

STEWART & WIGHT PLC

CHAIRMAN'S STATEMENT

I am pleased to report that the Company made a net profit of £775,318 after tax and expenses for the year ended 31 March 2015. Gross rental income fell from £1,002,030 for the year to £942,025 compared with the previous year. This was due mainly to the sale of the Company's property in Durham in March 2014.

The properties owned by the Company as at 31 March 2015 were professionally valued at £10,195,000. This was an increase on the previous year's figure of £9,370,000. During the year, the Company sold a property in Bishop Auckland at a small gain of £22,155 over its previous valuation. A shop and residential property in Weybridge was purchased and subsequently refurbished and as a result the value of that property increased. There were increases and decreases in values of those properties held throughout the year but there was little change in the total value.

The portfolio of traded endowment policies which the Company purchased for £517,000 in 2013 matured during the year and showed a gain of approximately £83,000.

All the Company's tenants are up-to-date with their rents but with two properties let on temporary tenancies. The High Street still remains difficult and in general rents have still not risen to their previous levels.

The Board is seeking to purchase further properties to add to the Company's portfolio and will borrow in order to do so. In pursuance of this policy the Company has agreed to buy the freehold retail property 9-11 Eastgate Street Gloucester for £1,080,000 plus costs. The property is let to C & J Clarke International Limited on a full repairing and insuring lease at annual rent of £80,000 subject to an upwards only rent review and a tenants' option to break at 25 December 2018.

During the year, new modern Articles of Association were adopted and the preference shares were converted into ordinary shares. Further details are shown in Note 9 to the accompanying accounts.

An interim dividend of 7 pence per ordinary share was paid in April of this year and the Board has decided to recommend a final dividend of 16 pence per share payable on 19 October to holders registered at close of business on 11 September 2015. The shares will go ex-dividend on 11 September 2015 if the dividend is approved at the Annual General Meeting.

The net asset value of each ordinary share was £6.36 at 31 March 2015 compared with £6.10 at the end of the previous year.

I would like to thank my co-directors and the Company's advisers for their continued help and support.

MICHAEL CONN

Chairman

9 June 2015

Stewart & Wight PLC
Statement of comprehensive income (audited)
for the year ended 31 March 2015

	Year to 31 March 2015 £	Year to 31 March 2014 £
Gross rental income	942,025	1,002,030
Property operating expenses	(110,724)	(41,484)
Net rental income	831,301	960,546
Profit on disposal of investment property	22,155	248,955
Profit on disposal of investments	82,985	-
Valuation gains on investment properties	559,599	240,000
Valuation losses on investment properties	(445,000)	(1,080,000)
Administrative expenses	(104,923)	(88,576)
Net operating profit before financing	946,117	280,925
Financial expenses	(1,054)	(33,723)
Profit before taxation	945,063	247,202
Taxation	(169,745)	(338,049)
Profit and total comprehensive income/(expenses)	775,318	(90,847)
Basic earnings/(loss) per share	49.49p	(5.81)p

Stewart & Wight PLC
Balance sheet (audited)
as at 31 March 2015

	31 March 2015	31 March 2014
	£	£
Assets		
Non-current assets		
Investment property	10,195,000	9,370,000
Total non current assets	<u>10,195,000</u>	<u>9,370,000</u>
Current assets		
Traded endowments	-	517,013
Cash and cash equivalents	118,428	136,523
Total current assets	<u>118,428</u>	<u>653,536</u>
Total assets	<u>10,313,428</u>	<u>10,023,056</u>
Liabilities		
Current liabilities		
Interest bearing loan and borrowings	-	138,725
Current tax	31,164	15,398
Trade and other payables	320,436	322,598
Total current liabilities	<u>351,600</u>	<u>476,721</u>
Non-current liabilities		
Interest bearing loans and borrowings	-	-
Total non-current liabilities	<u>-</u>	<u>-</u>
Total liabilities	<u>351,600</u>	<u>476,721</u>
Net assets	<u>9,961,828</u>	<u>9,546,815</u>
Equity		
Called up share capital	89,866	89,866
Other reserve	25,670	25,670
Share premium reserve	246,000	246,000
Capital reserve	-	-
Retained earnings	9,600,292	9,185,279
Total equity	<u>9,961,828</u>	<u>9,546,815</u>

Stewart & Wight PLC
Statement of Changes in Shareholders' Equity (audited)
from 1 April 2013 to 31 March 2015

	Revaluation reserve	Retained earnings	Other reserves	Share capital	Total
	£	£	£	£	£
At 1 April 2013	-	9,395,222	513,158	89,866	9,998,246
Total comprehensive income	-	(90,847)	-	-	(90,847)
Dividends to shareholders	-	(360,584)	-	-	(360,584)
Capital reserve	-	241,488	(241,488)	-	-
As at 31 March 2014 and 1 April 2014	-	9,185,279	271,670	89,866	9,546,815
Total comprehensive income	-	775,318	-	-	775,318
Dividends to shareholders	-	(360,305)	-	-	(360,305)
As at 31 March 2015	-	9,600,292	271,670	89,866	9,961,828

Shareholders' funds include non-equity shareholders' funds of £11,456 (2014: £11,630)

Stewart & Wight PLC
Cash flow statement (audited)
for the year ended 31 March 2015

