

## Scholium Group plc

# INTERIM REPORT & FINANCIAL STATEMENTS SIX MONTHS ENDED 30 SEPTEMBER 2022

*This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended ("MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.*

The directors of Scholium Group plc ("Scholium", the "Company" or, together with its subsidiaries, the "Group") present their report and financial statements for the Group for the six months ended 30 September 2022.

### OPERATING HIGHLIGHTS

- Revenues at £4,454k up by 16% compared with prior corresponding period
- Gross profit of £1,731k up by 36% compared with last year and at an increasingly better margin of 39% (2021: 33%)
- Pre-tax profit up by 33% to £179k due to improved trading and a sustained recovery from Covid-19 (2021: profit of £135k)
- Earnings per share increased 33% to 1.32p per share (2021: 0.99p per share)
- NAV per share of 70.4p (2021: 68.8p)
- Cash (net of £213k (2021: £250k) Covid loan) is lower by £780k from 31 March at £(515)k at 30 September 2022 due to the unwinding of client cash balances in H1

### FINANCIAL SUMMARY

<b>Six months ended September (£000 unless otherwise stated)</b>	<b>2022</b>	<b>2021 Restated*</b>	<b>Change</b>
Revenue	4,454	3,832	16%
Gross Profit	1,731	1,274	36%
Gross Margin	39%	33%	
Pre-Tax Profit	179	135	33%
Inventories	9,482	8,895	7%
Net Cash	(515)	1,000	
Net Assets	9,578	9,357	2%
NAV/Share (pence)	70.4	68.8	

David Harland, Chair of Scholium, noted:

*“We are pleased with the continuing steady progress made by the Group in recording its third consecutive profitable half-year period. The closure of the Mayfair Philatelics business has proceeded smoothly with minimal impact and we are delighted to see a fuller calendar of trade fairs both in the UK and abroad. On-going geopolitical events present a difficult environment in which to plan but we remain cautiously positive about the coming six month period.”*

The person responsible for arranging the release of this announcement on behalf of the Company is Philip Tansey, Chief Financial Officer of the Company.

**For further information, please contact:**

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David Harland, Chairman	
Philip Tansey, Chief Financial Officer	
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Chris Fielding	
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*\* The 2021 figures have been restated by eliminating the impact of the discontinued operation, Mayfair Philatelics.*

## **BUSINESS REVIEW**

Scholium is engaged in the business of rare books, modern prints, art and collectibles. Its primary operating subsidiary is Shapero Rare Books, one of the leading UK dealers trading internationally in rare and antiquarian books and works on paper, which also trades as Shapero Modern, a leading UK dealer in the growing marketplace of modern and contemporary prints.

### **Revenue streams**

The Group earned revenue in the six months to 30 September 2022 from the sale of rare books, prints and works on paper through Shapero Rare Books and limited sales of remaining stocks in Mayfair Philatelics which the Board had decided to close in the financial year ended 31 March 2022, due to the challenging nature of the collectible stamps market.

### **Strategy and key performance indicators (KPIs)**

The Group's strategy is to:

- provide stable asset-backed growth driven by the markets in which the Group operates;
- build, either organically or by acquisition, a portfolio of art and collectibles focused businesses to enable further diversification of its revenue and profit streams; and,
- attract individuals or teams of specialists in markets complementary to the Group's existing businesses.

The current principal KPIs are:

- sales, gross profit, gross margin and profit before tax;
- the breadth and distribution of the stock of rare books held by the Group;
- stock turnover;
- cash position;
- net assets per share; and,
- earnings per share.

## PERFORMANCE REVIEW

### *Overall Performance*

The Group made a profit before tax of £179k during the six months to 30 September 2022, a welcome 33% increase from the profit of £135k for the corresponding period last year. Sales revenues and margins improved despite on-going global events.

Turnover increased by 16% compared to the same period in the prior year. This was due to significantly higher sales in Shapero Rare Books (SRB). SRB's sales were 16% higher than last year at £4,429k (2021: £3,814k). Gross Profit increased by 36% to £1,731k (2021: £1,274k) reflecting the higher margins achieved in this period.

Group costs, including Distribution and Administrative expenses, increased by 39% to £1,518k (2021: £1,091k). Almost all of this increase was due to trade fairs and exhibitions which in the prior corresponding period were only starting following the lifting of Covid restrictions.

