

RNS Notice of AGM

Publication of 2021 Annual Report & Notice of AGM

MOUNTVIEW ESTATES PLC

Released 07:00:03 09 July 2021

RNS Number : 7347E
Mountview Estates PLC
09 July 2021

Mountview Estates P.L.C.

Publication of 2021 Annual Report and Accounts

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Notice of 2021 Annual General Meeting

Mountview Estates P.L.C. (the "Company") announces that the Annual Report and Accounts for the year ended 31 March 2021 (the "2021 Annual Report & Accounts") together with the 2021 Notice of Annual General Meeting (the "2021 AGM") will be posted to shareholders today, 9 July 2021, and will be able to be downloaded from the Company's website www.mountviewplc.co.uk.

Copies of these documents, together with the Form of Proxy for the Annual General Meeting, will be made available for inspection on the National Storage Mechanism at: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

The Company's 2021 AGM will be held at Radisson Blu Edwardian Bloomsbury St. Hotel, 9-13 Bloomsbury Street, London WC1B 3QD on Wednesday, 11 August 2021 at 11.30am.

AGM arrangements

The Company currently intends to hold the 2021 AGM as a physical meeting. Given the constantly evolving nature of the Covid-19 situation, shareholders should consider whether it is appropriate to attend the 2021 AGM in person. Shareholders are asked to pre-register their attendance in advance of the 2021 AGM and the Notice of 2021 AGM explains how shareholders can pre-register. The Board will be closely monitoring the restrictions over public gatherings and it will communicate any necessary changes.

Voting

The Board urges all shareholders to exercise their vote and submit their proxy as soon as possible. Shareholders are strongly encouraged to appoint the chairman of the meeting as their proxy with instructions as to how to cast their vote on the resolutions proposed to ensure their vote is counted at the meeting. The Notice of 2021 AGM explains how shareholders can submit their proxy vote. Results of voting will be published as soon as practicable following the conclusion of the meeting.

Engagement with shareholders is important to the Company and arrangements have been made so that shareholders can participate in the 2021 AGM by submitting questions or matters of concern in connection with the business of the 2021 AGM in advance. Any specific questions on the business of the 2021 AGM and on the resolutions can be submitted by email to reception@mountviewplc.co.uk or by writing to the Company Secretary, Mountview House, 151 High Street, Southgate, London N14 6EW. The Board encourages questions to be submitted as soon as possible and no later than 31 July 2021 and the Board will provide responses to relevant questions by way of a written Q&A posted on the Company's website as soon as practicable in advance of the AGM, and no later than 7 August 2021. The Notice of 2021 AGM explains the arrangements for submitting questions.

In compliance with paragraph 6.3.5 of the Disclosure Guidance and Transparency Rules, the information in respect of Principal Risks, Related Party Transactions and the Directors' Responsibility Statement, contained in the Appendix, is extracted from the 2021 Annual Report & Accounts and should be read in conjunction with the Company's preliminary results announcement of 17 June 2021 which can be viewed on the Company's website at www.mountviewplc.co.uk.

Enquiries:

For further information on the Company, visit: www.mountviewplc.co.uk
SPARK Advisory Partners Limited (Financial Adviser) www.sparkadvisorypartners.com

Mark Brady

020 3368 3551

Appendix

PRINCIPAL RISKS AND UNCERTAINTIES

RISK REVIEW

In our 2020 Annual Report we specifically considered risk by risk the possible impact that Covid-19 could have on the business. In the event, for the most part these risks did not materialise and while initially there were delays while other providers and professionals in our supply chains re-organised to work within the restrictions placed by the Government's response to the virus, once revised working process were established these delays were reduced. By the end of the year the revised working practices introduced by the Group and its suppliers meant that business activity was back up towards pre-pandemic levels of performance. The exception was in relation to risk 7 - Operations and Property Maintenance where some tenants were reluctant to allow contractors or inspectors into their homes due to their personal circumstances. We respected these wishes so only essential work was carried out by contractors who abided by our Covid-19-secure regime. Throughout we have remained in contact with affected tenants to identify when there may be changes that might permit non-essential works to be carried out and we are hopeful that with the advent of the vaccines that we will be able to catch up this backlog in the coming year.

As a result for this year we have removed the specific references to Covid-19 from the commentary on the underlying risks. A fuller note of our approach to our work during the pandemic, including risk management, is contained in the separate note on Covid-19 in the 2021 Annual Report & Accounts. This position will be kept under constant review.

1. TRADING STOCK - REGULATED TENANCIES

Risk

Reduced opportunity to replace asset sales of vacant properties due to the reducing number of regulated tenancies available for purchase.

Mitigation

The Group has developed clear criteria that are applied when considering asset purchases. Using these, the Group has performed creditably in replacing this class of assets in the year ended 31 March 2021, with good purchasing again during the year. The 'Analysis of Acquisitions' is contained in the 2021 Annual Report & Accounts.

2. MARKET

Risk

Weak macro-economic conditions - for example arising from bedding in of the UK's trade deal with the EU or the longer term impact of Covid-19.

Mitigation

The Group's exposure is weighted towards the stronger London and South East markets and this geographical area has over the long term consistently been an above-average performer.

3. FINANCIAL

Risk

Reduced availability of financing options resulting in inability to meet business plans.

