2024

Annual report and consolidated financial statements for the year ended 30 September 2024

Elm Trading

Contents

Directors

Stephen Daniels
Edward Mole
Roger Skeldon
Benjamin Philips
Sam Archer
Elliot Tegerdine
Gordon Clements
Nigel Fee
Frank Scanlon

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The Royal Bank of Scotland PLC
Barclays Bank PLC
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Auditor

Forvis Mazars LLP
The Pinnacle
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Elm Trading Limited – Strategic report

Business review

We are pleased to report another successful year of growth and performance for Elm Trading, with the Group producing total comprehensive income of £60 million for the year ended 30 September 2024. Elm Trading's shareholders' funds have grown to over £1.5 billion as at 30 September 2024 and the value of Elm Trading's shares has increased in value by 3.60% over its financial year.

The Group continues to operate in three main areas through a diversified range of UK businesses:

- **Secured lending:** The Group's businesses provide senior debt, secured with a first legal charge, to developers of residential & commercial properties and to the owners of asset backed trading businesses such as hotels, care homes, student accommodation and self storage facilities.
- **Energy infrastructure:** The Group's energy holdings encompass three renewable energy generation technologies: solar, wind and hydro-electric.
- **Operational real estate backed enterprises:** The Group owns and operates asset backed enterprises which have predictable revenues such as self-storage facilities and commercial forestry plantations.

£60 m

Group total comprehensive income

£1.5 bn

Group shareholder funds

Secured lending

Our lending businesses have had a busy year, with nine new loans agreed totalling over £164 million. A sample of the new facilities entered into are detailed below.

In December 2023 a 24 month loan was agreed for just under £10 million to finance the construction of Swindon Trade Park, a new development which consists of seven high-specification industrial units spanning 94,000 sq.ft. and dedicated car parking. Our borrower is targeting a BREEAM 'Excellent' rating for the Swindon development. BREEAM is the method of assessing, rating and certifying a building's environmental sustainability and 'Excellent' is the highest ranking available. Electronic vehicle charging points and solar panels are also incorporated into the design, which achieves an EPC A rating, in addition to achieving a >10% biodiversity net gain. This is the second loan we have issued to this developer and we are delighted to fund another industrial scheme in a location where there is a real supply and demand imbalance for Grade A industrial stock. The first loan, which was issued earlier in 2023, is funding the development of industrial units in Bishop's Stortford, Hertfordshire, and has a number of units already pre-let.

In January 2024 we agreed a loan for just under £11 million over five years to develop a new 64,000 sq.ft. self-storage unit in Tunbridge Wells, Kent. The site is also targeting BREEAM 'Excellent' and an EPC A rating.

In February 2024 we agreed a loan of £31 million, for a term of two years to refinance a completed residential development in Bracknell, Berkshire. The development consists of 242 high quality studio, one and two bedroom apartments with a variety of amenities including a gym, garden room, shared workspace and bookable dining and treatment rooms.

In March 2024 we agreed a three year loan of £16 million to a care home operator. The loan has facilitated the refinancing of two completed retirement living developments of 76 units in total, situated across two locations in Solihull and Leicester. The developments have created specialised retirement housing with desirable amenities and provisions for care to improve the quality of life for residents. This will assist in releasing the supply of housing for families and help take the strain off the care sector.

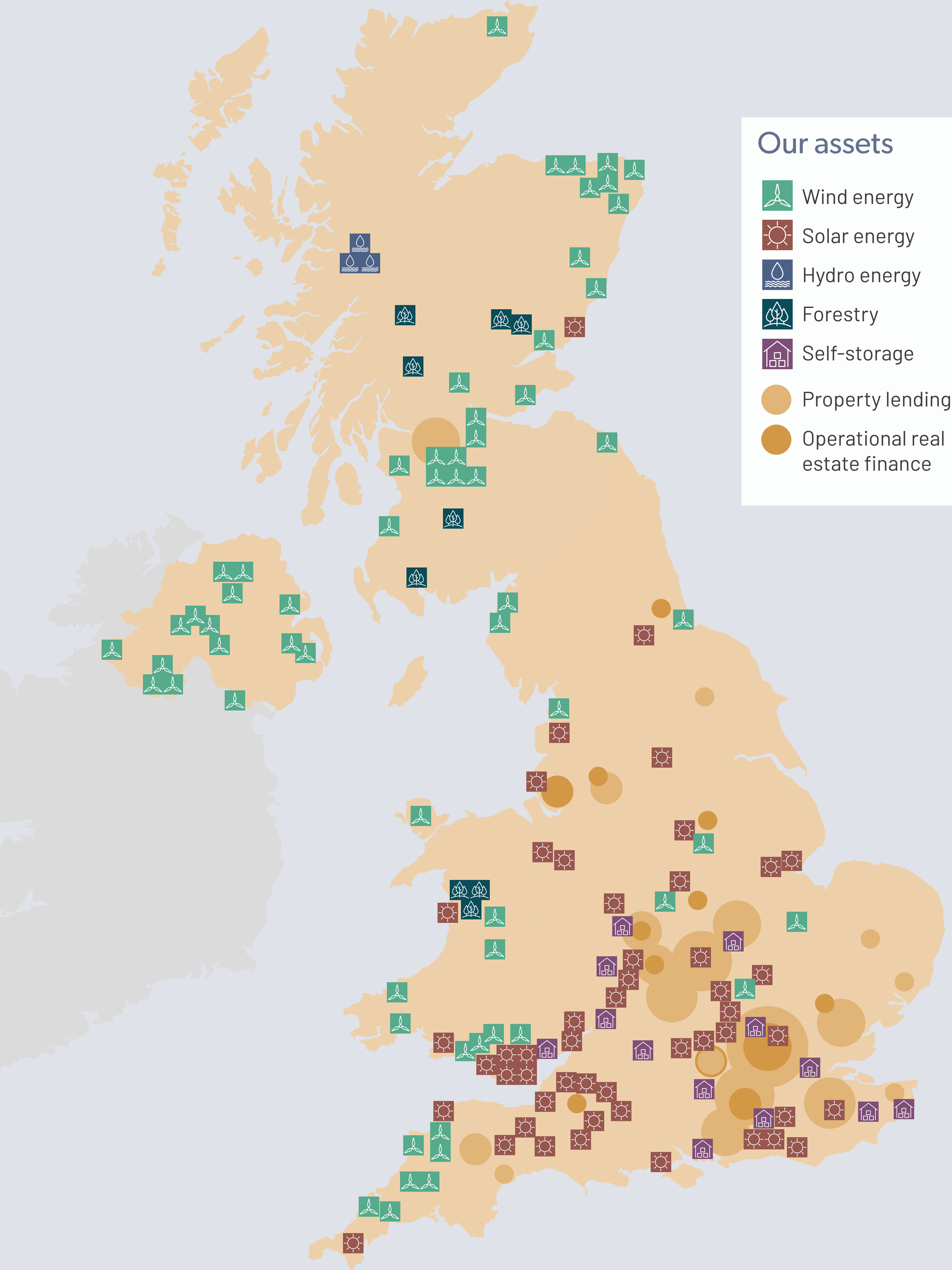
During July 2024 we completed a loan in the student accommodation sector. The loan was for £47.3 million to develop a purpose built student accommodation project in Woolwich, London. The development will consist of c.300 units, with a mix between studios and shared apartments, and is our second student accommodation deal with this partner. The term of the loan is three years.

The higher interest rate environment continues to benefit the returns generated by our lending businesses in the short term as a percentage of the loan book is lent on a variable rate. House prices are starting to rise again, with prices up marginally in 2024. Whilst interest rates have taken their first steps downwards, they are still high and mortgage rates similarly (although there are signs of competition beginning to drive the rates downwards). Affordability constraints are still, therefore, a factor for buyers.

We continue to use the higher rate environment to reduce the Loan to Gross Development Value (LTGDV) on our lending, whilst at least maintaining returns. Until there are further cuts to the base rate, we still feel it more appropriate to focus on supporting more defensive, lower loan to value opportunities, whilst still lending at rates to achieve our target return. We are also targeting fixed rate lending where possible, to ensure we lock those rates in for the short to medium term.

Our lending team is pursuing more opportunities in commercial development and operational real-estate (self-storage, student accommodation, care homes) than in residential development at present, as shown by the deals made during the year, but the Group experience across a range of sectors enables us to continue to deploy strongly.

Our lending businesses have had a busy year, with nine new loans agreed totalling over £164 million.



Our assets

- Wind energy
- Solar energy
- Hydro energy
- Forestry
- Self-storage
- Property lending
- Operational real estate finance

Strategic report (continued)

Renewable energy

During the year, Elm Trading completed the acquisition of one operational site and two construction projects in the renewable energy sector. The total capital commitment across the three projects was £89 million.

Our first acquisition was the operational Bubney solar farm, which required funding of c.£35 million in December 2023. Located to the south of Chester, the Bubney solar farm is now the largest solar facility within the Elm portfolio, situated on 150 acres of land and expected to generate enough renewable energy to power over 14,000 UK households. The Bubney solar farm has a 10-year Corporate Power Purchase Agreement (PPA) in place, starting in January 2025, which provides a stable price for the energy generated and exported by the Bubney solar farm over the next decade.

In June 2024 Elm Trading acquired a wind project and a solar project with total commitments of £54 million. Both sites are construction projects so will add additional renewable energy capacity to the UK when construction completes in 2025.

The wind project is located in the Scottish Highlands and will consist of three wind turbines. Once operational, it is expected to generate 39,230 MWh per annum, equivalent to powering 14,530 UK homes each year. The project was successful in the AR6 Contracts for Difference (CfD) auction round, securing a guaranteed price per MW for power sold by the site for the next 15 years, commencing in 2026.

The solar project is located between Durham and Darlington. Once complete, it is expected to generate 31,642 MWh per annum, equivalent to powering 11,719 UK homes each year.

