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NS Half-year/Interim Report

UNAUDITED INTERIM RESULTS FOR 6M ENDED 30 SEP 2023

MOUNTVIEW ESTATES PLC

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Mountview Estates PLC
23 November 2023

**Mountview Estates P.L.C.
Half Year Report
23 November 2023**

MOUNTVIEW ESTATES P.L.C.

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

UNAUDITED INTERIM RESULTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023

Mountview is pleased to announce its unaudited interim results for the six months ended 30 September 2023.

OUR PERFORMANCE

Turnover at £39.2 million up by 5.5% (2022 - £37.2m)

Gross profit at £24.2 million up by 13.9% (2022 - £21.3m)

Profit before tax at £19.9 million up by 9.3% (2022 - £18.2m)

Earnings per share at 382.7 pence up by 1.1% (2022 - 378.4p)

Net assets per share at £101.5 down by 0.7% (2022 - £102.2)

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 interim dividend payment of 250p per share are as follows:

Ex-dividend date - 15 February 2024

Record date - 16 February 2024

Payment date - 25 March 2024

CHIEF EXECUTIVE OFFICER'S STATEMENT

At the Annual General Meeting held on 9 August 2023 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 20 November 2023, 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

Despite the economic difficulties being suffered throughout the country the Company's gross profit for the six months ended 30 September 2023 has increased by 13.9% and profit before tax by 9.3%. The rise of over 30% in corporation tax from 19% to 25% is the main, if not only, reason that earnings per share have risen only by 1.1%.

Our purchasing activity has remained strong during these six months and our financial strength should enable us to continue to take advantage of good purchasing opportunities.

With a staff of less than thirty we are a tiny company but the increased taxation and the ever expanding regulatory and administrative burden imposed by various authorities is disproportionate to a company of this size. We will not abandon our financial prudence, but I am determined that we shall protect our staff from the worst economic misfortunes. Many of our staff have been loyal to the Company for many years and they deserve our loyalty.

INTERIM DIVIDEND

In March 2022 and March 2023 the Company paid an exceptional interim dividend totalling 500p per share but it would not be possible to continue at this level without compromising the Company's financial prudence. At this time last year I advised that it would be prudent to only anticipate an interim dividend payable in March 2024 at the increased basic rate of 250p per share.

The Company has continued to make good purchases which are the future of the Company and so an interim dividend of 250p per share is the prudent option and still represents a good return on your investment.

This dividend is payable on 25 March 2024 to shareholders on the Register of Members as at 16 February 2024.

OUTLOOK

We live in difficult times, but I believe that this Company will continue to prosper and can continue to care for its staff and its shareholders.

D.M. Sinclair

Chief Executive Officer

23 November 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) for the half year ended 30 September 2023

	Half year ended 30.09.2023 £000	Half year ended 30.09.2022 £000	Year ended 31.03.2023 £000
Revenue	39,236	37,192	73,593
Cost of Sales	(15,007)	(15,912)	(32,993)
Gross Profit	24,229	21,280	40,600
Administrative expenses	(2,718)	(2,734)	(6,592)
Operating profit before changes in fair value of investment properties	21,511	18,546	34,008
(Decrease) in fair value of investment properties	-	-	(36)
Profit from operations	21,511	18,546	33,972
Net finance costs	(1,609)	(336)	(1,208)
Profit before taxation	19,902	18,210	32,764
Taxation - current	(4,982)	(3,455)	(6,233)
Taxation - deferred	-	-	(66)
Taxation	(4,982)	(3,455)	(6,299)
Profit attributable to equity shareholders and total comprehensive income	14,920	14,755	26,465
Basic and diluted earnings per share (pence)	382.7p	378.4p	678.8p

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 2023

	Half year ended 30.09.2023	Half year ended 30.09.2022	Year ended 31.03.2023
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	£000	£000	£000
Assets			
Non-current assets			
Property, plant and equipment	1,464	1,517	1,493
Investment properties	25,415	25,451	25,415
	26,879	26,968	26,908
Current assets			
Inventories of trading properties	442,231	406,812	422,742
Trade and other receivables	2,593	1,684	6,656
Cash and cash equivalents	1,908	1,628	776
	446,732	410,124	430,174
Total assets	473,611	437,092	457,082
Equity and liabilities			
Capital and reserves attributable to equity holders of the Company			
Share capital	195	195	195
Capital redemption reserve	55	55	55
Capital reserve	25	25	25
Other reserves	56	56	56
Retained earnings	395,550	398,163	390,377
	395,881	398,494	390,708
Non-current liabilities			
Long-term borrowings	66,200	28,700	56,700
Deferred tax	5,766	5,700	5,766
	71,966	34,400	62,466
Current liabilities			
Bank overdrafts and other short term loans	-	-	60
Trade and other payables	841	889	1,984
Current tax payable	4,923	3,309	1,864
	5,764	4,198	3,908
Total liabilities	77,730	38,598	66,374
	473,611	437,092	457,082

CONSOLIDATED CASHFLOW STATEMENT (UNAUDITED)
for the half year ended 30 September 2023

	Half year ended 30.09.2023 £000	Half year ended 30.09.2022 £000	Year ended 31.03.2023 £000
Cash flows from operating activities			
Profit from operations	21,511	18,546	33,972
Adjustment for:			
Depreciation	29	29	53
Decrease in fair value of investment properties	-	-	36
Operating cash flows before movement in working capital	21,540	18,575	34,061
(Increase) in inventories	(19,489)	(13,537)	(29,467)
Decrease/(Increase) in receivables	4,063	(358)	(5,330)
(Decrease)/Increase in payables	(1,143)	(581)	514
Cash generated from operations	4,971	4,099	(222)
Interest paid	(1,609)	(336)	(1,208)
Income taxes paid	(1,923)	(2,531)	(6,754)
Net cash Inflow/(Outflow) from operating activities	1,439	1,232	(8,184)
Cash flows from financing activities			

Increase of borrowings	9,500	9,500	37,500
Equity dividend paid	(9,747)	(9,747)	(29,243)
Net cash (Outflow)/Inflow from financing activities	(247)	(247)	8,257
Net Increase in cash and cash equivalents	1,192	985	73
Opening cash and cash equivalents	716	643	643
Cash and cash equivalents at end of period	1,908	1,628	716

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
for the half year ended 30 September 2023

	Half year ended 30.09.2023 £000	Half year ended 30.09.2022 £000	Year ended 31.03.2023 £000
Shareholders' funds as at the beginning of the period	390,708	393,486	393,486
Profit for the period	14,920	14,755	26,465
Dividends	(9,747)	(9,747)	(28,243)
Shareholders' funds at the end of the period	395,881	398,494	390,708

Notes to the Half Year Report

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 2023 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 2023.

The Directors have reviewed the current and projected financial position of the Group and are satisfied that the Group has adequate resources to cover all liabilities becoming payable for the foreseeable future. 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 2023 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 23 November 2023. 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.

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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