

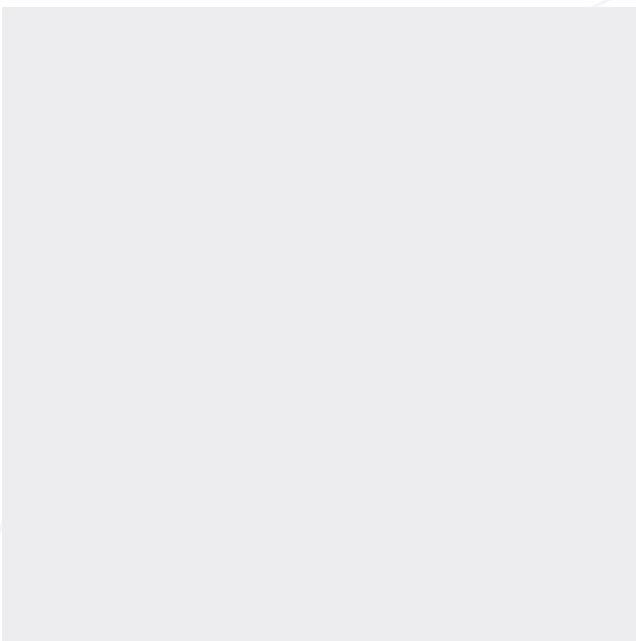
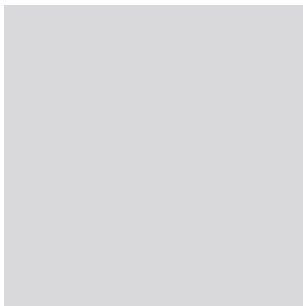


GLENSTONE REIT

glenstonereit.co.uk

Interim Report and Financial Statements

For the period ended
30 September 2022

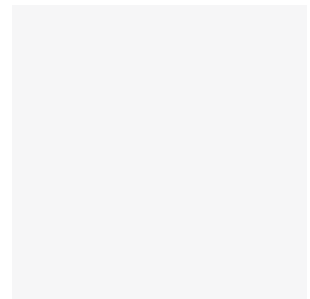
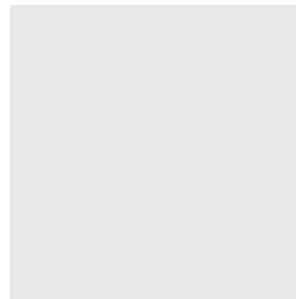


Chairman's Interim Statement 2022

Introduction

The executive team have continued to implement the strategy of becoming a fully diversified UK REIT.

During the first six months the rental income collection has returned to pre-pandemic levels with no major issues to report of.



Property Income Distribution (“PID”)

Last year the Board made the decision to move to quarterly PID payments. 13p was paid in October 2022, in respect of the quarter ended 30 June 2022. A further 13p will be distributed in January 2023 in respect of the quarter ended 30 September 2022. This is on par with the prior year distributions. The target is to improve on the prior year PID of 55p.

Property Income

Net property income has decreased by 1.6% when compared to the 31 March 2022 year-end (pro-rated). This is reflective of property sales outweighing property additions. This would have been a far greater decrease if void rates had not reduced to pre-COVID levels.

Chairman's Interim Statement 2022

Operating Profit

Operating profit before gains and losses has increased by 2.7% when compared to the 31 March 2022 year-end (pro-rated). This has been achieved through cost saving efficiencies.

Dividends Received

Dividends received has increased by 16.4% when compared to the 31 March 2022 year-end (pro-rated). This increase is largely due to the timing of the additional 10% invested in Alternative Income REIT shares in July 2021.

Property Sales and Purchases

In the six months to 30 September 2022 the Company sold five properties realising £8.4m. Part of the proceeds have been reinvested into the below two properties.

Industrial

Units 3&4, Rutherford Way, Daventry, Northamptonshire. The property is let to JRM Group on a 15-year unbroken lease. Purchased in May 2022.

Commercial

SEAT Dealership, Watson Road, Birmingham. The property is let to Volkswagen Group United Kingdom Limited on FRI terms until 2027, with a sub-lease to Vertu, trading under the SEAT brand. Purchased in September 2022.

Net Asset Value ("NAV")

The Board decided not to undertake a mid-year revaluation on the direct property holdings, but a revaluation of the AIRE investment was required as a market price is available daily. The 30 September share price of 64.3p resulted in a book loss of £2.48m. The share price has since recovered and is above the price that was paid.

The above has resulted in the NAV reducing from £12.80 to £12.60.

Annual General Meeting 2023

The Board have decided that the 2023 AGM will be hosted on 13 September 2023, at 12 noon, at the In and Out Naval & Military Club in St James's Square, London.

If you have any questions on the half year financial results, please do not hesitate to contact any of the Board.



CL Powell MRICS
Chairman
December 2022

Consolidated statement of comprehensive income

	Unaudited	Audited
	6 months ended 30-09-22	12 months ended 31-03-22
	£	£
Rental and other income	4,342,047	9,062,532
Property operating expenses	(618,276)	(1,491,533)
Net property income	3,723,771	7,570,999
Administrative expenses	(598,335)	(1,481,992)
Operating profit before gains and losses	3,125,436	6,089,007
Profit on disposal of investment properties	247,623	1,429,560
Loss on revaluation of tangible fixed assets	-	(93,661)
Fair value gains on investment properties	-	8,559,725
Amounts written off	-	(3,000,000)
Operating profit	3,373,059	12,984,631
Fair value (losses) / gains on investments	(2,479,122)	1,994,397
Dividends received	584,508	1,004,035
Finance income	93,047	121,476
Finance expense	(713,708)	(1,453,758)
Profit before taxation	857,784	14,650,781
Taxation	(17,679)	(22,195)
Profit for the period	840,105	14,628,586

The principal accounting policies of the Group are set out in the Group's 2022 Annual Report and financial statements. The policies applied in the production of the interim profit and loss account remain unchanged. The financial information set out in this interim report does not constitute statutory accounts as defined in the Companies Act 2006.

Consolidated statement of financial position

	Unaudited		Audited	
	30-Sep-22		31-Mar-22	
	£	£	£	£
Fixed assets				
Tangible assets		1,323,611		1,531,154
Investments		12,959,960		15,439,082
Investment property		131,189,861		134,868,964
		145,473,432		151,839,200
Current assets				
Debtors falling due under one year	4,038,480		3,917,551	
Debtors falling due over one year	742,569		749,586	
Cash at bank and in hand	9,143,027		4,854,070	
	13,924,076		9,521,207	
Creditors				
Amounts falling due within one year	(4,288,942)		(4,389,325)	
Net current assets/(liabilities)		9,635,134		5,131,882
Total assets less current liabilities		155,108,566		156,971,082
Creditors				
Amounts falling due after more than one year		(34,288,043)		(34,227,528)
Net assets		120,820,523		122,743,554
Capital and reserves				
Called up share capital		192,187		192,187
Share premium account		61,454,038		61,454,038
Treasury shares		(186,004)		(186,004)
Capital redemption reserve		20,097		20,097
Fair value reserve		1,925,545		2,030,697
Profit and loss reserve		57,414,660		59,232,539
Total equity		120,820,523		122,743,554

The Group's financial statements for the year ended 31 March 2022, prepared under FRS102, have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified.



GLENSTONE REIT

Company information

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