Turning to our existing portfolio, we are pleased to report that our wind farm development in South Lanarkshire, which we acquired in 2023, became fully operational during the year. The site consists of three wind turbines and is expected to generate 44,200 MWh per annum, equivalent to powering 16,370 UK homes each year.

Following the acquisitions in the year and the latest wind farm coming online, the current generation capacity of the portfolio is 258MW from Solar and 125MW from wind, comprising 1.47% and 0.77% of the UK's Solar and Onshore Wind generation respectively.

Electricity generated during the year was in-line with budget on the Wind energy portfolio. Solar generation was under budget for the year with unfavourable weather conditions across the key summer months having an impact. As a reminder, our renewable energy portfolio is predominantly split between wind and solar, in a variety of locations, to hedge against the UK's changeable weather conditions and target a more consistent income stream.

As mentioned in the prior year, the benefits of higher generation continue to be tempered by the additional costs of the Electricity Generator Levy, which is an additional tax of 45% on the revenues achieved over a certain price for large energy generators.

During the year, Elm Trading completed the acquisition of one operational site and two construction projects in the renewable energy sector. The total capital commitment across the four projects was £89 million.

Strategic report (continued)

Operational real estate backed enterprises

The development of a brand new self storage facility in Kettering, Northamptonshire completed during the year. The store opened its doors in February 2024 and is the thirteenth self storage facility in the portfolio. Despite the wider macroeconomic backdrop, the site has started well in its first year of trading. The rest of our self storage portfolio continues to prove resilient with occupancy rates stable.

In August 2024 one of our self storage operators, Lok'nStore, was acquired by the pan-European self storage operator Shurgard. Shurgard is the UK's fourth largest self storage operator and has over 330 stores across the UK and Europe. Following the acquisition, the day to day management of our stores has transferred over to Shurgard and our stores are now run under their operating model. Trading has not been affected and we expect over time to benefit from the economies of scale that a larger operator can access. A programme of rebranding our stores to Shurgard has commenced.

During the year Elm Trading acquired the Harran Forest, located in Perthshire, Scotland, adding almost 700 acres to our portfolio. The forest is predominantly planted with Sitka spruce and located close to one of our other forests. Both sites are managed by Fountains Forestry.

The forestry portfolio now consists of nine forests across the UK, covering 17,000 acres with a combination of commercial trees, open space and mixed broadleaves to support biodiversity. All of the forests are Forestry Stewardship Council (FSC) certified and we only work with forestry managers that hold the FSC Forestry Management Certificate.

Following the Budget there is some uncertainty over the outlook for commercial forestry valuations going forward. The cap on Business Relief that was announced may adversely affect some large individual forestry owners who hold forests for the Inheritance Tax exemption that Business Relief provides, and they may seek to dispose of assets, causing a downward pressure on prices. However, this may provide opportunities for Elm Trading to acquire new plantations at the lower valuations, as it holds for the long-term and does not suffer the same challenges as private forestry owners.

Financing and liquidity

Elm Trading has an £80 million Revolving Credit Facility (RCF) with Santander which was not utilised during the year. The Group had sufficient cash reserves from its trading activities and new subscriptions to fund the above mentioned acquisitions without the need for leverage. £45 million was drawn from the RCF after the year end in December 2024 (and subsequently repaid in full in February 2025) in order to fund the acquisition of several renewable energy projects (see post balance sheets events section for full details). As demonstrated post year end, Elm Trading uses this RCF to manage cashflow, rather than as leverage to potentially enhance profitability. The RCF currently expires in July 2025 with an extension for the same value facility currently being negotiated.

Key performance indicators

Total comprehensive income

The Group's total comprehensive income was £60 million (2023: £49 million), an increase of 22% on the prior year. The increase mainly due to additional revenues from a wider asset base.

Balance sheet

The Group had shareholders' funds of £1,530 million at 30 September 2024 (2023: £1,313 million).

Subscriptions

During the year, the Group has attracted a further £158.1 million in net subscriptions available for employment in trading activities (2023: £221.1 million).

Secured lending

During the year, the lending businesses issued facilities with a maximum drawdown capacity of £164.3 million. The drawn loan book at the year-end stood at £372.0 million. No loan defaults or impairments occurred during the year. We estimate that loan facilities provided by Elm Trading during the year will result in the construction of 628 much needed new homes.

Energy infrastructure

The Group's operational renewable energy schemes, all based in the UK (as at 31 March 2025);

- should provide 618,845 MWh per year (enough electricity to power over 229,000 UK homes)
- should offset 128,759 tonnes of CO_2 (the carbon footprint of over 42,500 homes)

The Group also has renewable energy schemes under construction that should provide an additional;

- 282,680 MWh per year (enough electricity to power over 104,000 UK homes)
- should offset more than 58,400 tonnes of CO_2 (the carbon footprint of over 18,500 homes)

Trading assets

At 31 March 2025, the Group owns 142 trading assets (including six assets under construction) across the UK encompassing 13 self-storage facilities, nine commercial forestry plantations, 53 solar arrays, 64 wind farms and three hydro- electric installations.

For more information, see our website:
elm-trading.com

Risks & uncertainties

The following table outlines some of the risks facing the Company and a number of mitigants to them:

Type	Risk	Mitigation
Political	Changes to government backed subsidies received on renewable energy assets Increases in taxation rates, including the imposition of sector specific levies.	All assets are in the UK and there is no history of retrospective changes to such incentives from UK Governments. Elm Trading has engaged professional tax advisers to ensure that all available tax reliefs and allowances are utilised.
Energy price	Revenue generated by our renewable energy sites is lower than anticipated due to energy price changes	The majority of our renewable energy sites benefit from a material proportion of their revenues coming from Government backed subsidies such as the Feed in Tariff or Renewables Obligation Certificate for the intended life of the project. Fixed priced power purchase agreements of between one and ten years with utilities and selected corporate customers are used to mitigate short-term weakness in the wholesale energy market that could adversely impact returns.
Weather	Variability of weather could result in little or unpredictable revenue generated on the renewable energy assets	Diversified portfolio of renewable energy projects, both by generation technology and geographical location across the UK (the renewables portfolio is 46% wind, 53% solar and 1% hydro at 31 March 2025.
Operational	Under performance from an asset	Asset managers are engaged on each individual asset to monitor day-to-day operations. The managers are experienced operators in their sector and maintain a regular and formal reporting function with the directors of Elm Trading.
Loan book	Impairment of carrying value due to market conditions or developer failure	Loan facilities are issued typically at up to 65% of the gross development value (average of 52.02% as at 30 September 2024). In addition a first legal charge is taken over the property and extensive due diligence is undertaken on all borrowers prior to entering into any agreement.
Valuation	Reduction of carrying value of assets held at market value, through increases in valuation discount rates or adverse changes to operating forecasts	The predictability of the revenues of the businesses undertaking the asset backed trades has traditionally resulted in less volatility in market values.
Interest rate	Rises in interest rates result in higher interest payments on debt	The Group's revolving credit facility is maintained at less than 10% of the Group's NAV. Other debt the Group is temporarily exposed to when it is acquiring a business, is paid off at the earliest opportunity and typically benefits from interest rate hedging instruments.
Construction	Construction delays resulting in costs exceeding the original budget	Oversight of project managers and the commissioning engineers and monitoring of their performance throughout the construction period. Construction contracts commonly have liquidated damages included for delays to the agreed programme.

US tariff reforms

The recent international trade tariff increases have not directly impacted the Group's trading business because the activities are all within the UK. However, the wider impact of the tariffs on the economy is likely to filter through to the valuation of their assets, specifically when assumptions are made on items such as inflation, interest rates and discount factors.

Section 172 Statement

Directors are responsible for acting in a way that they consider, in good faith, is the most likely to promote the success of the Company for the benefit of its Shareholders. In doing so, they also consider the broader needs of other key stakeholders and the impact decisions have on the wider community and the environment.

The key decisions during the year relate to the acquisitions in the renewable energy, self storage and forestry sectors and the lending made by the trading businesses of the Elm Group as summarised on pages 32 to 33. The decisions were supported by extensive due diligence processes and considered, amongst other factors, the Group's cash deployment policy, availability of finance and return potential for shareholders.

The stakeholders the Directors consider material to their duties are as follows:

Shareholders

As at 30 September 2024 there were over 8,000 individual beneficial investors in Elm Trading Ltd, all of whom hold their shares through the custodian, TIME Nominees Limited.

Communication to shareholders is through the Group's website, elm-trading.com and via a quarterly business update which is provided to shareholders and their financial advisers. The Group's financial statements are also available for a more in-depth annual review.

Service providers

Elm Trading and its subsidiaries do not have any employees. There are a number of service agreements in place to fulfil the ongoing management and administration needs of the Group entities.

Given the nature of these services, communication with service providers is almost daily and supported by monthly reporting requirements. Performance in-line with the reporting requirements is reviewed annually.

Asset managers

Each of the Group's trading assets is assigned to an asset manager. These managers are experienced in their specific sector and are responsible for a number of day-to-day requirements in the trade as well as providing guidance on longer term decision making. For example, advising on the setting of prices at the storage facilities or assisting with the tender for power purchase agreements across the renewable energy assets. All key strategic, financial and operational decisions are taken by Elm Trading's board of directors.

Similar to the service providers, communication is regular but supported by monthly reporting and the contracts are reviewed on the basis of quality and value.

Community and the environment

As stated the Group does not have any employees, however we do recognise that employees are used by the service providers and asset managers. Additionally, several of the Group's activities contribute significantly to employment further down the trading supply chains.

The Group is committed to investing in communities local to its renewable energy installations. There are a number of community benefit schemes across the portfolio where donations are made annually.

The Group aims to have a positive environmental impact which is a key driver in the renewable energy businesses and sustainable forestry asset classes which account for the majority of the Group's trade. Naturally there are factors outside of our control but being entirely UK based and able to appointment asset managers who are local to the assets, this improves efficiency by limiting travel in general.