The results of the Mayfair Philatelics business are shown as Discontinued operations in the financial statements as the decision was taken to close it and significant charges taken in the year ended 31 March 2022. The decision to close the business has led to a focus on selling the remaining stock and collecting the outstanding debtors. This process, whilst involved, is approaching its end and a further £15k of provisions was taken in the period against the likely irrecoverable nature of some of the smaller and older debts.

The Group result for the six months was a profit before tax of £179k (2021: profit of £135k). There is no current or deferred tax charge (2021: £0k) as the Group has utilised tax losses which are not recognised as a deferred tax asset.

Inventories increased by £587k to £9,482k (2021: £8,895k). Group cash balances continue to fluctuate on a monthly basis in line with stock purchases and trade debtors and whether, as in the prior period, certain levels of clients' cash were maintained with the Company pending sales; a significant balance of clients' cash received immediately prior to the year-end date of 31 March 2022 and then released immediately afterwards being the prime driver. Net overdrafts and cash loans of £(515)k at 30 September 2022 (2021: net cash of £1,000k).

### *Summary Group Financials*

<b>Six months ended September (all figures £'000)</b>	<b>2022</b>	<b>2021</b>	<b>Change</b>
Revenue	4,454	3,832	16%
Gross Profit	1,731	1,274	36%
Gross Margin	39%	33%	
Distribution Expenses	(368)	(89)	313%
Administrative Expenses	(1,150)	(1,002)	15%

Pre-Tax Profit	179	135	33%
Inventories	9,482	8,895	7%
Net cash	(515)	1,000	
Net Assets	9,578	9,357	2%
NAV/Share (pence)	70.4	68.8	2%

### Alternative accounting presentation

The Board is focused on demonstrating shareholder return and part of that desire is the analysis of the core performance of the Group's trading business without costs that are related to the non-trading elements such as public company status and other non-directly related or one-off costs not typically expected to be incurred in a 'normal' year.

Six months ended September (£'000)	2022	2021
Profit	179	135
Add back:		
Central costs of the public group	157	158
Mayfair Philatelic losses	15	28
Depreciation & amortisation	171	114
Finance expenses	19	19
Operating EBITDA	<b>541</b>	<b>454</b>

### Financial Position

The Group retains a strong balance sheet. Net assets of £9,578k (2021: £9,357k) are supported by £9,482k of stock (2021: £8,895k) including an overdraft balance in net cash of £(515)k (2021: cash of £1,000k). Trade and other payables have decreased substantially on account of significant client cash balances held in advance of sales at the 31 March 2022. The Covid loan drawn down in October 2020 of £250k has been reduced by repayment to the current £213k (2021: £250k). There is 70.4p of net assets per share (2021: 68.8p).

### Shapero Rare Books & Shapero Modern

Shapero Rare Books including Shapero Modern continues to be the driver of sales growth and source of trading profits with Group resources balanced between its stock of rare books and prints to maximise sales and profit opportunities.

Shapero Rare Books operates from its first-floor bookshop at 106 New Bond Street, its retail premises on the ground floor of 105 New Bond Street and a separate gallery for modern prints nearby at 43 Maddox Street. The previously separate leases for both premises in New Bond Street were combined into a single lease during the period though for a period of less than 12 months and consequently the Board is focused on securing suitable alternative premises in the near future.

Trading in both Rare Books and Shapero Modern was at increased levels during the first six months of the year compared to the prior year. Turnover increased by 16% as compared to

the prior-year period to £4,429k (2021: £3,814k) due to the re-opening after the restrictions of Covid-19. The gross margin of 39% (2021: 33%) reflected higher margins across both books and prints. The profit achieved by this division for the first six months of the financial year was £367k (2021: £319k).

#### *Summary Performance, Shapero businesses*

<b>Six months ended September (all figures £'000)</b>	<b>2022</b>	<b>2021</b>	<b>Change</b>
Revenue	4,429	3,814	16%
Gross Profit	1,731	1,268	37%
Gross Margin	39%	33%	
Pre-Tax Profit	367	319	

### **Scholium Trading**

Scholium Trading was originally set up to trade alongside third-party dealers in rare and collectible items, typically in paintings and works of art. The Board had decided to wind down the business and sell the remaining few items of stock.

Scholium Trading's activity for the first half to 30 September 2022 resulted in sales of £25k (2021: £18k), with a gross profit of £0k (2021: £6k).

### **Mayfair Philatelics**

The Board determined that the market for stamps was unable to generate the success and profits seen in books and art and the decision was taken to close the business in the year ended 31 March 2022. The results of the business have been presented and treated as discontinued business within these report and accounts and the impact of this is explained in note 6 to these accounts.