Mitigation

The Group monitors its bank accounts and loans closely to maintain sufficient capacity. We review our loan facilities regularly. The Group is conservatively geared and operates well within financial covenants. Financial Key Performance indicators are set out in the 2021 Annual Report & Accounts. Details of the Group's current facilities are set out in Note 18 of the 2021 Annual Report & Accounts.

4. DIVIDENDS

Risk

The Group seeks to provide shareholders with good returns on their investment. This aim could be put at risk if the Group was unable to sustain the level of dividends for any reason.

Mitigation

We carefully monitor our strategy and our results in order to identify any risk to dividend levels.

The Group maintains a strong balance sheet. With appropriate banking facilities, we are able to maintain our trading stock by taking advantage of purchasing opportunities when they occur.

5. PEOPLE

Risk

Capacity to maintain strategy is compromised due to inability to attract and retain suitably experienced employees.

Mitigation

Mountview employs a relatively small workforce which accommodates personal interaction at all levels.

The Company has a stringent recruitment process to ensure we employ appropriately skilled staff. We carry out regular appraisals and offer employees opportunities for training and development courses. The Company has a good record of long-term service, a great number of our employees have worked for the group for over 10 years. Details of employees and diversity are set out in Notes 9 and 10 of the Directors' Report.

6. REGULATORY

Risk

Risk of not meeting new or changed regulatory requirements and obligations that affect the Group's business activities and could lead to fines or penalties.

Mitigation

The Group engages in close working relationships with appropriate authorities and advisers to ensure it meets its obligations.

7. OPERATIONS AND PROPERTY MAINTENANCE

Risk

Legal action against the Group for failure to meet its obligations under property management and safety legislation.

Mitigation

In addition to its own regular inspections, the Group engages professional external companies to undertake health and safety, gas and electrical checks, fire risk assessments, etc to ensure we meet our commitments as employers and landlords. Our staff receive regular training to ensure their skills are kept up to date.

Our Compliance Officer monitors our performance against existing regulations and tracks and prepares for new requirements as they are published.

8. CLIMATE

Risk

The impact on the Group of climate related matters. For example changing weather patterns, including extreme weather events, that could lead to increased wear and tear or other property damage.

Mitigation

The regular inspections noted above provide the Group with opportunities to identify properties that may be at risk which would be considered for more frequent inspections. Due diligence for purchases aims to identify properties with higher than normal inherent risks for flooding or other water risks.

EMERGING RISK

As well as monitoring the incidence of currently identified risks we also look for emerging trends in operations that could become active risks. In addition, we carry out horizon scanning through our network of stakeholders, notably our advisers, and also by reviewing published emerging risk reports.

THE OVERALL RISK ENVIRONMENT

Given Mountview's business model and financial strength, while any risks materialising could well have a negative impact on short term performance, and lead to inconvenience, none are significant enough to threaten the continued existence of the Group. We are confident that we can meet our strategic and operational goals and in particular are in a strong position to take advantage of purchasing opportunities as they arise. Risks are considered to be broadly unchanged from 2020 with moderate assessments for both probability of occurrence and impact.

These principal risks were part of the Group's assessment of long term viability, details of which are set out in the viability statement in the 2021 Annual Report & Accounts.

RELATED PARTY TRANSACTIONS

The following is extracted from the 2021 Annual Report & Accounts

- 1 During the financial year there were no key management personnel emoluments, other than remuneration.
- 2
 - (a) Mountview Estates P.L.C. provides general management and administration services to Ossian Investors Limited and Sinclair Estates Limited, companies of which Mr D.M. Sinclair is a Director. Fees of £34,800 (2020: £33,100) were charged for these services.
 - (b) Included within other loans repayable in less than one year and on demand was a loan from Sinclair Estates Limited. The balance outstanding at the balance sheet date was £537,444 (2020: £465,000). Interest was payable on the loan at 0.5%. Interest paid in the year on this loan amounted to £2,960 (2020: £3,260).
 - (c) Included within other loans repayable in less than one year and on demand was a loan from Ossian Investors Limited. The balance outstanding at the balance sheet date was £411,573 (2020: £100,000). Interest was payable on the loan at 0.5%. Interest paid in the year on this loan amounted to £1,210 (2020: £310).
 - (d) All of the above loans are unsecured.
 - (e) Transactions between the Group and its subsidiaries, which are related parties, have been eliminated on consolidation and have not been disclosed in this note.
 - (f) The only key management are the Directors.
- (g) As at 31 March 2021 the Group owed Mr D.M. Sinclair £51,244 (2020: £38,133) in relation to an informal loan.

DIRECTORS' RESPONSIBILITY STATEMENT

The following statement is extracted from the 2021 Annual Report & Accounts

The Directors are responsible for preparing the Annual Report, the Directors' Remuneration Report and the Group and Company 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 are required to prepare the Group financial statements in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards (IFRSs) adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

The Directors have elected to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) including FRS 102 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 their profit or loss 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 estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- in respect of Group Financial Statements, state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- in respect of the Company financial statements state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in those statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and

enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Each of the Directors, whose names and functions are set out on page 17 of the 2021 Annual Report & Accounts, confirms to the best of their knowledge that:

- The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group and the Company.
- The strategic report includes a fair review of the development and performance of the business and the position of the Group and the Company, together with a description of the principal risks and uncertainties that they face.
- The annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy.

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