Outlook

Over the forthcoming year we will continue with our strategy to grow Elm Trading's portfolio of asset-backed UK trading interests. Elm Trading has no overseas interests nor foreign currency liabilities and remains a business which is wholly focused on trading in the UK. With the UK economic and political outlook remaining unclear, we may seek to further diversify into new asset backed sectors which are complementary to our existing portfolio.

Post balance sheet events

Since the year end, the Group's shareholder funds have risen to over £1,588 million (as at 31 March 2025) and the following transactions have occurred:

- In December 2024 the Group increased its renewable energy portfolio with the addition of a 5MW ROC accredited operational solar farm for £6.2 million. A further five construction projects, four in the solar sector and one in the wind sector, have also been acquired for a combined initial acquisition cost of £119.3 million and further capital commitments of £63.8 million.
- Elm Trading utilised £45 million of the £80 million RCF with Santander for short term finance to fund the above mentioned acquisitions. The sum was drawn in December 2024 and repaid in full in February 2025.
- The secured lending business has also issued a further 7 facilities with a maximum drawdown value of £107.4 million and will continue to lend to suitable customers at competitive rates.
- Further subscriptions totalling £107.2 million have been received into the Company since the year end through the issue of 67,505,153 further redeemable £0.01 shares.

This report was approved by the Board and authorised for issue on and signed on their behalf by:

Stephen Daniels, Director

Elm's approach to sustainable investing

We are aware that many investors are increasingly concerned about climate change and want to know how their investments can have a positive impact on the world.

We recognise that Elm's portfolio of assets can have both a positive and negative impact on the environment and the community. We seek to identify these risks and, where possible, maximise our positive impact whilst mitigating any adverse effects.

Investment rationale

Elm's focus has always been on building a sustainable business that maximises returns for shareholders whilst reducing risk where possible.

A key area that we have continued to invest in is renewable energy infrastructure, which provides a consistent income stream, usually backed by inflation-linked Government subsidies, whilst also generating clean energy to benefit the environment. The Group's energy holdings comprise around two-thirds of the portfolio and encompass three renewable energy generation technologies: solar, wind and hydroelectric.

The Group also owns and manages over 17,000 acres of commercial forestry plantations across the UK and the sector represents circa 5% of the portfolio. UK forestry remains a highly sought-after asset class due to its appealing risk-return profile with capital appreciation delivered through the increasing volume of timber as the crops grow – as larger trees can be processed into higher value timber products – and the value of the underlying land also increasing.

All of the Group's plantations are Forestry Stewardship Council (FSC) certified and we only work with forestry managers that hold the FSC Forestry Management Certificate. This certificate confirms that the forest is being managed in a way that preserves biological diversity and benefits the lives of local people and workers, while ensuring it sustains economic viability. Our forestry investment strategy aligns with national and international goals to increase tree cover as part of the climate change strategy and the promotion of timber as UK-grown, low-embodied-carbon material for building construction.

Tangible results

Over the year to 30 September 2024 Elm's renewable energy portfolio has generated 563,069 MWh of electricity
(2023: 513,397 MWh)

This is enough energy to power
208,544 UK homes
(2023: 190,147)

This clean energy generation offset
117,211 tonnes of CO2
(2023: 106,309)

This is equivalent to planting
5 million trees
(2023: 5 million)

We report the environmental benefits of renewable energy generation in terms of average UK household energy consumption, carbon footprint and CO2 equivalent savings.

Bespoke 'Impact Investment' reports are also available so shareholders can see the tangible environmental benefits an investment can make. The report demonstrates the positive impact of Elm's renewable energy portfolio and clearly shows the clean energy generation and carbon offsetting potential of an investment.

Directors' report

Elm Trading Ltd
Registered number: 08316347

The directors present their report and accounts for the year ended 30 September 2024.

The Company was incorporated on 3 December 2012 and began trading on 10 April 2013.

Principal activities

Elm Trading Limited is a trading company and parent in a trading group operating in the renewable energy, secured lending, forestry and self-storage sectors.

Results and dividends

The Group's total comprehensive income for the year amounted to £60.3 million (year to 30 September 2023: £49 million).

There were no dividends paid or proposed during the year from Elm Trading Limited.

A detailed review of the Group's trading during the year and of its business outlook is contained within the strategic report on pages 1 to 9.

Directors

The following directors served during the year:

Stephen Daniels
Edward Mole
Roger Skeldon
Benjamin Philips
Sam Archer
Elliot Tegerdine

Non Executive Directors

Gordon Clements
Nigel Fee
Frank Scanlon

The directors do not currently, nor have they ever had, interests in the ordinary shares of the Group or Company.

Directors' indemnity

Appropriate directors' and officers' liability insurance is in place in respect of all the Company's directors.

Financial risk management

Refer to Strategic Report on page 7.

Future developments

Refer to Strategic Report on page 9.

Energy and carbon reporting

The Group's UK energy usage is related to the purchase of electricity at the renewable energy sites and storage facilities. Details of the usage are below.

Sector	Electricity usage (kWh) 2024	2023
Storage	966,709	1,011,246
Renewable energy	3,345,082	2,669,226
Total	**4,311,791**	**3,680,472**

Electricity at the storage sites is used for lighting, electronic point of sales, security (CCTV) etc. The renewable energy sites have import electricity costs as 100% of the electricity generated at each site is sold under contract and goes directly into the national grid. Therefore, separate electricity import contracts are required in order to power the sites (substations, turbines, meters etc).

The usage data above has been calculated using average usage across the year from actual import bills. The Group has not directly incurred any transportation costs (petrol/diesel), however, we acknowledge that third parties acting under service contracts with the Group would have. This has not been tracked, however, given their infrequent nature we do not deem the impact to be material to the data provided.

The Group's intensity ratio for total usage in kWh as a percentage of total turnover is 2.64% (2023: 2.88%).

Going concern

The consolidated financial statements have been prepared on the going concern basis. The Group has good diversification in asset backed trading sectors with strong fundementals and the directors expect the Group to have adequate funds available from reserves and current trading activities to enable it to continue as a going concern for at least 12 months from the date of signing the financial statements.

Post balance sheet events

In December 2024 the Group increased its renewable energy portfolio with the addition of a 5MW ROC accredited operational solar farm for £6.2 million. A further five construction projects, four in the solar sector and one in the wind sector, have also been acquired for a combined initial acquisition cost of £119.3 million and further capital commitments of £63.8 million.

Directors' report (continued)

Elm Trading Ltd
Registered number: 08316347

Elm Trading utilised £45 million of the £80 million RCF with Santander for short term finance to fund the above mentioned acquisitions. The sum was drawn on 17 December 2024 and repaid in full on 17 January 2025.

The secured lending business has also issued a further 7 facilities with a maximum drawdown value of £107.4 million and will continue to lend to suitable customers at competitive rates.

Further subscriptions totalling £107.2 million have been received into the Company since the year end through the issue of 67,505,153 further redeemable £0.01 shares.

Auditor

Forvis Mazars LLP has expressed its willingness to continue in office and a resolution concerning reappointment will be put to the directors at the board meeting approving these financial statements.

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the Strategic Report and the 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 have elected to prepare the financial statements in accordance with United Kingdon Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 Company and of the profit or loss of the Company 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the
- company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure in the strategic report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on pages 1 to 9. These matters relate to business and financial review, future developments and risks and uncertainties.

Statement of disclosure of information to auditors

So far as each person who is a director is aware, there is no relevant audit information of which the Group's auditor is unaware. Each director has taken all steps that he ought to have taken in his duty as director in order to make himself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

This report was approved by the Board and authorised for issue on and signed on their behalf by:

Stephen Daniels, Director

Independent auditor's report

to the members of Elm Trading Limited

Opinion

We have audited the financial statements of Elm Trading Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2024 which comprise the Group statement of total comprehensive income, the Group balance sheet, the Company balance sheet, the Group statement of cash flows, the Group statement of changes in equity, the Company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2024 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Independent auditor's report (continued)

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 12, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: anti-money laundering regulation and general data protection regulations.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation and the Companies Act 2006.

Independent auditor's report (continued)

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition which we pinpointed to the cut off assertion, valuation of tangible assets, biological assets and investments, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Lucy Hampson
Senior Statutory Auditor
for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes MK9 1FF

Date:

Group statement of total comprehensive income

for the year ended 30 September 2024

	Note	Year ended 30 September 2024 £'000	Year ended 30 September 2023 £'000
Turnover	3	163,588	127,823
Expenses		(87,830)	(74,387)
Value of timber felled	8	(579)	(1,260)
Operating profit	**4**	**75,179**	**52,176**
Interest receivable		2,633	944
Interest payable	5	(549)	(2,936)
Foreign exchange loss		(21)	(8)
Fair value movement on investment	9	538	(1,364)
Gain on disposal of investment	9	539	122
Loss on revaluation of biological assets	8	(951)	(11,212)
Profit on ordinary activities before taxation		**77,368**	**37,722**
Taxation	6	(29,598)	(16,030)
Profit on ordinary activities after taxation		**47,770**	**21,692**
Other comprehensive income			
Subsidiaries' revaluation reserve	8	16,217	17,391
Deferred tax	6	(3,614)	9,878
Total comprehensive income for the year		**60,373**	**48,961**
Profit for the year attributable to:			
Owners of the parent company		37,762	15,540
Non-controlling interest		10,008	6,152
		47,770	**21,692**
Total comprehensive income for the year attributable to:			
Owners of the parent company		51,999	42,858
Non-controlling interest		8,374	6,103
		60,373	**48,961**

All results relate to continuing activities.

The notes to the accounts on pages 22 to 40 form part of these financial statements.