The first half resulted in sales of £28k (2021: £371k). Gross profit, which was principally from the auction activities, amounted to £1k (2021: £169k). Direct costs and overheads amounted to £79k (2021: £197k). The net loss from on-going wind-down activities of £52k was offset against impairment provisions taken in the prior financial period ending March 2022. A further provision in regard to the impairment of stock and debtors of £15k was taken in the current financial period resulting in a pre-tax loss due to discontinued business of £15k (2021: £29k).

### **Costs**

Distribution costs have increased significantly driven almost entirely by the costs of trade fairs and exhibitions that had previously been impacted by Covid-19 lockdowns. The central costs of the business include all board directors and other Group level costs including the various costs associated with membership of the AIM market. There were no (2021: £0k) recharges made to the Group's subsidiaries for these central costs in the six months ended 30 September 2022. The central costs were therefore £157k (2021: £158k).

#### *Summary Performance, Central costs*

<b>Six months ended September (all figures £'000)</b>	<b>2022</b>	<b>2021</b>	<b>Change</b>
Total Costs	(157)	(158)	-%

## **Outlook**

The Group is now focused on its two profitable businesses, rare books and modern prints having discontinued the distraction of stamps and Scholium Trading and is looking to continue the profitable performance of the recent eighteen months into the second half of the current financial year.

Looking forward, the Group is viewing its trading for the second half of the year with cautious optimism.

## **Key Risks**

Like all businesses, the Group faces risks and uncertainties that could impact on the Group's strategy. The Board recognises that the nature and scope of these risks can change and regularly reviews the risks faced by the Group and the systems and processes to mitigate such risks.

The principal risks and uncertainties affecting the continuing business activities of the Group were outlined in detail in the Strategic Report section of the annual report covering the full year ended 31 March 2022.

In preparing this interim report for the six months ended 30 September 2022, the Board has reviewed these risks and uncertainties and considers that there have been no changes since the publication of the 2022 Annual Report.

## INDEPENDENT REVIEW REPORT TO SCHOLIUM GROUP PLC

### **Conclusion**

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2022 which comprises the condensed consolidated statement of comprehensive income, the consolidated statement of changes in equity, the condensed consolidated statement of financial position, the consolidated statement of cash flows and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2022 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the AIM Rules.

### **Basis for Conclusion**

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with UK adopted IFRSs. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

### **Conclusions Relating to Going Concern**

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

### **Responsibilities of Directors**

The directors are responsible for preparing the half-yearly financial report in accordance with the AIM rules.

In preparing the half-yearly financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Review of Financial Information**

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

### **Use of Our Report**

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not

accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Lee Baker FCA  
For and on behalf of  
Wenn Townsend Chartered Accountants  
Oxford, United Kingdom

29 November 2022



## CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME (UNAUDITED)

		Six-month Period Ended (Unaudited) 30 Sept 2022 £000	Six-month Period Ended (Unaudited) 30 Sept 2021 £000	Year Ended (Audited) 31 Mar 2022 £000
<b>Revenue</b>	<b>3</b>	4,454	3,832	8,129
Cost of Sales		(2,723)	(2,558)	(5,058)
<b>Gross profit</b>		<u>1,731</u>	<u>1,274</u>	<u>3,071</u>
Distribution costs		(368)	(89)	(340)
Administrative expenses		(1,150)	(1,002)	(2,262)
<b>Total costs and expenses</b>		<u>(1,518)</u>	<u>(1,091)</u>	<u>(2,602)</u>
<b>Profit from operations</b>		213	183	469
Financial income		-	-	-
Financial expense	<b>4</b>	(19)	(19)	(33)
Other income				58
<b>Profit before taxation</b>		<u>194</u>	<u>164</u>	<u>494</u>
Income tax (expense)	<b>5</b>	-	-	-
<b>Profit for the period from continuing operations</b>		194	164	494
Loss from discontinued operations	<b>6</b>	(15)	(29)	(317)
<b>Profit for the period and total comprehensive income attributable to equity holders of the parent company</b>		<u>179</u>	<u>135</u>	<u>177</u>
<b>Earnings per share in share:</b>				
From continued operations - pence	<b>7</b>	1.43	1.21	3.63
From discontinued operations		(0.11)	(0.22)	(2.33)
<b>Total earnings per share</b>		<u>1.32</u>	<u>0.99</u>	<u>1.30</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 Sept 2022 £000 Unaudited	30 Sept 2021 £000 Unaudited	31 Mar 2022 £000 Audited
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment		980	1,080	970
Intangible assets		4	6	4
		984	1,086	974
<b>Current assets</b>				
Inventories		9,482	8,895	9,584
Trade and other receivables	8	2,677	2,589	2,219
Cash and cash equivalents		(302)	1,250	705
		11,857	12,734	12,508
<b>Total assets</b>		12,841	13,820	13,482
<b>Current liabilities</b>				
Trade and other payables	9	2,053	3,163	2,868
Bank loans and borrowings	10	44	63	47
Right-of-use asset lease liabilities	11	322	166	193
<b>Total current liabilities</b>		2,419	3,392	3,108
<b>Liabilities due over one year</b>				
Bank loans and borrowings	10	169	187	188
Right-of-use asset lease liabilities	11	675	884	787
<b>Total liabilities due over one year</b>		844	1,071	975
<b>Total liabilities</b>		3,263	4,463	4,083
<b>Net assets</b>		9,578	9,357	9,399
<b>Equity and liabilities</b>				
<b>Equity attributable to owners of the parent</b>				
Ordinary shares		136	136	136
Share premium		9,516	9,516	9,516
Merger reserve		82	82	82
Retained earnings		(156)	(377)	(335)
<b>Total equity</b>		9,578	9,357	9,399
<b>Net Asset Value per Share</b>		70.4p	68.8p	69.1p

