



# Interim Report & Accounts December 2019

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## Chairman's Statement

### Financial Overview

The Group's EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) amounted to £889,136 for the 6 months to 31<sup>st</sup> December 2019, which resulted in a profit before tax of £302,000 against £154,000 for the corresponding period in 2018 on Turnover which increased by over 5% from £6.8 million to £7.2 million.

### Overview

The first half of the year is showing a much-improved turnover and profit position over the same period last year and we are expecting the second half to continue in a similar vein.

Within our Farmstock business values have been mixed over the Autumn sales particularly in the Beef sectors. However, increases in volumes across all sectors is pleasing to see. The Dairy sector has seen a rise in dispersals over the period, which will be further enhanced through a large dispersal in Southern Ireland, conducted in early February with volumes reaching nearly 1800. We have also seen more Pedigree Beef and Sheep reduction dispersals over the last few months. All of which has seen our half year ending well ahead of budget.

H&H Reeds has enjoyed a busy first 6 months, finishing ahead of budget. This is down to a full print order book and their Graphic Design and Digital arms steadily growing in stature.

The housing market is showing no signs of picking up and remains very challenging. Our lettings business has remained stable but is now looking to grow. Our professional land agency work remains strong and is looking for more resource to continue expanding the business.

In a very competitive insurance market, we have held our position well and now have a strong and stable team. However, our financial performance remains marginally below budget, something that will be addressed as the second half of the year progresses.

### Property

We keep working away with our Riccarton land and hope to have positive news soon. Newtown St Boswells planning is taking longer than anticipated but aims to be on the April local planning meeting agenda.

We are also taking stock of our Carbon Footprint across our Group of Companies, looking at different ideas for the future and taking an active part in placing our business more positively on the green agenda.

### Dividend and Shares

The average share price in the period was £25.53 against £28.88 for the same period last year. The Directors recommend an Interim Dividend of 5 pence per share and this will be paid on 1<sup>st</sup> May 2020 to those on the share register at 10<sup>th</sup> April 2020.

### Michael Scott

Chairman  
March 2020

## Summary Group Consolidated Profit & Loss Account

	Unaudited 6 months to 31st December 2019 £000	Unaudited 6 months to 31st December 2018 £000	Audited 12 months to 30th June 2019 £000
Turnover	7,197	6,833	13,584
Operating profit	500	351	333
Profit/(loss) on sale of fixed assets	14	(3)	6
Exceptional administrative expenses		-	(308)
Interest receivable	9	16	21
Interest payable	(213)	(202)	(407)
Other finance costs	(8)	(8)	(16)
Profit/(loss) before tax	302	154	(371)
Taxation	(104)	(56)	50
Profit/(loss) after tax	198	98	(321)

## Summary Group Consolidated Balance Sheet

	Unaudited 31st December 2019 £000	Unaudited 31st December 2018 £000	Audited 30th June 2019 £000
Fixed assets	25,415	24,865	25,594
Current assets	13,228	12,018	12,269
Current liabilities	(13,599)	(11,641)	(11,797)
Non current liabilities	(5,674)	(5,981)	(6,857)
Provisions for liabilities	(685)	(571)	(652)
Pension liability	(1,317)	(548)	(1,387)
Net Assets	17,368	18,142	17,170
Capital & reserves:			
Share capital	1,078	1,078	1,078
Other reserves	866	866	866
Revaluation reserve	3,793	3,793	3,793
Profit & loss account	11,631	12,405	11,433
Shareholders' funds	17,368	18,142	17,170

The financial information for the two half year periods is unaudited and does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The interim report & accounts are prepared on a voluntary basis and are not full interim statements in accordance with FRS 104. The results are prepared in accordance with FRS 102.

The figures relating to the year ended 30<sup>th</sup> June 2019 are an extract from the statutory accounts within the meaning of Section 434 of the Companies Act 2006 which have been delivered to the Registrar of Companies and on which the auditors gave an unqualified audit report.

# H&H GROUP OF COMPANIES



Borderway, Rosehill, Carlisle, Cumbria CA1 2RS  
T. 01228 406200 | E. [info@borderway.com](mailto:info@borderway.com)

*Also operating Marts at:*

Broughton-in-Furness, Kirkby Stephen, Lazonby,  
Lockerbie, Middleton-in-Teesdale, Newcastleton,  
Newtown St Boswells and Wooler

[harrisonandhetherington.co.uk](http://harrisonandhetherington.co.uk)



Borderway, Rosehill, Carlisle, Cumbria CA1 2RS  
T. 01228 406260 | E. [info@hhlandestates.co.uk](mailto:info@hhlandestates.co.uk)

*Also at:* Carlisle City, Cockermouth, Durham,  
Grange-over-Sands, Keswick, Kendal,  
Newtown St Boswells and Penrith

[hhlandestates.co.uk](http://hhlandestates.co.uk)



The Auction Centre, Rosehill, Carlisle, Cumbria CA1 2RS  
T. 01228 406320 | E. [enquiries@hhauktionrooms.co.uk](mailto:enquiries@hhauktionrooms.co.uk)

*A Trading Name of Harrison & Hetherington*

[hhauktionrooms.co.uk](http://hhauktionrooms.co.uk)



Southend Road, Penrith, Cumbria CA11 8JH  
T. 01768 864214 | E. [print@hhreeds.co.uk](mailto:print@hhreeds.co.uk)

*Also at:* Carlisle

[hhreeds.co.uk](http://hhreeds.co.uk)



Borderway, Rosehill, Carlisle, Cumbria CA1 2RS  
T. 01228 406290 | E. [info@hhib.co.uk](mailto:info@hhib.co.uk)

*Also at:* Durham, Newtown St Boswells and Ruthin

[hhinsurancebrokers.co.uk](http://hhinsurancebrokers.co.uk)

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