Group balance sheet

as at 30 September 2024

	Note	30 September 2024 £'000	30 September 2024 £'000	30 September 2023 £'000	30 September 2023 £'000
Fixed Assets					
Intangibles including goodwill	7		4,293		4,529
Tangibles	8		935,560		864,502
Biological assets	8		33,961		33,910
Investments	9		71,293		16,052
			1,045,107		**918,992**
Current assets					
Loans outstanding	13	331,898		286,878	
Debtors	16	90,232		66,573	
Cash at bank and in hand		133,117		111,856	
Total current assets		**555,247**		**465,307**	
Creditors: amounts falling due within one year	**17**	**(19,078)**		**(23,886)**	
Net current assets			**536,169**		**441,421**
Creditors: amounts falling due after one year	**18**		**(50,898)**		**(47,288)**
Net assets			**1,530,378**		**1,313,126**
Capital and reserves					
Called up share capital	21		9,053		8,001
Share premium			1,173,574		1,016,487
Profit and loss account			83,723		45,961
Revaluation reserve			131,659		117,422
Non controlling interest			132,369		125,255
Shareholders' funds – equity			**1,530,378**		**1,313,126**

Approved by the Board and authorised for issue on and signed on their behalf by:

Stephen Daniels, Director

The notes to the accounts on pages 22 to 40 form part of these financial statements.

Company balance sheet

as at 30 September 2024

Elm Trading Ltd, Registered number: 08316347

	Note	30 September 2024 £'000	30 September 2024 £'000	30 September 2023 £'000	30 September 2023 £'000
Fixed Assets					
Participation in operating partnerships	12		424,006		355,754
Subsidiaries	11		759,643		673,743
Investments	9		71,293		16,052
			1,254,942		**1,045,549**
Non current assets					
Amounts owed from group undertakings			22,694		38,683
			22,694		**38,683**
Current assets					
Debtors	16	73,097		46,263	
Cash at bank and in hand		9,130		16,074	
Total current assets		**82,227**		**62,337**	
Creditors: amounts falling due within one year	**17**	**(7,759)**		**(8,970)**	
Net current assets			**74,468**		**53,367**
Creditors: amounts falling due after one year	**18**		**-**		**-**
Amounts owed on group undertakings			**(133,617)**		**(85,329)**
Net assets			**1,218,487**		**1,052,270**
Capital and reserves					
Called up share capital	21		9,053		8,001
Share premium			1,173,574		1,016,487
Profit and loss account			35,860		27,782
Shareholders' funds – equity			**1,218,487**		**1,052,270**

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's profit for the period was £8,077,787. The financial statements on pages 16 to 40 were approved by the Board and authorised for issue on and signed on their behalf by:

Stephen Daniels, Director

The notes to the accounts on pages 22 to 40 form part of these financial statements.

Group statement of cash flows

as at 30 September 2024

	Note	30 September 2024 £'000	30 September 2024 £'000	30 September 2023 £'000	30 September 2023 £'000
Cash flows from operating activities					
Profit for the year after tax		47,770		21,692	
Adjustments for:					
Amortisation of intangible fixed assets	7	236		311	
Depreciation of tangible fixed assets	8	30,268		26,647	
Interest paid	5	549		2,936	
Interest received		(2,633)		(944)	
Taxation		29,598		16,030	
FX reserve		21		8	
Impairment	8	(211)		2,170	
Fair Value movement on investment	9	(538)		1,364	
Gain on disposal of investment	9	(539)		(122)	
Biological asset movement	8	951		11,212	
Biological asset fellings	8	579		1,260	
Adjustment to capitalised decommissioning costs	8	2,097		-	
Decrease / (increase) in debtors		(24,776)		(8,013)	
(Decrease) / Increase in creditors		(40,210)		(4,321)	
Net drawdowns on loanbook		(45,021)		(106,775)	
Corporation tax paid		(33,892)		(8,363)	
Net cash outflow from operating activities			**(35,751)**		**(44,908)**
Cash flows from investing activities					
Acquisition of subsidiary undertakings	10	(6,729)		(61,199)	
Disposals / (Investments)	9	(54,164)		2,000	
Purchase of tangible assets	8	(42,177)		(20,819)	
Purchase of intangible assets		-		-	
Interest received		2,633		944	
Net cash outflow from investing activities			**(100,437)**		**(79,074)**
Cash flows from financing activities					
Repayment of bank loans		-		(65,000)	
Non controlling interest capital committed to group activities		1,687		7,369	
Distributions		(2,947)		(1,524)	
Proceeds from share issues		158,139		221,086	
Interest paid	5	(549)		(2,936)	
Net swap value realised		-		(16,635)	
Net cash inflow from financing activities			**156,330**		**142,360**
Net increase in cash and cash equivalents			**20,142**		**18,378**
Cash at beginning of the year			111,856		91,340
Cash acquired on business combinations			1,140		2,146
FX movement on foreign currency accounts			(21)		(8)
Cash at the end of the year			**133,117**		**111,856**

Analysis of net debt
as at 30 September 2024

	As at 30 September 2023 £'000	Cash flows from operating activities £'000	Acquisition of subsidiary undertakings £'000	Subscriptions £'000	Cash flows from other activities £'000	Proceeds from bank loans £'000	Repayment of bank loans £'000	As at 30 September 2024 £'000
Cash at bank and in hand	111,856	(35,751)	(5,589)	158,139	(95,538)	-	-	133,117
Sub total	**111,856**	**(35,751)**	**(5,589)**	**158,139**	**(95,538)**	**-**	**-**	**133,117**
Bank loans								
due within one year	-	-	-	-	-	-	-	-
due after one year	-	-	-	-	-	-	-	-
Debt	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net debt (debt net of cash)	**111,856**	**(35,751)**	**(5,589)**	**158,139**	**(95,538)**	**-**	**-**	**133,117**

Group statement of changes in equity

for the year ended 30 September 2024

	Share Capital £'000	Share Premium £'000	Profit & Loss Account £'000	Revaluation Reserve £'000	Non-controlling Interest £'000	Total Shareholders' Funds £'000
As at 01 October 2022	6,479	796,923	30,421	90,104	113,307	1,037,234
Net shares issued	1,522	219,564	-	-	-	221,086
NCI Capital movement in the year	-	-	-	-	7,369	7,369
Profit in the year	-	-	15,540	-	6,152	21,692
Revaluation	-	-	-	27,318	(49)	27,269
Distributions	-	-	-	-	(1,524)	(1,524)
As at 30 September 2023	**8,001**	**1,016,487**	**45,961**	**117,422**	**125,255**	**1,313,126**
As at 01 October 2023	8,001	1,016,487	45,961	117,422	125,255	1,313,126
Net shares issued	1,052	157,087	-	-	-	158,139
NCI Capital movement in the year	-	-	-	-	1,687	1,687
Profit in the year	-	-	37,762	-	10,008	47,143
Revaluation	-	-	-	14,237	(1,634)	13,230
Distributions	-	-	-	-	(2,947)	(2,947)
As at 30 September 2024	**9,053**	**1,173,574**	**83,723**	**131,659**	**132,369**	**1,530,378**

Company statement of changes in equity

for the year ended 30 September 2024

	Share Capital £'000	Share Premium £'000	Profit & Loss Account £'000	Revaluation Reserve £'000	Non-controlling Interest £'000	Total Shareholders' Funds £'000
As at 01 October 2022	6,479	796,923	40,759	-	-	844,161
Net shares issued	1,522	219,564	-	-	-	221,086
Loss in the year	-	-	(12,977)	-	-	(12,977)
As at 30 September 2023	**8,001**	**1,016,487**	**27,782**	**-**	**-**	**1,052,270**
As at 01 October 2023	8,001	1,016,487	27,782	-	-	1,052,270
Net shares issued	1,052	157,087	-	-	-	158,139
Loss in the year	-	-	8,078	-	-	8,078
As at 30 September 2024	**9,053**	**1,173,574**	**35,860**	**-**	**-**	**1,218,487**

Reserve accounts

Share Capital	Nominal value of all Ordinary and Redeemable Shares issued in Elm Trading Ltd
Share Premium	Premium paid on the issue of any Ordinary and Redeemable Shares issued in Elm Trading Ltd
Profit & Loss Account	Income and expenditure from all trade sectors
Revaluation Reserve	Revaluation movement on Self Storage, Forestry and operational Renewable Energy assets net of deferred tax
Non-controlling Interest	Element of the group not controlled by Elm Trading Ltd

Notes to the financial statements

For the year ended 30 September 2024

1. Accounting policies

Company information

Elm Trading Limited ("the Company") is a private limited company domiciled and incorporated in England and Wales, limited by shares. The registered office is 6th Floor, 338 Euston Road, London, NW1 3BG. The Company's registered number is 8316347.

The Group consists of Elm Trading Limited and all of its subsidiaries, as detailed in note 25.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand.

1.1 Basis of Preparation

The accounts are prepared under the historical cost convention in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

1.2 Basis of consolidation

The consolidated financial statements incorporate those of Elm Trading Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 30 September 2024.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The acquisition method of accounting has been used for business combinations. The cost of a business combination is the purchase price / consideration plus costs directly attributable to the business combination.

1.3 Going concern

The consolidated financial statements have been prepared on the going concern basis. The Group has good diversification in asset backed trading sectors with strong fundamentals and has proven it's ability to operate through potentially adverse economic climates. The directors have assessed the profitability and cash generating capabilities of it's businesses, and expect the Group to have adequate funds available from reserves and current trading activities to enable it to continue as a going concern for at least 12 months from the date of signing the financial statements. The going concern opinion is first formed at an individual asset level, on the basis that each asset will generate enough cash to service its own liabilities. The review then assesses the additional support the Group adds to further strengthen the going concern status. The review includes, but is not limited to, analysing detailed forecasts for each of the Group's individual assets, assessing the recoverability of debtors (including the strength of security in place where applicable) and evaluating cash flow requirements taking into consideration expenditure committed to under contracts and also general expenditure and taxes.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. Revenue from the sale of services is recognised on an accruals basis in the period to which it relates. The specific policies for each of the Group's trading sectors are as follows:

Secured Lending

Turnover represents income derived from lending to property developers and asset backed trading businesses as follows:

i) Interest – on the drawn down loan balance on an accruals basis over the life of the loan;

ii) Non-utilisation fee – on an accruals basis over the life of the loan;

iii) Loan arrangement fees – on receipt;

iv) Exit fees – the minimum exit fee on each loan facility on an accruals basis over the life of the loan.