These interim financial statements were approved by the Board of Directors on 29 November 2022 and signed on its behalf by Philip Tansey.

## STATEMENT OF CHANGES IN EQUITY

	Share Capital £000	Share Premium £000	Merger reserve £000	Retained earnings £000	Total equity £000
<b>Balance at 31 March 2020</b>	<b>136</b>	<b>9,516</b>	<b>82</b>	<b>(75)</b>	<b>9,659</b>
Loss for the period from continued operations	-	-	-	(158)	(158)
Total comprehensive income for the period	-	-	-	<b>(158)</b>	<b>(158)</b>
<b>Balance at 30 September 2020</b>	<b>136</b>	<b>9,516</b>	<b>82</b>	<b>(233)</b>	<b>9,501</b>
Loss for the period from continued operations	-	-	-	(279)	(279)
Total comprehensive income for the period	-	-	-	<b>(279)</b>	<b>(279)</b>
<b>Balance at 31 March 2021</b>	<b>136</b>	<b>9,516</b>	<b>82</b>	<b>(512)</b>	<b>9,222</b>
Profit for the period from continued operations	-	-	-	164	164
Loss for the period from discontinued operations	-	-	-	(29)	(29)
Total comprehensive income for the period	-	-	-	<b>135</b>	<b>135</b>
<b>Balance at 30 September 2021</b>	<b>136</b>	<b>9,516</b>	<b>82</b>	<b>(377)</b>	<b>9,357</b>
Profit for the period from continued operations	-	-	-	330	330
Loss for the period from discontinued operations	-	-	-	(288)	(288)
Total comprehensive income for the period	-	-	-	<b>42</b>	<b>42</b>
<b>Balance at 31 March 2022</b>	<b>136</b>	<b>9,516</b>	<b>82</b>	<b>(335)</b>	<b>9,399</b>
Profit for the period from continued operations	-	-	-	194	194
Loss for the period from discontinued operations	-	-	-	(15)	(15)
Total comprehensive income for the period	-	-	-	<b>179</b>	<b>179</b>
<b>Balance at 30 September 2022</b>	<b>136</b>	<b>9,516</b>	<b>82</b>	<b>(156)</b>	<b>9,578</b>