	Year to 31 March 2015	Year to 31 March 2014
	£	£
Operating activities		
Profit/(loss) for the period	775,318	(90,847)
Adjustments for:		
Net valuation (gains)/losses on investment property	(114,599)	840,000
Profit on disposal of investment property	(22,155)	(248,955)
Profit on disposal of investments	(82,985)	-
Interest expense	1,054	33,723
Taxation	169,745	338,049
Operating profit before changes in working capital and provisions	726,378	871,970
Change in payables	(2,162)	(1,121)
Cash generated from operations	724,216	870,849
Net interest paid	(1,054)	(33,723)
Tax paid	(153,979)	(299,760)
Cash flow from operating activities	569,183	537,366
Investing activities		
Purchase of investment property	(770,401)	-
Sale of investment property	82,155	2,528,955
Purchase of investment	-	(517,013)
Sale of investment	599,998	-
Cash outflow from loan repayment	(138,725)	(2,218,217)
Cash used in investing activities	(226,973)	(206,275)
Financing activities		
Dividend paid	(360,305)	(360,584)
Cash flow from financing activities	(360,305)	(360,584)
Net (decrease) in cash and cash equivalents	(18,095)	(29,493)
Cash and cash equivalents at 1 April 2014	136,523	166,016
Cash and cash equivalents at 31 March 2015	118,428	136,523

Stewart & Wight PLC
Notes to the accounts

1. This preliminary announcement was approved for issue by a duly appointed and authorised committee of the Board of Directors on 9 June 2015.

2. Basis of preparation

While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS) as endorsed for the use in the European Union, this announcement does not itself contain sufficient information to comply with IFRS.

3	Taxation	Year to 31 March 2015 £	Year to 31 March 2014 £
	Current tax	169,745	192,797
	Deferred tax	-	145,252
		<u>169,745</u>	<u>338,049</u>

4 Earnings/loss per share

The calculation of loss per share is based on the profit for the period of £775,318 (2014: loss £90,847) and on 1,566,617 shares (2014: 1,564,720) which is the weighted average number of shares in issue during the year ended 31 March 2015.

5	Dividends	Year to 31 March 2015 £	Year to 31 March 2014 £
	The following dividends have been paid by the Company		
	Cumulative preference shares paid	349	698
	Ordinary shares – final dividend paid	359,956	359,886
		<u>360,305</u>	<u>360,584</u>

The proposed dividend for the year ended 31 March 2015 is 16 pence per ordinary share and is subject to approval by the shareholders at the annual general meeting and has not been included in these financial statements. The total dividend proposed amounts to £250,355. An interim dividend was paid after the year end of 7 pence per ordinary share amounting to £109,530 and has not been included in these accounts.

6	Investment Property	31 March 2015 £	31 March 2014 £
	Valuation at 1 April 2014	9,370,000	12,490,000
	Additions	770,401	-
	Disposals	(60,000)	(2,280,000)
	Surplus/(deficit) on revaluation	114,599	(840,000)
	As at 31 March 2015	<u>10,195,000</u>	<u>9,370,000</u>

Boddy & Edwards, independent chartered surveyors, carried out an independent valuation of the properties at a fair value amounting to £10,195,000 at 31 March 2015. The valuation was made in accordance with the appraisal and valuation manual of the Royal Institution of Chartered Surveyors. This has been reflected in these accounts.

- 7 Traded endowments
The traded endowment policies were disposed of during the year for £599,998 making a surplus of £82,985.
- 8 Final and interim ordinary dividend
A final ordinary dividend of 16 pence per ordinary share will be paid on 19 October 2015 to shareholders registered at the close of business on 11 September 2015. An interim dividend was paid on 7 April 2015 of 7 pence per ordinary share.
9. Share capital
On 11 November 2014, the company approved that for every 10 issued cumulative non-redeemable preference shares of 33.3p each in the capital of the company that they be consolidated into one ordinary share of 5p each in the capital of the company and one deferred share of 328p each in the capital of the company. As such 3,489 ordinary shares of 5p each were issued and the cumulative non-redeemable preference shares of 33.3p were cancelled.

The deferred ordinary shares of 328p each have attached to them the right to a return of capital on winding up; they do not confer any voting, dividend or redemption rights. The company has the right to purchase all of the deferred shares in issue for an aggregate consideration of £1.00.

The aggregate issued share capital of the company remained £89,866 being 1,568,209 ordinary shares of 5p each and 3,489 deferred ordinary shares of 328p each.
- 10 Accounting policies
The accounting policies have been consistently applied and are consistent with the most recently published full accounts.
- 11 Limitation
The above does not constitute full accounts within the meaning of section 434 of the Companies Act 2006. It is an extract from the full accounts for the year ended 31 March 2015 which are audited. The auditor's report on those financial statements is unqualified and does not contain any statement under section 498(2) or (3) of the Companies Act 2006. The accounts will be posted to all shareholders on or before 9 August 2015 and subsequently filed at Companies House.
- 12 The Annual General Meeting will be held on 9 September 2015
- 13 The registered office of the company is at 845 Finchley Road, London NW11 8NA. The incorporation number of the company is 57142

For enquiries about buying and selling shares in Stewart and Wight Plc please contact Mr Lawrence Marshom, Walker Crips Stockbrokers Limited, Finsbury Tower, 103-105 Bunhill Row, London, EC1Y 8LZ. Telephone: 44 (0)20 3100 8660