Commercial Forestry

Turnover represents amounts invoiced in respect of income generated from the forests owned by the Group. Turnover is recognised net of VAT on an accruals basis during the period in which it is generated.

Storage

Turnover represents income derived from the operational storage facilities owned by the Group. Turnover is recognised net of value added tax on an accrual basis during the period in which it is generated.

Notes to the financial statements (continued)

For the year ended 30 September 2024

1. Accounting policies (continued)

Renewable Energy

Turnover represents income derived from electricity generation from wind, solar and hydro installations. Turnover is recognised net of VAT on an accruals basis during the period in which it is generated.

1.5 Termination exit / incentive fees

A termination exit fee is accrued on all of the Group's forestry and storage assets. The fees are performance based and are a percentage of the excess growth after the Group has achieved a minimum return calculated as an IRR. The fee percentage differs across the portfolios from 15% to 30%, and the minimum return ranges from 5% to 7%.

1.6 Intangible fixed assets

Policies for the Group's intangible assets are as follows:

- Intangible assets associated with a renewable energy tangible fixed asset acquisition are amortised in-line with the tangible fixed asset depreciation (see note 1.6).
- Franchise fees for branding in the storage business are amortised over 50 years.

1.7 Tangible fixed assets

The operational renewable energy, storage and forestry assets are held at their market value based on an independent valuation. Under the revaluation model, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The operational wind, solar and hydro renewable energy assets have been valued at the balance sheet date by BDO LLP. The capitalised costs of these tangible fixed assets include the initial estimate of the costs, recognised and measured in accordance with Section 21 Provisions and Contingencies, of decommissioning the sites and returning them to their pre-installation condition. The capitalised cost is depreciated to write off the full cost of the assets over the length of each site's lease – the yearly rate is based on the expected electricity exported over this period. Under the valuation model, depreciation is also charged on the revalued amount from the prior year on the same basis as the capitalised cost.

The storage assets have been valued at the balance sheet date by Jones Lang LaSalle. The tangible fixed assets are depreciated at rates calculated to write off their cost, less estimated residual value, over their expected useful lives on the following basis:

Land	No Depreciation
Buildings	1% Straight line
Fixtures & Fittings	10% or 2% Straight line
Equipment	20%, 10% or 2% Straight line

Forestry tangible fixed assets represent the land on which the forestry plantations are located. The land has been valued at the balance sheet date by Goldcrest Land & Forestry Group. No depreciation is provided. Valuation movements are recognised in Other Comprehensive Income to the extent they are not reversing a prior impairment.

Tangible fixed assets under construction are held at historical cost subject to an impairment review. No depreciation has been provided.

1.8 Biological fixed assets

Biological assets represent the trees in the forestry plantations. The trees are held at their fair value under the revaluation model and have been valued at the balance sheet date by Goldcrest Land & Forestry Group.

Under the revaluation model, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

No depreciation is provided. Valuation movements are recognised in Profit and Loss.

1.9 Fixed asset investments

In the parent company financial statements, investments in subsidiaries are held at cost subject to an impairment review. In the Group financial statements the subsidiaries are consolidated. A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities

Other equity instruments and United Kingdom Treasury Bonds are held at market value through profit and loss, in both the parent company and in the Group financial statements.

Notes to the financial statements (continued)

For the year ended 30 September 2024

1. Accounting policies (continued)

1.10 Impairment of fixed assets

At each reporting end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.11 Participations in operating partnerships

In the parent company financial statements participations in operating partnerships represent participations held in trading LLPs operating in the forestry, storage and lending sectors. These participations are held at cost subject to an impairment review.

1.12 Financial instruments

Financial instruments are recognised in the Group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

The Group holds basic and non-basic financial instruments, which comprise cash and cash equivalents, trade and other debtors, loans outstanding, trade and other creditors, bank loans and derivative financial instruments.

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets – classified as basic financial instruments

Cash and cash equivalents

Cash and cash equivalents include cash held at call with banks and available on demand or with a maturity of three months or less.

Trade and other debtors

Trade and other debtors are initially measured at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount expected to be receivable, net of any impairment.

At the end of each reporting year, the Group assesses whether there is objective evidence that any financial asset amount may be impaired. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the financial asset. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows. The amount of the provision is recognised immediately in profit or loss.

Loans outstanding

The loans issued to property developers are held at cost to the extent they are fully recoverable. A monthly impairment review is done on each individual loan. No impairments have been included in these accounts.

Financial liabilities – classified as basic financial instruments

Trade and other creditors and bank loans

Short term trade and other creditors and bank loans are initially measured at transaction price. Other financial liabilities which constitute financing transactions are initially measured at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derivative Financial Instruments – classified as other financial instruments

The derivative financial instrument was terminated in the prior year (July 2023). The derivative financial instrument comprised the fair value of a retail price index swap. The swap was designated as a cash flow hedge to hedge the variability in cash flows due to the changes in the retail price index from the underlying contracts that a number of subsidiaries (acquired into the Group during the year to 30 September 2022) were party to. The hedged cash flows were expected to occur over the period to maturity of the swaps which was 29th February 2036. Subsequent to the acquisition into the Group and the related debt being repaid, and therefore the removal of the hedged cash flows in the prior year, the derivative financial instrument was measured at fair value through profit and loss (designated as an ineffective swap).

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1. Accounting policies (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at 25%, being the rate of corporation tax applied from 1 April 2023 onwards. Deferred tax is charged or credited in the Statement of Total Comprehensive Income (deferred tax related to unrealised gains on asset valuation uplifts being charged to Other Comprehensive Income).

Energy Generation Levy

The Energy Generation Levy (EGL) targets renewable energy generator revenue above £75/MWh (indexed to CPI) from January 2023 until March 2028. The EGL is charged at 45%.

1.14 Leases

All leases are classified as operating leases and expensed to the Statement of Total Comprehensive Income on a straight line basis.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the Statement of Total Comprehensive Income.

2. Judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The critical judgements that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below.

i. Carrying value of tangible and intangible assets – indicators of impairment

The directors have considered whether there are indicators of impairment of the Group's tangible and intangible assets. Factors taken into consideration include the viability and expected future financial performance of the assets.

ii. Depreciation of renewable assets

Depreciation rates on renewable energy assets are based on the expected electricity exported over the life of the assets. In order to do this, assumptions have been made on the expected generation from each site as well as power prices and inflation.

iii. Classification of forests

The trees are living plants and therefore meet the definition of a biological asset. The directors have judged that the forests relate to agricultural activity, defined in FRS102 as 'the management by an entity of the biological transformation and harvest of biological assets for sale or for conversion into agricultural produce or into additional biological assets'. Therefore, they are accounted for using the requirements of FRS102 section 34 Agriculture.

iv. Classification of storage valuation to land and buildings

When valuing the storage assets, no indication is given for the split between land and buildings. As such the directors apply the full valuation movement to the buildings element and hold the land at historic cost.

The allocation of acquisition costs between land and buildings for storage sites acquired as fully operational facilities (where a third-party valuation split is often not available) has been determined using an average percentage from the sites on which the storage companies hold the original cost split.

2. Judgements and key sources of estimation uncertainty (continued)

v. Decommissioning

The costs to decommission a renewable energy site will vary depending on a number of factors including its size and accessibility. The provision provided in these financial statements has been calculated using a cost per MW of output from each site. The cost per MW is an average of the documented provisions in various leases across the Group and has been discounted back to its present value at the balance sheet date. The total cost per MW used is deemed sufficient to meet the costs of decommissioning at the end of the leases.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i. Asset valuations

The renewable energy and storage assets have been valued by an independent valuer at the Balance Sheet date. A discounted cash flow approach has been used to value the assets and in doing so a number of assumptions have been made to create the expected cash flows the assets will generate over their useful economic life. The forestry assets have also been valued by an independent valuer at the Balance Sheet date. To value the assets a number of assumptions have been made including a split between the land value and biological asset (trees) value. Further details on the valuation methodology and the assumptions can be found in note 9.

ii. Loan impairment and recoverability of drawn and accrued balances

In determining the carrying value of each loan facility the directors have made judgements on the property market and its ability to support the values at which each facility was underwritten. Whilst there are commonly personal guarantees and other charges in place which would be a mechanism for Property Lending LLP and Operational Real Estate Finance LLP to recover balances, the main focus of the directors is on the value of the property asset which the Group has security over. Our experience in the lending sector and knowledge gained through regular interaction with independent valuers, both national and local, form the basis of any such decisions.

iii. Incentive fee provision

An incentive fee is payable to the forestry manager under the terms of the management services agreement. The fee is 15% of the excess performance after Commercial Forestry LLP has achieved a 5% IRR. Performance is measured by the actual trading data but also incorporates any asset valuation uplifts described above. Further details can be found in note 8.

iv. Termination exit fee provision

A performance linked fee is payable to the storage managers under the terms of the management services agreements. The fee is a percentage of the excess growth after the shareholders have achieved a minimum return calculated as an IRR. Growth is measured by the actual trading data but incorporates any asset valuation uplifts described above. Further details can be found in note 8.

3. Turnover

	2024 £'000	2023 £'000
Lending	35,859	21,605
Storage	9,856	9,391
Forestry	766	1,861
Renewable Energy	117,108	94,966
	163,588	**127,823**

All turnover is derived in the UK.

Notes to the financial statements (continued)

For the year ended 30 September 2024

4. Operating profit / (loss)

	2024 £'000	2023 £'000
Operating profit for the year is stated after charging:		
Auditor's remuneration – audit of the Group's individual entity and consolidated financial statements	797	701
Auditor's remuneration – non-audit services	3	32
Depreciation	30,268	26,647
Amortisation	236	311
Administration charges and service costs (including irrecoverable VAT)	21,985	18,038
Expenses under operating leases	7,090	5,992
Forestry and Storage managers incentive fees	926	(2,938)
	61,305	**48,784**

The number of Directors during the year to 30 September 2024 was 9 (2023: 9). The 3 non-executive directors were renumerated £45,000 (2023:£45,000) for their services. No renumeration has ever been paid to the executive Directors and the company does not have, nor has it ever had, any employees.