## CONSOLIDATED STATEMENTS OF CASHFLOWS

	<b>30 Sept 2022 £000</b>	<b>30 Sept 2021 £000</b>	<b>31 Mar 2022 £000</b>
<b>Cash flows from operating activities</b>			
Profit before tax	179	135	177
Depreciation of property, plant and equipment	171	114	231
Amortisation of intangible assets	-	2	4
Finance expense	19	19	33
	<u>369</u>	<u>270</u>	<u>445</u>
Decrease / (increase) in inventories	102	130	(559)
(Increase) in trade and other receivables	(458)	(900)	(530)
Increase/(decrease) in trade and other payables	(815)	1,855	1,560
<b>Net cash generated from operating activities</b>	<u>(802)</u>	<u>1,355</u>	<u>916</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	(16)	(19)	(26)
Net purchase of right to use assets	(54)	-	-
<b>Net cash used in investing activities</b>	<u>(70)</u>	<u>(19)</u>	<u>(26)</u>
<b>Cash flows from financing activities</b>			
Lease repayments for right-of-use assets	(107)	(82)	(165)
Bank loan	(22)	-	(15)
Interest paid	(6)	(6)	(7)
<b>Net cash (used)/generated from financing activities</b>	<u>(135)</u>	<u>(88)</u>	<u>(187)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	(1,007)	1,248	703
<b>Cash and cash equivalents at the beginning of the period</b>	705	2	2
<b>Cash and cash equivalents at the end of the period</b>	<u>(302)</u>	<u>1,250</u>	<u>705</u>
<b>Cash / (overdraft)</b>	<u>(302)</u>	<u>1,250</u>	<u>705</u>

## NOTES

### 1. General information

Scholium Group plc and subsidiaries (together 'the Group') are engaged in the trading and retailing of rare and antiquarian book and, prints and works on paper primarily in the United Kingdom. The Company is a public company domiciled and incorporated in England and Wales (registered number 08833975). The registered address is 106 New Bond Street, London W1S 1DN.

### 2. Basis of preparation

These condensed interim financial statements of the Group for the six months ended 30 September 2022 (the 'Period') have been prepared using accounting policies consistent with International Financial Reporting Standards (IFRSs) including standards and interpretations issued by the International Accounting Standards Board and in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006. The same accounting policies, presentation and methods of computation are followed in these condensed set of financial statements as applied in the Group's latest audited financial statements for the year ended 31 March 2022. While the financial figures included within this half-yearly report have been computed in accordance with IFRS applicable to interim periods, this half-yearly report does not contain sufficient information to constitute an interim financial report as set out in International Accounting Standard 34 Interim Financial Reporting. These condensed interim financial statements have not been audited, do not include all of the information required for full annual financial statements, and should be read in conjunction with the Group's consolidated annual financial statements for the year ended 31 March 2022. The auditors' opinion on these Statutory Accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under s498 (2) or s498 (3) of the Companies Act 2006.

### 3. Revenue

	<b>30 Sept 2022 Group £000</b>	<b>30 Sept 2021 Group £000</b>	<b>31 Mar 2022 Group £000</b>
Sales of stock	4,228	3,577	7,839
Commissions	163	237	279
Other income	63	18	11
	<u>4,454</u>	<u>3,832</u>	<u>8,129</u>

\* The 2021 figures have been restated by eliminating the impact of the discontinued operation, Mayfair Philatelics.

### 4. Financial (expense)

	<b>30 Sept 2022 Group £000</b>	<b>30 Sept 2021 Group £000</b>	<b>31 Mar 2022 Group £000</b>
Interest payable	(6)	(6)	(10)
Unwinding of discount on right-to-use liabilities	(13)	(13)	(23)
Total financial (expense)	<u>(19)</u>	<u>(19)</u>	<u>(33)</u>

### 5. Income Tax

	<b>30 Sept 2022 £000</b>	<b>30 Sept 2021 £000</b>	<b>31 Mar 2022 £000</b>
<i>Current and deferred tax expense</i>			
Current tax	-	-	-
Deferred tax	-	-	-
<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>

The charge for the year is reconciled to the profit per the income statement as follows:

	<b>30 Sept 2022 £000</b>	<b>30 Sept 2021 £000</b>	<b>31 Mar 2022 £000</b>
Profit before tax	179	135	177
Applied corporation tax rates:	19%	19%	19%
Tax at the UK corporation tax rate of 19%:	34	26	34
Utilisation of tax losses	(34)	(26)	(34)
<b>Current and deferred tax charge</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 6. Discontinued Operations

The Board conducted a review of the Mayfair Philatelic business in the year ended 31 March 2022 and determined that the business was not key to the future of the Group and unlikely to become profitable on an ongoing basis. In accordance with IFRS5 - *Non-current assets held for sale and discontinued operations*, the results for Mayfair Philatelic are shown as Discontinued operations in the income statement of both the current and the prior period; its assets and liabilities have been recorded at the lower of the carrying value and fair value less costs to sell in the financial statements for this financial period. An analysis of the individual line items is shown below.

