

RNS Half-year/Interim Report

## UNAUDITED INTERIM RESULTS; 6M TO 30 SEPT 2022

[MOUNTVIEW ESTATES PLC](#)

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Mountview Estates P.L.C.  
Half Year Report  
24 November 2022

### MOUNTVIEW ESTATES P.L.C.

("Mountview" or "the Group" or "the Company")

#### UNAUDITED INTERIM RESULTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022

Mountview is pleased to announce its unaudited interim results for the six months ended 30 September 2022.

#### OUR PERFORMANCE

Turnover at £37.2 million up by 21.2% (2021 - £30.7m)

Gross profit at £21.3 million up by 18.3% (2021 - £18.0m)

Profit before tax at £18.2 million up by 16.7% (2021 - £15.6m)

Earnings per share at 378.4 pence up by 30.4% (2021 - 290.3p)

Net assets per share at £102.2 up by 0.3% (2021 - £101.9)

#### DIVIDEND INFORMATION

Mountview Estates P.L.C. advises its shareholders that, following the issue of the interim results, the relevant dates in respect of the exceptional interim dividend payment of 500p per share (which includes a special dividend of 250p per share) are as follows:

Ex-dividend date - 16 February 2023

Record date - 17 February 2023

Payment date - 27 March 2023

#### CHIEF EXECUTIVE OFFICER'S STATEMENT

At the Annual General Meeting held on 10 August 2022 those shareholders deemed to be independent exercised their right to reject the re-election of Mr. Anthony Powell and Ms. Mhairi Archibald as independent non-Executive Directors. At the General Meeting held in accordance with the Listing Rules of the Financial Conduct Authority on 21 November 2022, when all shareholders were entitled to vote, it was resolved to re-elect Mr. Anthony Powell and Ms. Mhairi Archibald as Directors of the Company. Thus the status quo is maintained.

## TRADING

The vote in favour of Brexit was made nearly six and a half years ago. Boris Johnson "got Brexit done" nearly three years ago. We have learnt to live with Covid although it will never have just gone away. Last Thursday (17 November 2022) we were told how the Government plan to recover the vast sums of money that bureaucratic profligacy spent in trying to help the country through the various economic travails.

This Company did not furlough any staff, did not reduce staff numbers in any other way and did not take any government assistance. However as a successful company we are obliged to help repay the government's debt. Earnings per share for the half year ended 30 September 2022 have increased by more than 30%. Our purchasing activity has been strong during these six months and our long standing financial prudence keeps us in position to take advantage of further good purchasing opportunities.

We are all aware that difficult times lie ahead but the financial strength of this Company should enable us to weather the economic storms that lie ahead better than most. Many of our staff have been with the Company for a long time and I am determined that we should protect them as best we can from the ravages of inflation.

## EXCEPTIONAL INTERIM DIVIDEND

Not only has the Company made almost £25million of purchases during the six months ended 30 September 2022 but cash flow has also been very strong and I am very happy to be able to again declare an interim dividend at the exceptional rate of 500p per share in respect of the year ending 31 March 2023. This dividend is payable on 27 March 2023 to shareholders on the Register of Members as at 17 February 2023. This represents an increased interim dividend of 250p per share and a special dividend of a further 250p per share. Please note that this will be made as one payment of 500p per share.

The Board is confident that the Company remains in a strong position to make further purchases and to meet all its regular outgoings including the final dividend payable in August 2023. However it would be prudent to only anticipate an interim dividend payable in March 2024 at the increased basic rate of 250p per share.

## OUTLOOK

We all know that times are going to be tough, but I believe that this Company is better placed than most to survive the difficulties and indeed prosper. And my belief is supported by these Accounts.

D.M. Sinclair

Chief Executive Officer

24 November 2022

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) for the half year ended 30 September 2022

	Half year ended 30.09.2022 £000	Half year ended 30.09.2021 £000	Year ended 31.03.2022 £000
<b>Revenue</b>	<b>37,192</b>	30,711	66,010
Cost of Sales	(15,912)	(12,754)	(25,144)
<b>Gross Profit</b>	<b>21,280</b>	17,957	40,866
Administrative expenses	(2,734)	(2,205)	(6,197)
Gain on sale of investment properties	-	53	53
<b>Operating profit before changes in fair value of investment properties</b>	<b>18,546</b>	15,805	34,722
Increase in fair value of investment properties	-	-	444
<b>Profit from operations</b>	<b>18,546</b>	15,805	35,166
Net finance costs	(336)	(181)	(298)
<b>Profit before taxation</b>	<b>18,210</b>	15,624	34,868
Taxation - current	(3,455)	(3,062)	(6,637)

Taxation - deferred	-	(1,242)	(1,349)
Taxation	(3,455)	(4,304)	(7,986)
<b>Profit attributable to equity shareholders and total comprehensive income</b>	<b>14,755</b>	<b>11,320</b>	<b>26,882</b>
<b>Basic and diluted earnings per share (pence)</b>	<b>378.4p</b>	<b>290.3p</b>	<b>689.5p</b>

All items within the consolidated statement of comprehensive income relate to continuing operations.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
for the half year ended 30 September 2022