5. Interest payable

	2024 £'000	2023 £'000
Interest on financial liabilities measured at amortised cost:		
Bank loans	549	2,544
Swap	-	392
	549	**2,936**

The Group has access to a £80 million revolving credit facility (RCF) with Santander. At the balance sheet date the RCF was undrawn (2023: £0 million). At the date of signing of the financial statements the RCF was also undrawn. Interest is charged at a rate of Sonia plus 1.75% on the drawn balance and 0.7% on the undrawn balance.

Notes to the financial statements (continued)

For the year ended 30 September 2024

6. Taxation

	2024 £'000	2023 £'000
Current tax		
UK corporation tax on profits for the current period	25,748	15,634
Deferred tax		
Profit and loss	3,850	396
Other comprehensive income	3,614	(9,878)
	7,464	**(9,482)**
	33,212	**6,152**

The current tax charge for the period can be reconciled to the profit per the profit and loss account as follows:

Profit before tax	**77,368**	**37,722**
Profit before tax multiplied by the standard rate of UK corporation tax of 25% (2023: 19% for the six months to 31 March 23 and 25% for the six months to 30 September 2023).	19,342	8,299
Effects of:		
Depreciation / amortisation	7,591	6,273
Capital allowances	(4,202)	(3,715)
Income not subject to corporation tax	693	2,624
Profits attributed to non-controlling interest	(2,502)	(1,354)
Losses brought forward	(1,628)	(2,143)
Disallowable expense	126	362
Prior period adjustments	(2,801)	503
Electricity Generation Levy	7,716	4,300
Other	1,413	485
Current tax charge for the period	**25,748**	**15,634**
The deferred tax charge for the period has been calculated as follows:		
Unrealised fall in asset valuations	(3,453)	(3,522)
Movement on net book value of assets over tax written down value	6,143	1,569
Losses incurred or acquired in the year	4,774	2,520
Effect of change in calculation methodology for the Group's valuation uplifts from assets held in LLPs	-	(10,049)
	7,464	**(9,482)**

Deferred tax has been calculated at 25% which is the effective corporation tax rate from 1 April 2023 onwards.

7. Group intangible fixed assets

	Wind turbine installations* £'000	Franchise fees** £'000	Total £'000
Cost			
As at 30 September 2023	8,038	145	8,183
Additions	-	-	-
As at 30 September 2024	**8,038**	**145**	**8,183**
Amortisation			
As at 30 September 2023	3,524	130	3,654
Amortisation in year	234	2	236
As at 30 September 2024	**3,758**	**132**	**3,890**
NBV			
As at 30 September 2023	4,514	15	4,529
As at 30 September 2024	**4,280**	**13**	**4,293**

* Wind turbine installations are associated with a the tangible assets acquired with renewable energy businesses.
** Franchise fees relate to the use of store manager branding used in the storage businesses.

Notes to the financial statements (continued)

For the year ended 30 September 2024

8. Group tangible fixed assets (renewable energy installations, storage facilities and forests)

	Biological £'000	Assets under construction £'000	Other £'000	Total £'000
Cost				
As at 30 September 2023	-	21,811	817,959	839,770
Additions	-	34,331	6,264	40,595
Acquisitions	-	11,544	34,856	46,400
Re-classification for newly operational sites	-	(29,956)	29,956	-
Adjustment to capitalised decommissioning costs*	-	-	(2,097)	(2,097)
As at 30 September 2024	**-**	**37,730**	**886,938**	**924,668**
Depreciation				
As at 30 September 2023	-	-	88,291	88,291
Depreciation in year	-	-	30,268	30,268
As at 30 September 2024	**-**	**-**	**118,559**	**118,559**
Revaluation				
As at 30 September 2023	-	-	147,801	147,801
Movement in year	-	-	16,217	16,217
As at 30 September 2024	-	-	164,018	164,018
Fair Value				
As at 30 September 2023	33,910	-	-	33,910
Acquisitions in year	1,233	-	-	1,233
Planting and seeds	348	-	-	348
Fellings	(579)	-	-	(579)
Movement	(951)	-	-	(951)
As at 30 September 2024	**33,961**	**-**	**-**	**33,961**
Impairment				
As at 30 September 2023	-	-	34,778	34,778
Movement in year	-	-	(211)	(211)
As at 30 September 2024	**-**	**-**	**34,567**	**34,567**
NBV				
As at 30 September 2023	33,910	21,811	842,691	898,412
As at 30 September 2024	**33,961**	**37,730**	**897,830**	**969,521**

* During the year the calculation of the decommissioning costsfor the renewable energy sites, previously capitalised, was changed to more accurately reflect the present value of the future obligation. The change affected the discount factor (to align with the discounted cash flow valuation of the asset as detailed below) and the total future obligation (based on a cost per MW of installed capacity).

The historical cost of the fixed assets is £804,392,813 (2023: £749,994,349) before revaluations.

Renewable Energy Assets

The operational renewable energy sites were independently valued as at 30 September 2024 by BDO LLP, acting in the capacity of external valuer. The valuation is in accordance with the requirements of FRS 102 and is fair value under International Private Equity and Venture Capital (IPEV) guidelines 2022. Fair value under IPEV is defined as: "the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date".

8. Group tangible fixed assets (continued)

In arriving at the valuation of the renewable energy sites the valuer has adopted a discounted cash flow (DCF) valuation approach. A transaction multiples based valuation approach has been used as a supporting cross-check to the primary DCF approach. When producing the expected cash flows the directors have made a number of assumptions, the main assumptions being:

Estimated Project Life – The expected life of the assets have been extended past the end of the current leases. This is on the assumption the landlords will extend the leases when approached to do so, on the basis the assets will still be capable of generating income and the alternative use for the sites (typically being arable farmland) is likely to generate less income for the landlords than the assets would.

Operating Revenues – The asset generates revenue from Power Purchase Agreements ("PPA") agreed with electricity distributors, in addition to the government Renewables Obligation Certificate (ROC) or Feed-in-Tariff (FiT) subsidy. The cash flow model uses the forecast Aurora October 2024 central scenario and adopts the 2023-24 ROC Buyout price of £59.01 per ROC as published by Ofgem or the Ofgem tariff price.

Operating expenses – Operations & maintenance, lease, business rates, import (i.e. electricity), asset management fee and insurance broadly form the largest elements of asset operating costs.

Inflation – The Directors have assumed long-term RPI of 3.5% until 2030 and 3.14% thereafter. The memberss have assumed long-term CPI of 2.67% until 2030 and 3.24% thereafter.

Terminal Value – As the assets are finite projects with discrete cash flow periods, terminal values are not included in the cash flow models.

Discount Rate – The rate applied to the cash flows to determine their present value is deemed appropriate based on internal research and experience (through the company's parent) of transacting in the renewable energy sector specifically in the last six months. This experience includes built up proprietary market intelligence as well as portfolio specific considerations such as the subsidy regime. Comparison is also made to the rates of return on UK listed companies operating in the same renewable energy sector.

Electricity Generator Levy (EGL) – This targets generator revenue above £75/MWh (indexed to CPI) from January 2023 until March 2028. EGL is charged at a group level so an assumption has been made on the asset level impact taking into account the group allowance of £10 million.

Storage Assets

The storage facilities were valued at 30 September 2024 by Jones Lang LaSalle, acting in the capacity of external valuer. The valuation is in accordance with the requirements of FRS 102 and is fair value in accordance with the RICS Red Book Standards. Under RICS Red Book Standards defines fair value as 'The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The revaluation uplift relates to the facilities in Ashford, Worcester, Swindon, Crayford, Portsmouth and Kettering.

The methods used in valuing the facilities are the 'profits' method and the 'comparison' method. The profits method considers cash flow generated by the trading potential of the facility. The 'comparison' method considers recent transactions where self storage properties have sold, and then devalues them based on the size of the property. This is then adjusted to reflect differences in location, physical characteristics, local demand / supply, tenure and trading levels.

When producing the expected storage cash flows the directors have made a number of assumptions, the main assumptions being:

Income for the cash flow is calculated by estimating the trading performance with reference to benchmarks from the self storage industry, and has regard to a reasonable operator's business plan and trading information. Future income from self storage is calculated by multiplying the rental rate achieved by the occupancy during each year. The income per square foot is increased to reflect the occupancy levels, local competition, and reaches a maximum level at maturity. Other income such as retail – the net margin from the sales of packaging materials, padlocks and insurance – is calculated on a percentage rate of the self storage income. If appropriate this is varied each year.

Operating expenses are estimated in a similar fashion to income. Business rates, utilities, asset management fees, insurance and third party on-site staff costs broadly form the largest elements of asset operating expenses.

Costs of capital expenditure are deducted relating to the fit out of space, but also a long term capital expenditure requirement which is akin to a sinking fund for long term renewals.

The cash flow runs for an explicit period of 10 years, after which we capitalise at an all risks yield which reflects the implicit future growth of the business, or a hypothetical sale. Maintaining the cash flow into perpetuity would provide the same result.

In determining the discount rate we have had regard to the supply of debt and equity in the market, our knowledge of recent transactions (and the resultant IRR from the future cash flow) and target returns in other asset types – such as managed workspace – with adjustments made to reflect differences in the risk profile and liquidity differences.

Forestry Assets

The forests were valued at their open market value at 30 September 2024 by Goldcrest Land & Forestry Group, acting in the capacity of external valuer. The valuation is in accordance with the requirements of FRS 102 and is fair value in accordance with the RICS Red Book Standards. Under RICS Red Book Standards defines fair value as 'The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date'.