### *Financial performance and cash flow information*

<b>Results in £'000</b>	<b>30 Sept 2022</b>	<b>30 Sept 2021</b>	<b>31 Mar 2022</b>
Revenue	28	371	680
Cost of sales	(1)	(202)	374
Gross Profit	(27)	(169)	<b>306</b>
Distribution expenses	(12)	(43)	74
Administration expenses	(67)	(155)	409
Offset against brought forward provision	52	-	-
(Loss) before impairment charges	-	(29)	(177)
Impairment charges against debtors and stock	15	-	140
(Loss) before tax	(15)	(29)	(317)
Tax	-	-	-
(Loss) from discontinued operations	<b>(15)</b>	<b>(29)</b>	<b>(317)</b>

The net result of wind-down sales less costs and net losses incurred in the six months ended 30 September 2022 have been off-set by releases from the impairment provision charged to the accounts of the year ended 31 March 2022.

### *Assets and liabilities of discontinued business*

The following assets and liabilities relating to Mayfair Philatelic are included within the relevant line of the Group Consolidated statement of financial position at the lower of the carrying value and fair value less costs to sell at:

<b>£'000</b>	<b>30 Sept</b>	<b>30 Sept</b>	<b>31 Mar</b>
<b>Assets</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>
Fixed assets	2	6	5
Intangible assets	4	6	4
Current assets – Stock	27	261	114
Current assets – debtors and prepayments	79	359	458
<b>Total assets of Discontinued business</b>	<b>112</b>	<b>632</b>	<b>581</b>
<b>Liabilities</b>			
Trade creditors	2	43	236
Accruals	94	30	141
<b>Total Liabilities of Discontinued business</b>	<b>96</b>	<b>73</b>	<b>377</b>

### **7. Earnings/(Loss) per Share - pence**

	<b>30 Sept</b>	<b>30 Sept</b>	<b>31 Mar</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>
	<b>Group</b>	<b>Group</b>	<b>Group</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Profit used in calculating basic and diluted earnings per share attributable to the owners of the parent			
Continuing	194	164	494
Discontinued (Note 6)	(15)	(29)	(317)
<b>Total</b>	<b>179</b>	<b>135</b>	<b>177</b>
<b>Number of shares</b>			
Weighted average number of shares for the purpose of basic and diluted earnings per share	13.6 million	13.6 million	13.6 million
Basic earnings per share from continuing operations	1.43	1.21	3.63
Basic loss per share from discontinued operations	(0.11)	(0.22)	(2.33)
<b>Total basic and diluted earnings per share</b>	<b>1.32</b>	<b>0.99</b>	<b>1.30</b>

Basic earnings per share amounts are calculated by dividing net profit / (loss) for the year or period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The Company currently has no potentially issuable shares arising from share options. As a consequence, the number of basic and fully diluted shares in issue are equal. No new shares were issued during the period, and the Company had 13.6 million shares in issue at the end of the period.

## 8. Trade and Other Receivables

	<b>30 Sept 2022 Group £000</b>	<b>30 Sept 2021 Group £000</b>	<b>31 Mar 2022 Group £000</b>
Trade debtors	2,262	2,268	1,700
Other debtors	-	33	24
Prepayments and accrued income	415	288	495
	<u>2,677</u>	<u>2,589</u>	<u>2,219</u>

## 9. Trade and Other Payables

	<b>30 Sept 2021 Group £000</b>	<b>30 Sept 2021 Group £000</b>	<b>31 Mar 2022 Group £000</b>
Trade creditors	1,158	2,244	1,946
Other taxes and social security	(18)	30	30
Accruals and deferred income	890	864	768
Other creditors	23	25	124
	<u>2,053</u>	<u>3,163</u>	<u>2,868</u>

## 10. Loans and Borrowings

	<b>30 Sept 2022 Group £000</b>	<b>30 Sept 2021 Group £000</b>	<b>31 Mar 2022 Group £000</b>
Bank loan due in less than one year	44	63	47
Bank loan due in more than one year	169	187	188
Total bank loan	<u>213</u>	<u>250</u>	<u>235</u>

## 11. Right-of-use asset lease liabilities

	<b>30 Sept 2022 Group £000</b>	<b>30 Sept 2021 Group £000</b>	<b>31 Mar 2022 Group £000</b>
Lease liabilities due in less than one year	<u>322</u>	<u>166</u>	<u>193</u>
Lease liabilities due in more than one year	<u>675</u>	<u>884</u>	<u>787</u>

These liabilities represent the future lease payments due under the Group's leases of its Mayfair premises.