

RNS Half-year/Interim Report

Half-year Report

MOUNTVIEW ESTATES PLC

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Mountview Estates PLC
26 November 2020

**Mountview Estates P.L.C.
Interim Results
26 November 2020**

MOUNTVIEW ESTATES P.L.C.

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

UNAUDITED INTERIM RESULTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

Mountview is pleased to announce its unaudited interim results for the six months ended 30 September 2020.

OUR PERFORMANCE

Turnover at £22.5 million down by 24.7% (2019 - £29.9m)

Gross profit at £16.0 million down by 16.2% (2019 - £19.1m)

Profit before tax at £13.5 million down by 22.4% (2019 - £17.4m)

Earnings per share at 280.4 pence down by 22.4% (2019 - 361.1p)

Net assets per share at £98.2 up by 2.6% (2019 - £95.7)

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 200p per share are as follows:

Ex-dividend date 18 February 2021

Record date 19 February 2021

Payment date 29 March 2021

CHIEF EXECUTIVE OFFICER'S STATEMENT

At the Annual General Meeting held on 12 August 2020 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 23 November 2020, 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

Brexit is nearly with us so it is probably appropriate that my next comments on this subject are made next July when we can consider the effects of whatever takes place from the beginning of January 2021.

It is Covid-19 which dominates everything worldwide and has influenced the figures that we are able to present in this Half Year Report. I am happy that I can repeat that we have not had to furlough any staff or reduce staff numbers in any other way and that I remain confident that our years of financial prudence will enable us to continue to conduct the business successfully and to maintain our dividend payments.

The first lockdown started shortly before the beginning of our financial year and had the effect of delaying the procedures that are necessary to bring a vacant property to market. This delay was about a month or six weeks and is commensurate with our fall in turnover. In so far as we have all become accustomed to coping with the present circumstances I am hopeful that the delays may even lessen as time goes on.

We have already made substantial purchases this year and our financial stability puts us in position to make further purchases if the opportunities arise.

INTERIM DIVIDEND

The interim dividend is maintained at 200p per share in respect of the year ending 31 March 2021 and is payable on 29 March 2021 to shareholders on the Register of Members as at 19 February 2021.

OUTLOOK

It is good purchases that will contribute so much to the future prosperity of the Company and it is in difficult times that our financial prudence gives us the ability to take advantage of exceptional opportunities that may arise.

D.M. SINCLAIR
Chief Executive Officer
26 November 2020

GROUP STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) for the half year ended 30 September 2020

	Half year ended 30.09.2020 £000	Half year ended 30.09.2019 £000	Year ended 31.03.2020 £000
Revenue	22,450	29,921	64,873
Cost of Sales	(6,477)	(10,821)	(23,519)
Gross Profit	15,973	19,100	41,354
Administrative expenses	(2,168)	(2,247)	(5,630)
Gain on sale of investment properties	-	1,174	1,174
Operating profit before changes in fair value of investment properties	13,805	18,027	36,898
Decrease in fair value of investment properties	-	-	(969)
Profit from operations	13,805	18,027	35,929
Net finance costs	(319)	(590)	(988)
Profit before taxation	13,486	17,437	34,941
Taxation - current	(2,555)	(3,854)	(7,320)
Taxation - deferred	-	495	675
Taxation	(2,555)	(3,359)	(6,645)
Profit attributable to equity	10,931	14,078	28,296

Shareholders

Basic and diluted earnings per share (pence)	280.4p	361.1p	725.7p
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All items within the consolidated income statement relate to continuing operations.

**GROUP STATEMENT OF FINANCIAL POSITION (UNAUDITED)
for the half year ended 30 September 2020**

	Half year ended 30.09.2020 £000	Half year ended 30.09.2019 £000	Year ended 31.03.2020 £000
Assets			
Non-current assets			
Property, plant and equipment	1,638	1,700	1,670
Investment properties	24,122	25,091	24,122
	25,760	26,791	25,792
Current assets			
Inventories of trading properties	409,295	392,454	392,069
Trade and other receivables	1,825	2,032	3,676
Cash and cash equivalents	608	639	3,553
	411,728	395,125	399,298
Total assets	437,488	421,916	425,090
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	382,376	372,823	379,243
	382,707	373,154	379,574
Non-current liabilities			
Long-term borrowings	44,700	38,700	31,100
Deferred tax	4,076	4,256	4,076
	48,776	42,956	35,176
Current liabilities			
Bank overdrafts and other short term loans	3,011	1,255	2,060
Trade and other payables	528	783	4,830
Current tax payable	2,466	3,768	3,450
	6,005	5,806	10,340
Total liabilities	54,781	48,762	45,516
Total equity and liabilities	437,488	421,916	425,090

**GROUP CASHFLOW STATEMENT (UNAUDITED)
for the half year ended 30 September 2020**

	Half year ended 30.09.2020 £000	Half year ended 30.09.2019 £000	Year ended 31.03.2020 £000
Cash flows from operating activities			
Profit from operations	13,805	18,027	35,929
Adjustment for:			
Depreciation	32	38	64

(Gain) on sale of investment properties	-	(1,174)	(1,174)
Decrease in fair value of investment properties	-	-	969
Operating cash flows before movement in working capital	13,837	16,891	35,788
(Increase)/Decrease in inventories	(17,226)	(70)	315
Decrease/(Increase) in receivables	1,851	(117)	(1,761)
(Decrease)/Increase in payables	(4,302)	(2,029)	2,018
Cash generated from operations	(5,840)	14,675	36,360
Interest paid	(319)	(590)	(988)
Income taxes paid	(3,539)	(3,251)	(7,035)
Net cash (Outflow)/Inflow from operating activities	(9,698)	10,834	28,337
Investing activities			
Proceeds from disposal of investment properties	-	4,195	4,195
Purchase of property, plant and equipment	-	(28)	(24)
Net cash inflow from investing activities	-	4,167	4,171
Cash flows from financing activities			
Increase/(Repayment) of borrowings	13,381	(8,545)	(16,835)
Equity dividend paid	(7,798)	(7,798)	(15,596)
Net cash Inflow/(Outflow) from financing activities	5,583	(16,343)	(32,431)
Net (Decrease)/Increase in cash and cash equivalents	(4,115)	(1,342)	77
Opening cash and cash equivalents	2,058	1,981	1,981
Cash and cash equivalents at end of period	(2,057)	639	2,058

GROUP CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
for the half year ended 30 September 2020

	Half year ended 30.09.2020 £000	Half year ended 30.09.2019 £000	Year ended 31.03.2020 £000
Shareholders' funds as at the beginning of the period	379,574	366,874	366,874
Profit for the period	10,931	14,078	28,296
Dividends	(7,798)	(7,798)	(15,596)
Shareholders' funds at the end of the period	382,707	373,154	379,574

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 International Accounting Standard 34 (IAS 34) "Interim Financial Reporting" as adopted by the European Union. The condensed consolidated interim financial statements should be read in conjunction with the annual statements for the year ended 31 March 2020 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

The accounting policies used are consistent with those contained in the Group's last Annual Report and Accounts for the year ended 31 March 2020.

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. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities. The Group exercises control through voting rights.

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 intercompany transactions and balances between Group enterprises 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 2020 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 2020. 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 information which, prior to its disclosure, was inside information for the purposes of the Market Abuse Regulation.

~ Ends ~

For further information on the Company, visit: www.mountviewplc.co.uk

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