In arriving at the values we have used assessment of crop Yield Class provided by the forestry manager. Timber volumes have been taken from Forestry Commission Forest Yield Models, with an appropriate conversion to tonnes (usually cubic metres* 0.85 =tonnes). Timber prices have been taken from current market evidence, including recent sales at the properties, estimates by the forest managers and our own market knowledge.

8. Group tangible fixed assets (continued)

Land values have been assessed based on the current purpose of commercial forestry. Any potential value for renewable energy developments or other usage has been ignored.

While the backdrop to the forestry sector in the UK remains strong there are a number of short term headwinds which are starting to feed through into the marketing of properties. The marketing of good quality spruce dominated properties remains steady although there is increased caution in the market place. Although interest rates have dropped, it is reasonable to suggest peak values were in the first half of 2022. Overall, 2022-23 saw a drop in commercial forestry freehold values of cira 15-20% with 2023-24 seeing a further drop of 8-10%.

9. Investments

	CLIP £'000	T-Bills £'000	Total £'000
As at 30 September 2023	16,052	-	16,052
Additions		79,230	79,230
Fair value movement	393	145	538
Disposal		(25,066)	(25,066)
Gain on disposal		539	539
As at 30 September 2024	**16,445**	**54,848**	**71,293**

CLIP is an investment in ARC TIME Commercial Long Income PAIF.

T-Bills are United Kingdom Treasury Bonds. The bonds held at the balance sheet date all matured post year end – the last being in February 2025. These maturity dates were aligned with the Group's capital deployment requirements on it's renewable energy development assets.

10. Acquisitions

In December 2023 the Group (through Elm Solar Holdings Limited) purchased 100% of the issued share capital of Bubney Energy Centre Limited (BECL) for £34,457,699. The total payable was made up of consideration and acquisition costs of £4,638,119 and repayment of shareholder loans of £29,819,580. The impairment is the result of completing the acquisition at a total cost to the Group which was slighty less than the fair value of BECL at the point of acquisition.

	Book value £'000	Fair value adjustment £'000	Fair value £'000
Fixed assets			
Tangible	34,900	(44)	34,856
Intangible	-		-
	34,900	**(44)**	**34,856**
Current assets			
Debtors	1,405		1,405
Cash	786		786
Total assets	**37,091**	**(44)**	**37,047**
Liabilities			
Due within one year	(6,069)		(6,069)
Due after one year	(26,340)		(26,340)
Fair value of net assets	**4,682**		**4,638**
Impairment	(44)		-
Total purchase consideration	**4,638**		**4,638**
Cash outflow on acquisition			**4,638**

10. Acquisitions (continued)

In June 24 the Group (through Elm Solar Holdings Limited) purchased 100% of the issued share capital of Whinfield High Grange Solar Farm Limited (WHGS) for £12,321,155 which was made up of consideration and acquisition costs of £1,360,134 and repayment of shareholder loans of £10,961,021. Goodwill is the premium paid due to the advanced stage of construction of the solar PV asset at the point of acquisition (WHGSF carries the development costs at cost during construction phase).

	Book value £'000	Fair value adjustment £'000	Fair value £'000
Fixed assets			
Tangible	8,785	1,748	10,533
Intangible	-		-
	8,785	**1,748**	**10,533**
Current assets			
Debtors	1,435		1,435
Cash	354		354
Total assets	**10,574**	**1,748**	**12,322**
Liabilities			
Due within one year	(1)		(1)
Due after one year	(10,961)		(10,961)
Fair value of net assets	**(388)**		**1,360**
Goodwill	1,748		-
Total purchase consideration	**1,360**		**1,360**
Cash outflow on acquisition			**1,360**

In June 2024 the Group (through Elm Wind Holdings Limited) purchased 100% of the issued share capital of CE Tacher Limited (CET) for £444,649 which was made up of consideration and acquisition costs of £161,089 and repayment of shareholder loans of £283,560. Subsequently, deferred consideration of £570,000 was paid in September 2024. Goodwill is the premium paid due to the advanced stage of construction of the wind turbine asset at the point of the consideration payments (CET carries the development costs at historical cost during construction phase).

	Book value £'000	Fair value adjustment £'000	Fair value £'000
Fixed assets			
Tangible	279	731	1,010
Intangible	-		-
	279	**731**	**1,010**
Current assets			
Debtors	4		4
Cash	-		-
Total assets	**283**	**731**	**1,014**
Liabilities			
Due within one year	(284)		(284)
Due after one year	-		-
Fair value of net assets	**(1)**		**730**
Goodwill	731		-
Total purchase consideration	**730**		**730**
Cash outflow on acquisition			**730**

10. Acquisitions (continued)

Results since acquisition

	Turnover £'000	Profit/(loss) £'000	Other reserves £'000
Bubney	2,286	1,088	681
Whinfield	-	(67)	-
CE Tacher	-	(9)	-
Total	**2,286**	**1,012**	**681**

11. Company investment in subsidiaries

	Elm Renewable Energy Holdings Ltd £'000	We Store Solutions Limited £'000	Total £'000
As at 30 September 2023	666,761	6,982	673,743
Additions	85,900	-	85,900
As at 30 September 2024	**752,661**	**6,982**	**759,643**

12. Company participation in operating partnerships

	Property Lending £'000	Operational Real Estate Finance £'000	Self Storage £'000	Forestry £'000	Total £'000
As at 30 September 2023	124,319	108,260	72,333	50,842	355,754
Additions	86,000	-	862	6,043	92,905
Disposals	-	(23,000)	(1,653)	-	(24,653)
As at 30 September 2024	**210,319**	**85,260**	**71,542**	**56,885**	**424,006**

13. Loans outstanding

Loans outstanding relate to loan facilities issued by Property Lending LLP and Operational Real Estate Finance LLP. This balance is the principal only and does not include accrued interest and fees.

	Total £'000
As at 30 September 2023	286,878
Drawdowns	156,464
Repayments	(111,444)
As at 30 September 2024	331,898
Outstanding loans due within one year	235,894
Outstanding loans due after one year	96,004
As at 30 September 2024	**331,898**

14. Lease commitments

At the reporting end date the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £'000	2023 £'000
Within one year	3,366	3,041
Between one and two years	3,366	3,041
Between two and five years	10,097	9,123
In over five years	50,363	45,557
	67,192	**60,762**

15. Capital commitments

At the reporting end date the Group had the following outstanding capital commitments.

	2024 £'000	2023 £'000
Loan facilities entered into but not drawndown at the year end	182,598	145,889
Capital expenditure contracted for but not provided for in the financial statements	17,306	25,711
	199,904	**171,600**

16. Debtors

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Trade debtors	28,565	29,945	70,761	44,057
Other debtors	17,372	10,062	409	643
Interest	36,476	19,046	-	-
Exit Fees	3,374	2,692	-	-
Non Utilisation Fees	227	58	-	-
Corporation tax	-	-	823	-
Deferred tax	808	4,770	-	-
VAT	3,410	-	1,104	1,563
	90,232	**66,573**	**73,097**	**46,263**

Notes to the financial statements (continued)

For the year ended 30 September 2024

17. Creditors: due within one year

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Trade creditors	809	2,273	7,322	4,410
Other creditors	16,300	10,898	437	462
Bank loans*	-	-	-	-
Corporation tax	1,969	10,113	-	4,098
VAT		602	-	-
	19,078	**23,886**	**7,759**	**8,970**

* Further details on the terms of the bank loans can be found in Note 5.

18. Creditors: due after one year

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Deferred tax	44,476	39,776	-	-
Decommissioning provisions	1,052	3,067	-	-
Site manager incentive fees	5,370	4,445	-	-
Derivative financial instruments	-	-	-	-
	50,898	**47,288**	**-**	**-**

19. Deferred tax

	Group: Asset £'000	Group: Liability £'000	Company: Asset £'000	Company: Liability £'000
At the beginning of the year	4,770	39,776	-	-
New acquisitions in the year	-	1,198	-	-
Charged / (credit) to other comprehensive income	(219)	(3,474)	-	-
Charged / (credit) to profit or loss	(3,743)	6,976	-	-
At the end of the year	**808**	**44,476**	**-**	**-**

The deferred tax asset is made up as follows:

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Unrealised decrease in asset valuations	(219)	-	-	-
Net book value of assets over tax written down value	33	(87)	-	-
Tax losses carried forward	994	4,857	-	-
	808	**4,770**	**-**	**-**

19. Deferred tax (continued)

The deferred tax liability is made up as follows:

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
The deferred tax liability is made up as follows:	21,142	23,419	-	-
Unrealised uplift in asset valuations	28,099	18,947	-	-
Net book value of assets over tax written down value	(4,765)	(2,590)	-	-
Tax losses carried forward	**44,476**	**39,776**	**-**	**-**

20. Financial instruments

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Financial assets				
Held at fair value through profit and loss	238,371	161,819	80,423	32,126
Held at fair value through other comprehensive income	935,560	864,502	-	-
Held at amortised cost	377,834	348,682	71,171	44,701
	1,551,765	**1,375,003**	**151,594**	**76,827**

Financial assets held at fair value through profit and loss consist of cash, investments and forestry biological assets (trees).

Financial assets held at fair value through other comprehensive income consist of storage facilities, renewable energy installations and the land element of forestry plantations.

Financial assets held at amortised cost consist of trade and other debtors and loans outstanding.

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Financial liabilities				
Held at fair value through profit and loss	-	-	-	-
Held at amortised cost	23,532	20,683	7,759	4,871
	23,532	**20,683**	**7,759**	**4,871**

Financial liabilities held at fair value through profit and loss consist of derivative financial instruments.

Financial liabilities held at amortised cost consist of trade creditors, other creditors and bank loans.