	Half year ended 30.09.2022 £000	Half year ended 30.09.2021 £000	Year ended 31.03.2022 £000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1,517	1,576	1,546
Investment properties	25,451	25,007	25,451
	<b>26,968</b>	<b>26,583</b>	<b>26,997</b>
<b>Current assets</b>			
Inventories of trading properties	406,812	394,921	393,275
Trade and other receivables	1,684	1,298	1,326
Cash and cash equivalents	1,628	1,012	643
	<b>410,124</b>	<b>397,231</b>	<b>395,244</b>
<b>Total assets</b>	<b>437,092</b>	<b>423,814</b>	<b>422,241</b>
<b>Equity and liabilities</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	195	195	195
Capital redemption reserve	55	55	55
Capital reserve	25	25	25
Other reserves	56	56	56
Retained earnings	398,163	397,087	393,155
	<b>398,494</b>	<b>397,418</b>	<b>393,486</b>
<b>Non-current liabilities</b>			
Long-term borrowings	28,700	15,500	19,200
Deferred tax	5,700	5,593	5,700
	<b>34,400</b>	<b>21,093</b>	<b>24,900</b>
<b>Current liabilities</b>			
Bank overdrafts and other short term loans	-	1,497	-
Trade and other payables	889	1,032	1,470
Current tax payable	3,309	2,774	2,385
	<b>4,198</b>	<b>5,303</b>	<b>3,855</b>
<b>Total liabilities</b>	<b>38,598</b>	<b>26,396</b>	<b>28,755</b>
<b>Total equity and liabilities</b>	<b>437,092</b>	<b>423,814</b>	<b>422,241</b>

**CONSOLIDATED CASHFLOW STATEMENT (UNAUDITED)**  
for the half year ended 30 September 2022

	Half year ended 30.09.2022 £000	Half year ended 30.09.2021 £000	Year ended 31.03.2022 £000
<b>Cash flows from operating activities</b>			
Profit from operations	18,546	15,805	35,166
Adjustment for:			

Depreciation	29	30	60
(Gain) on sale of investment properties	-	(53)	(53)
(Increase) in fair value of investment properties	-	-	(444)
<b>Operating cash flows before movement in working capital</b>	<b>18,575</b>	<b>15,782</b>	<b>34,729</b>
(Increase)/Decrease in inventories	(13,537)	3,245	4,891
(Increase)/Decrease in receivables	(358)	119	91
(Decrease) in payables	(581)	(1,110)	(672)
<b>Cash generated from operations</b>	<b>4,099</b>	<b>18,036</b>	<b>39,039</b>
Interest paid	(336)	(181)	(298)
Income taxes paid	(2,531)	(4,404)	(8,368)
<b>Net cash Inflow from operating activities</b>	<b>1,232</b>	<b>13,451</b>	<b>30,373</b>
<b>Investing activities</b>			
Proceeds from disposal of investment properties	-	620	620
<b>Net cash inflow from investing activities</b>	<b>-</b>	<b>620</b>	<b>620</b>
<b>Cash flows from financing activities</b>			
Increase/(Repayment) of borrowings	9,500	(4,552)	(2,349)
Equity dividend paid	(9,747)	(8,773)	(28,267)
<b>Net cash (Outflow) from financing activities</b>	<b>(247)</b>	<b>(13,325)</b>	<b>(30,616)</b>
<b>Net Increase in cash and cash equivalents</b>	<b>985</b>	<b>746</b>	<b>377</b>
Opening cash and cash equivalents	643	266	266
<b>Cash and cash equivalents at end of period</b>	<b>1,628</b>	<b>1,012</b>	<b>643</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
for the half year ended 30 September 2022

	Half year ended 30.09.2022 £000	Half year ended 30.09.2021 £000	Year ended 31.03.2022 £000
Shareholders' funds as at the beginning of the period	393,486	394,871	394,871
Profit for the period	14,755	11,320	26,882
Dividends	(9,747)	(8,773)	(28,267)
Shareholders' funds at the end of the period	398,494	397,418	393,486

### ***Basis of preparation***

These condensed consolidated interim financial statements have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and in accordance with UK adopted International Accounting Standard 34 (IAS 34) "Interim Financial Reporting". The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2022 which have been prepared in accordance with UK adopted International Accounting Standards.

The accounting policies used are consistent with those contained in the Group's last Annual Report and Accounts for the year ended 31 March 2022.

The Directors have reviewed the current and projected financial position of the Group and are satisfied that the Group has adequate resources to cover current liabilities. Therefore, the Directors continue to adopt the going concern basis in preparing the half year report.

### ***Basis of consolidation***

The Group's financial statements incorporate the results of Mountview Estates P.L.C. and all of its subsidiary undertakings made up to the reporting date.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

Control is recognised when the Group is exposed to, or has rights to, variable returns from its investment in the entity and has the ability to affect these returns through its power over the relevant activities of the entity.

On acquisition, the identifiable assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. The purchase method has been used in consolidating the subsidiary financial statements.

All significant inter-company transactions balances and unrealised gains on transactions between Group companies are eliminated on consolidation within the consolidated accounts.

Consistent accounting policies have been used across the Group.

### ***Status of the interim financial information***

These condensed consolidated interim financial statements are unaudited and do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The Group's published financial statements for the year ended 31 March 2022 have been reported on by the Group's auditors and filed with the Registrar of Companies. The report of the auditors was unqualified and did not contain any statement under Section 498 of the Companies Act 2006.

The condensed consolidated interim financial statements were approved by the Board of Directors on 24 November 2022. The preparation of the interim financial information requires management to make assumptions and estimates about future events which are uncertain, the actual outcome of which may result in a materially different outcome from that anticipated.

### ***Availability of the Half Year Report***

Copies of this statement are being sent to Shareholders. Copies may be obtained from the Company's registered office or from the Company's website - [www.mountviewplc.co.uk](http://www.mountviewplc.co.uk).

This announcement contains inside information as stipulated under the UK version of the Market Abuse Regulation No 596/2014 which is part of English Law by virtue of the European (Withdrawal) Act 2018, as amended. On publication of this announcement via a Regulatory Information Service, this information is considered to be in the public domain.

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