equivalents at end of year			1,250,000		-

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

Company information

Amorartis Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is De Montfort House, Europa Way, Lichfield, Staffordshire, WS14 9NW.

The group consists of Amorartis Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated financial statements incorporate those of Amorartis Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 July 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Exclusivity costs	Over the life of the asset
Patents and trademarks	Over the life of the asset

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the life of the lease
Fixtures, fittings & equipment	Over the life of the asset
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated future sales of stock. Both impairment losses and reversals are recognised in profit and loss in the period of the assessment.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is 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.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

The company contributes to a scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.16 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Directors judgement. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

The expense in relation to options over the parent company's shares granted to employees of a subsidiary is recognised by the company as a capital contribution, and presented as an increase in the company's investment in that subsidiary.

1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

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

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

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2019 £	2018 £
Turnover		
Retail	46,456,359	43,360,557
Wholesale	5,304,980	5,489,553
	<u>51,761,339</u>	<u>48,850,110</u>

Other significant revenue

Interest income	<u>14,874</u>	<u>4,004</u>
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4 Operating profit

	2019 £	2018 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	54,336	(16,824)
Depreciation of owned tangible fixed assets	1,874,457	1,807,443
(Profit)/loss on disposal of tangible fixed assets	(2,473)	16,617
Amortisation of intangible assets	217,851	182,885
Cost of stocks recognised as an expense	20,306,694	19,523,310
Operating lease charges	<u>283,821</u>	<u>292,043</u>

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

4 Operating profit

(Continued)

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £54,336 (2018 - £16,824).

5 Auditor's remuneration

	2019	2018
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	-	-
Audit of the financial statements of the company's subsidiaries	26,225	35,055
	<u>26,225</u>	<u>35,055</u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2019 Number	2018 Number	Company 2019 Number	2018 Number
Directors	5	6	-	-
Support staff and retail	354	350	-	-
	<u>359</u>	<u>356</u>	<u>-</u>	<u>-</u>

Their aggregate remuneration comprised:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Wages and salaries	11,470,817	10,960,051	-	-
Social security costs	1,194,399	1,102,709	-	-
Pension costs	285,923	166,145	-	-
	<u>12,951,139</u>	<u>12,228,905</u>	<u>-</u>	<u>-</u>

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

7 Interest receivable and similar income

	2019	2018
	£	£
Interest income		
Interest on bank deposits	14,874	4,004

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	14,874	4,004
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8 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	1,168,186	1,078,697
Deferred tax		
Origination and reversal of timing differences	30,269	(60,506)
Total tax charge	1,198,455	1,018,191

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019	2018
	£	£
Profit before taxation	5,029,623	4,226,367
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	955,628	803,010
Tax effect of expenses that are not deductible in determining taxable profit	78,045	76,392
Depreciation on assets not qualifying for tax allowances	164,782	138,789
Taxation charge	1,198,455	1,018,191

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

9 Dividends

Recognised as distributions to equity holders:

	2019 Per share £	2018 Per share £	2019 Total £	2018 Total £
Ordinary shares				
Final paid	11.04	55.96	193,293	980,000
Preference shares				
Final paid	-	0.10	-	375,000
Total dividends				
Final paid			193,293	1,355,000

10 Intangible fixed assets

Group	Exclusivity costs £	Patents and trademarks £	Total £
Cost			
At 1 August 2018	995,892	-	995,892
Additions - separately acquired	-	5,298	5,298
Disposals	(995,892)	-	(995,892)
At 31 July 2019	-	5,298	5,298
Amortisation and impairment			
At 1 August 2018	778,041	-	778,041
Amortisation charged for the year	217,851	-	217,851
Disposals	(995,892)	-	(995,892)
At 31 July 2019	-	-	-
Carrying amount			
At 31 July 2019	-	5,298	5,298
At 31 July 2018	217,851	-	217,851

The company had no intangible fixed assets at 31 July 2019 or 31 July 2018.

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

11 Tangible fixed assets

Group	Leasehold improvements	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 August 2018	6,459,587	6,303,909	232,079	12,995,575
Additions	797,955	740,701	124,510	1,663,166
Disposals	(167,923)	(100,915)	(68,998)	(337,836)
At 31 July 2019	7,089,619	6,943,695	287,591	14,320,905
Depreciation and impairment				
At 1 August 2018	3,605,259	4,265,919	136,538	8,007,716
Depreciation charged in the year	767,194	1,049,501	57,762	1,874,457
Eliminated in respect of disposals	(159,709)	(100,421)	(62,349)	(322,479)
At 31 July 2019	4,212,744	5,214,999	131,951	9,559,694
Carrying amount				
At 31 July 2019	2,876,875	1,728,696	155,640	4,761,211
At 31 July 2018	2,854,328	2,037,990	95,541	4,987,859

The company had no tangible fixed assets at 31 July 2019 or 31 July 2018.

