



The Penrith Farmers' and Kidd's Plc
Consolidated Unaudited Interim Abridged Financial Statements

For the six months ended 30 June 2024

Chairman's Statement

The directors present their consolidated, unaudited, interim, abridged financial statements of the trading results for the six months ending on 30 June 2024.

Overview & Outlook

The first six months of 2024 have delivered weaker than anticipated results. Despite like-for-like sales increasing by 3.4%, inflationary pressures on our cost-base have proved difficult to overcome and have increased the operating loss compared to the prior period in what is traditionally our more unfavourable half of the calendar year.

The period, once again, was characterised by interest rates which are higher than have been experienced in recent years and are now having a longer-term impact upon the mortgage market. The consequences of borrower's ability to receive affordable finance directly impacts upon the Company's performance as the uncertainty collapses sales chains and decreases the pool of buyers seeking to move homes.

House price growth has also very much stabilised in recent years meaning sellers have less financial incentive to seek home moves and despite the housing market's difficulties the competition amongst Agents in our operating area only ever seems to increase. Subsequently, the Company is in the process of taking more focused action to reduce the operating costs of the business which will be announced in due course.

The agricultural-focused operations of the Group continue to remain robust with clients continuing to rely on their long-standing and positive relationships with us. The most significant risk that continues to impact our rural offerings is staff recruitment and retention which is a common, and increasing, problem throughout Cumbria's professional service providers.

More positive news moving forward is the increase in our property rental income which is the result of new agreements on our Skirsgill site. The costs associated with renewing these leases are coming to an end and so the overall returns on these properties will increase substantially in future periods.

There has, unfortunately, been no further progress with our planning application for a residential development at Lazonby which remains in the hands of the council's planning committee and plans for our Mile Lane site, which has had commercial planning permission approved, continue to be discussed amongst the Board.

Annual General Meeting Review

The Company's AGM took place at 10.30am on Tuesday 25 June 2024 at The Gavel, Agricultural Hall, Skirsgill, Penrith. The Board were delighted to see so many of the Company's shareholders in attendance. All resolutions were passed including the payment of a £0.50p per share final dividend, which was processed in July 2024.

The minutes of this meeting can be found in the news section of the Company's investor website.

Board of Director changes

There were no directors who were due for re-appointment at the Company's recent AGM and there have been no changes to the Board since the issue of the financial statements and annual report in May 2024.

It was announced, however, at the recent AGM that Bernard Wharam will continue to serve on the Board of Directors after stepping down from the Chair's role and completing an orderly handover. I am delighted that Bernard has agreed to remain with us as he has a wealth of experience with the Company that we can all continue to draw upon.

The Board have also agreed that I will remain as Chair of the Board whilst also undertaking the role of Chair of the Audit Committee. Robert Craig has agreed to Chair the Remuneration Committee which sits once a year in November.

Process of Company Share Trading

After hosting 3 in-person share auctions at Agricultural Hall throughout 2023 and 2024, the Board have decided that this is not going to be the most efficient and effective way the Company can facilitate the sale of shares of its shareholders moving forward.

The change to this process was always going to be the subject of regular review. We were aware from the beginning that it would provide fewer opportunities for shareholders to sell unwanted shares and would be more expensive to the Company but unfortunately an anticipated increase in awareness, and ultimately an increase in attendance, from prospective buyers has not been realised.

Subsequently, the Board have agreed to change this process for a second time and will now facilitate share transactions between prospective buyers and sellers through a matched-bargain system. This process will be similar to that formerly administered by James Sharp and Co, but will now be administered by the Company itself.

This change will provide shareholders more frequent opportunities to sell their shares and will provide significant cost savings to the Company. For full details about how to approach either buying or selling Company shares, please refer to the Company's investor website.

Dividend

The Directors have resolved not to declare an interim dividend. We will of course consider the payment of a final dividend after the financial year end.

Ian Lancaster

Chairman

16 August 2024

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Income Statement (Profit and loss account)
for the six months to 30 June 2024

	2024	2023
	£	£
Turnover	1,059,471	1,024,328
Operating costs	(1,370,755)	(1,293,517)
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	(311,284)	(269,189)
Gross income from property investments	160,825	122,812
Cost of property investments	(93,602)	(38,326)
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Net property investment income	67,223	84,486
Loss on sale of tangible fixed assets	0	(7,320)
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Operating Profit / (loss)	(244,061)	(192,023)
Net interest receivable	22,604	22,978
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Profit / loss before taxation	(221,457)	(169,045)
Taxation	673	0
	<hr/>	<hr/>
Retained profit / loss for the period	(220,784)	(169,045)
Profit and loss brought forward	4,697,102	4,688,451
	<hr/>	<hr/>
	4,476,318	4,519,406
Reclassification of operating property to investment property	292,000	0
Transfer reclassification increase to fair value reserve	(292,000)	0
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Profit and loss carried forward	<u>4,476,318</u>	<u>4,519,406</u>

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Statement of Financial Position (Balance sheet)
as at 30 June 2024

	2024	2023
	£	£
Fixed assets		
Goodwill	374,209	405,247
Tangible and other intangible assets	4,371,452	3,258,671
	<u>4,745,661</u>	<u>3,663,918</u>
Current assets		
Debtors	670,542	551,523
Cash at bank and in hand	1,933,549	2,567,005
	<u>2,604,091</u>	<u>3,118,528</u>
Current liabilities		
Creditors	264,801	365,257
	<u>2,339,290</u>	<u>2,753,271</u>
Net current assets		
	<u>7,084,951</u>	<u>6,417,189</u>
Total assets less current liabilities	7,084,951	6,417,189
Creditors - due after one year		
Deferred taxation	115,364	98,160
Other creditors due after one year	133,333	133,333
	<u>6,836,254</u>	<u>6,185,696</u>
Net Assets		
Capital and Reserves		
Called up share capital	318,233	318,233
Share premium account	237,144	237,144
Revaluation reserve	1,804,559	1,110,913
Profit and loss account	4,476,318	4,519,406
Shareholders' funds	<u>6,836,254</u>	<u>6,185,696</u>



Basis Of Preparation And Provision

The above financial statements:-

1. Are consolidated, unaudited, interim and abridged;
2. Have been prepared by the company and are provided to its current shareholders solely for the information only of such shareholders; and
3. Cannot and should not be relied upon by such shareholders as representing a true and fair view of the Company's financial position.

Consequently:-

(a) no decision to buy or sell the Company's shares should be made in reliance upon information contained in or referred to in the above financial statements or the content thereof nor based upon any omission therefrom; and

(b) no responsibility for loss to any person acting or refraining from acting as a result of any information in such statements can be accepted by the company or its directors.

The company and its directors do not, in sending out these financial statements to shareholders, accept or assume responsibility for any reliance on such statements by any shareholder or any other person.

Established 1876

Company No. 00010553