Notes to the financial statements (continued)

For the year ended 30 September 2024

21. Share capital

Ordinary Shares	2024 £	2023 £
Allotted, called up and fully paid:		
1 Ordinary shares of 1p	0.01	0.01

The Ordinary Shares have attached to them the following rights:

- **Income** – to the extent permitted by the Companies Act 2006, and subject to the discretion of the Board, confer the right to receive dividends (if and when declared) in accordance with the provisions of these Articles.
- **Capital** – shall confer no right on a winding up or on a reduction of capital, to any assets of the Company other than a repayment of the nominal amounts paid up on the Ordinary Shares.
- **Voting** – shall confer the right to receive notice of, to attend and to vote (either on a show of hands or on a poll) at members' meetings of the Company (and for this purpose shall be treated as one class of shares with the Redeemable Shares) and class meetings of the Ordinary Shareholders.
- **Other** – shall be transferable subject to, and in accordance with, the Articles, but shall not be redeemable and shall not confer any further or other rights to participate in the profits or assets of the Company or otherwise.

Redeemable Shares	2024 £	2023 £
Allotted, called up and fully paid:		
905,316,529 Ordinary shares of 1p (2023: 800,131,051)	9,053,165	8,001,311

During the year the Company issued 105,185,478 £0.01 shares for £158,139,255, resulting in an increase in share capital of £1,051,854 and share premium of £157,087,400.

The Redeemable Shares have attached to them the following rights:

- **Income** – to the extent permitted by the Companies Act 2006, and subject to the discretion of the Board confer the right to receive dividends (if and when declared) in accordance with the provisions of these Articles.
- **Capital** – shall confer the right on a winding up or on a reduction of capital involving a return of capital, first to the repayment, pari passu among the holders of Redeemable Shares, of sums up to the nominal amounts paid up on the Redeemable Shares in issue; and thereafter, subject to the prior repayment of the nominal amounts paid up on all the Ordinary Shares in issue, to the distribution pari passu among such holders of Redeemable Shares of the surplus assets of the Company (subject to and in accordance with the Articles).
- **Voting** – The Redeemable Shares shall confer the right to receive notice of, to attend and to vote (either on a show of hands or on a poll) at members' meetings of the Company (and for this purpose shall be treated as one class of shares with the Ordinary Shares) and class meetings of the Redeemable Shareholders.
- **Redemption and repurchase**

  i) Subject to the provisions of the Companies Act 2006, the Company may at any time purchase Redeemable Shares in the market; or by tender; or by private treaty. In each case at a price (exclusive of all costs and expenses) as determined by the Board.

  ii) The Company may, subject to the provisions of the Companies Act 2006, redeem all or any part of the Redeemable Shares at any time in each case at a price (exclusive of all costs and expenses) and on such other terms as determined by the Board.

  iii) At any time fixed for redemption of any of the Redeemable Shares the dividend on them shall cease to accrue.

  iv) Upon any redemption or purchase the directors may (pursuant to the authority given by the passing of the resolution creating the Redeemable Shares) convert, sub-divide and/or consolidate the authorised share capital available for issue as a result of any such redemption or purchase into shares of any other class of share capital into which the authorised share capital of the Company is or may at that time be divided of a like nominal amount (as nearly as may be) as the shares of such class then in issue, or into unclassified shares of the same nominal amount as the shares so redeemed or purchased.

22. Events after the reporting period

In December 2024 the Group increased its renewable energy portfolio with the addition of a 5MW ROC accredited operational solar farm for £6.2 million. A further five construction projects, four in the solar sector and one in the wind sector, have also been acquired for a combined initial acquisition cost of £119.3 million and further capital commitments of £63.8 million.

Elm Trading utilised £45 million of the £80 million RCF with Santander for short term finance to fund the above mentioned acquisitions. The sum was drawn on 17 December 2024 and repaid in full on 17 January 2025.

The secured lending business has also issued a further 7 facilities with a maximum drawdown value of £107.4 million and will continue to lend to suitable customers at competitive rates.

Further subscriptions totalling £107.2 million have been received into the Company since the year end through the issue of 67,505,153 further redeemable £0.01 shares.

Notes to the financial statements (continued)

For the year ended 30 September 2024

23. Controlling party

There is no ultimate controlling party as no single shareholder holds more than 5% of the shares or voting rights.

24. Related party disclosures

All executive directors of the company are employees or partners of TIME Investments.

TIME Investments provides administration, management, secretarial and other services to Elm Trading Limited and the underlying trading businesses in which it participates. This allows the trading businesses access to the full range of TIME Investment's skills and expertise. Elm Trading Limited pays TIME Investments a fee for this service, which is currently capped at 1.5% (plus VAT) per annum of its net asset value. The total service fee charge for the year to 30 September 2024 was £21,194,989 (2023: £17,691,374). The balance outstanding at the year end was £1,877,629 (2023: £1,617,627).

TIME Investments is also the investment manager to ARC TIME Commercial Long Income PAIF (CLIP) in which Elm Trading Ltd is invested (see note 10). TIME Investments' investment management fees charged through CLIP are reimbursed to Elm Trading Ltd to ensure there is no double charging of fees on Elm Trading Limited's assets.

25. Subsidiaries

Details of the company's subsidiaries at 30 September 2024 are as follows:

Name of undertaking	Country of incorporation
Property Lending LLP	England and Wales
Operational Real Estate Finance LLP	England and Wales
Self Storage Trading LLP	England and Wales
Commercial Forestry LLP	England and Wales
Elm Renewable Energy Holdings Limited	England and Wales
We Store Solutions Limited	England and Wales
Indirect holdings through Elm Renewable Energy Holdings Limited:	
Solar Energy Renewables LLP	England and Wales
Wind Energy Renewables LLP	England and Wales
Biomass Energy Renewables LLP	England and Wales
Hydro Energy Renewables LLP	England and Wales
Elm Wind Holdings Limited	England and Wales
Elm Solar Holdings Limited	England and Wales
Indirect holdings through Elm Solar Holdings Limited:	
SO Power Generation Ltd	England and Wales
Millclose Solar Limited	England and Wales
Westfield Farm Solar Park Limited	England and Wales
Pingry Solar Limited	England and Wales
AEE Renewables UK 16 Limited	England and Wales
Troughton Solar Farm Limited	England and Wales
Waycock Road Solar Limited	England and Wales
BEE Biglis Ltd	England and Wales
BEE Chard Ltd	England and Wales
BEE Derwen Ltd	England and Wales
BEE Nancrossa Ltd	England and Wales
BEE Priors Byne Ltd	England and Wales
BEE Spear Hill Ltd	England and Wales

Name of undertaking	Country of incorporation
BEE Sutor Ltd	England and Wales
BEE Swanland Ltd	England and Wales
BEE Tump Farm Ltd	England and Wales
Milborne Port Solar Farm Ltd	England and Wales
Elm Solar (Darran) Limited	England and Wales
Littlewood Solar Limited	England and Wales
Elm Solar Energy Limited	England and Wales
Elm UK Solar Limited	England and Wales
Baglan Solar Limited	England and Wales
Beachampton Solar Limited	England and Wales
Boston Solar Limited	England and Wales
Court Solar Farm Limited	England and Wales
Drayton Mead Solar Limited	England and Wales
Majors Hill Solar Limited	England and Wales
Malmpit Solar Limited	England and Wales
Morfa Solar Limited	England and Wales
Park Hill Solar Limited	Scotland
Pennington Solar Limited	England and Wales
Taunton Solar Park Limited	England and Wales
Wakefield Solar Limited	England and Wales
Water Projects Solar Limited	England and Wales
Wrexham Solar Park Limited	England and Wales
West Hill Solar Limited	England and Wales
West Down Solar Limited	England and Wales
Bishopstone Solar Limited	England and Wales
Altcar Solar Holdco Limited (in liquidation)	England and Wales
Altcar Solar Limited	England and Wales
Bubney Energy Centre Limited	England and Wales
Elm Solar Farms Limited	England and Wales
Whinfield High Grange Solar Farm Limited	England and Wales

Notes to the financial statements (continued)

For the year ended 30 September 2024

25. Subsidiaries (continued)

Name of undertaking	Country of incorporation
Indirect holdings through Elm Wind Holdings Limited:	
Bankend Rig Wind Farm LLP	Scotland
Bankend Rig Operations Limited	Scotland
Burnbrae & White Lion Wind Farms Limited	England and Wales
Elm Wind Farms Limited	England and Wales
Auchren Wind Farm Limited	Scotland
West Cornwall Wind Farms Limited	England and Wales
Benthead Wind Farm Limited	Scotland
Blackhouse Wind Farm Limited	Scotland
Heysham Moss Wind Farm Limited	England and Wales
Oldwhat Mains Wind Farm Limited	England and Wales
Tealing Wind Farm Limited	England and Wales
Marston Vale Wind Farm Limited	England and Wales
Glenhead Wind Farm Limited	Scotland
Ladyburn Wind Farm Limited	Scotland
Bryn Blaen Wind Farm Ltd	England and Wales
Stormydown Wind Energy Limited	England and Wales

Name of undertaking	Country of incorporation
Hay Renewables Limited	Scotland
CE Greenhill Turbine Limited	England and Wales
Petersham Midco Limited (in liquidation)	England and Wales
Petersham Holdco Limited (in liquidation)	England and Wales
Awel Newydd Cyf	England and Wales
Clean Energy & Infrastructure 3 Limited	England and Wales
Middle Balbeggie Wind Farm Limited	England and Wales
Red Gap Wind Farm Limited	England and Wales
Wind FX Limited	England and Wales
Ardgrain Renewables Limited	Scotland
CE Rigmuir Limited	England and Wales
Elm BSI Wind Limited	England and Wales
CE Tacher Turbines Limited	England and Wales
Elm SC Wind Farms Limited	England and Wales
Indirect holdings through Self Storage Trading LLP:	
Controlled Storage Limited	England and Wales

The registered office for all entities incorporated in England and Wales is 338 Euston Road, London NW1 3BG.
The registered office for all entities incorporated in Scotland is 272 Bath Street, Glasgow G2 4JR.
All subsidiaries have been included in the consolidation.

Design: Ottley Design Company, London.

Elm Trading

Elm Trading Limited
338 Euston Road, London NW1 3BG

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