12 Fixed asset investments

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Investments in subsidiaries	13	-	-	3,763,500	3,763,500

Movements in fixed asset investments

Company	Shares in group undertakings £
Cost or valuation	
At 1 August 2018 and 31 July 2019	3,763,500
Carrying amount	
At 31 July 2019	3,763,500
At 31 July 2018	3,763,500

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

13 Subsidiaries

Details of the company's subsidiaries at 31 July 2019 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Clarendon Fine Art Ltd	England	Dormant	Ordinary	100.00	
De Montfort Fine Art Limited	England	Fine art retailer and publisher	Ordinary	100.00	
Whitewall Galleries Limited	England	Dormant	Ordinary	-	100.00

14 Financial instruments

	Group 2019 £	2018 £	Company 2019 £	2018 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	1,804,062	2,019,341	14,415	14,014
Carrying amount of financial liabilities				
Measured at amortised cost	13,293,239	12,567,404	5,000,001	3,750,001

15 Stocks

	Group 2019 £	2018 £	Company 2019 £	2018 £
Finished goods and goods for resale	6,734,291	7,220,354	-	-

16 Debtors

	Group 2019 £	2018 £	Company 2019 £	2018 £
Amounts falling due within one year:				
Trade debtors	1,398,182	1,528,949	-	-
Amounts owed by group undertakings	-	-	14,415	14,014
Other debtors	405,880	562,562	-	-
Prepayments and accrued income	2,185,489	1,756,421	-	-
	3,989,551	3,847,932	14,415	14,014

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

17 Creditors: amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	2,587,173	2,038,536	-	-
Amounts owed to group undertakings	-	-	1	1
Corporation tax payable	564,282	393,300	-	-
Other taxation and social security	589,740	424,660	-	-
Other creditors	5,322,993	4,409,645	1,250,000	-
Accruals and deferred income	1,633,073	2,369,223	-	-
	<u>10,697,261</u>	<u>9,635,364</u>	<u>1,250,001</u>	<u>1</u>

18 Creditors: amounts falling due after more than one year

Loans and overdrafts

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Preference shares	<u>3,750,000</u>	<u>3,750,000</u>	<u>3,750,000</u>	<u>3,750,000</u>
Payable after one year	<u>3,750,000</u>	<u>3,750,000</u>	<u>3,750,000</u>	<u>3,750,000</u>

19 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities	Liabilities
	2019	2018
Group	£	£
Accelerated capital allowances	<u>31,627</u>	<u>1,358</u>

The company has no deferred tax assets or liabilities.

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

19 Deferred taxation (Continued)

	Group 2019 £	Company 2019 £
Movements in the year:		
Liability at 1 August 2018	1,358	-
Charge to profit or loss	30,269	-
Liability at 31 July 2019	<u>31,627</u>	<u>-</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

20 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>285,923</u>	<u>166,145</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

21 Share-based payment transactions

Share options in the Company Amorartis Limited as detailed below were granted and exercised during the reporting period:

Company	Number of share options		Weighted average exercise price	
	2019 Number	2018 Number	2019 £	2018 £
Outstanding at 1 August 2018	-	-	-	-
Granted	500	-	295.00	-
Exercised	(500)	-	295.00	-
Outstanding at 31 July 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Exercisable at 31 July 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The weighted average share price at the date of exercise for share options exercised during the year was £295 (2018 - £0).

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

21 Share-based payment transactions

(Continued)

There were no options outstanding at 31 July 2019 that could be exercised post 31 July 2019.

22 Share capital

	Group and company	
	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
14,000 (2018: 17,513) Ordinary shares of £1 each	14,000	17,513

On 2 January 2019 the Company purchased back into Treasury 3,513 of the Ordinary Share Capital at a premium. These shares continued to be held in Treasury until 11 July 2019 when they were cancelled.

Reconciliation of movements during the year:

	Number
At 1 August 2018	17,513
Shares bought into Treasury and subsequently cancelled	(3,513)
At 31 July 2019	14,000

23 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Within one year	3,461,554	3,565,635	-	-
Between two and five years	5,716,298	5,569,304	-	-
In over five years	841,292	331,792	-	-
	10,019,144	9,466,731	-	-

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

24 Directors' transactions

Dividends totalling £193,293 (2018 - £1,355,000) were paid in the year in respect of shares held by the company's directors.

On 2 January 2019 the Company (Amorartis Limited) purchased into Treasury 3,513 ordinary shares from Mr JPS Kearns, a Director (until resignation on 31 December 2018) and Shareholder of the Company, for an agreed amount of £2,499,599 as detailed in full in the Directors' Report.

25 Controlling party

The Company is under the control of Ms H Swaby.

26 Cash generated from group operations

	2019 £	2018 £
Profit for the year after tax	3,831,168	3,208,176
Adjustments for:		
Taxation charged	1,198,455	1,018,191
Investment income	(14,874)	(4,004)
(Gain)/loss on disposal of tangible fixed assets	(2,473)	16,617
Amortisation and impairment of intangible assets	217,851	182,885
Depreciation and impairment of tangible fixed assets	1,874,457	1,807,443
Movements in working capital:		
Decrease in stocks	486,063	1,739,153
(Increase)/decrease in debtors	(141,619)	384,267
Increase/(decrease) in creditors	890,915	(2,501,497)
Cash generated from operations	8,339,943	5,851,231

AMORARTIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

27 Cash generated from/(absorbed by) operations - company

	2019	2018
	£	£
Profit for the year after tax	2,693,293	1,355,000
Adjustments for:		
Investment income	(2,693,293)	(1,355,000)
Movements in working capital:		
Increase in debtors	(401)	-
Increase in creditors	1,250,000	-
Cash generated from/(absorbed by) operations	1,249,599	-