



GLENSTONE REIT

# Interim Report and Financial Statements

For the period ended  
30 September 2024

[glenstonereit.co.uk](http://glenstonereit.co.uk)

## Introduction

The Clifford Property Company has now been successfully integrated, and our team continues to implement our strategy to maintain Glenstone's status as a fully diversified UK REIT. Despite current economic uncertainties, our property income remains strong and has increased, enabling us to issue a higher Property Income Distribution (PID) in January 2025. Although the NAV remains relatively static due to our year-end valuation schedule, the investment in AIRE has had a minor positive effect.



### Property Income Distribution ("PID")

We maintained a PID of 14p in October 2024 for the quarter ending 30 June 2024, and plan a further 15p (PY:14p) in January 2025 for the quarter ending 30 September 2024. This keeps us on track to surpass last year's annual PID of 60p.

#### PID Per Share

HY 2024/25	29p
HY 2023/24	28p
HY 2022/23	26p

### Rental Income

There has been a 14.8% increase in rental income compared to the interim report of 30 September 2023, primarily due to our acquisition of The Clifford Property Company and effective portfolio management strategies. Excluding Clifford results, we've achieved a comparable increase of 5.0%.

#### Rental Income

HY 2024/25	£5.18m
HY 2023/24	£4.51m
HY 2022/23	£4.34m

## Net Property Income

The Net Property Income has risen by 13.1%, supported by the contribution of The Clifford Property Company, though partially offset by last year's development profits. On a like-for-like basis, there's a notable increase of 7.2%, evidencing our strategic management expertise.

### Net Property Income

HY 2024/25	£4.56m
HY 2023/24	£4.04m
HY 2022/23	£3.72m

## Operating Profit

Operating profit grew by 5.9% compared to the last interim report. However, on a like-for-like basis, there was a slight decline of 0.5%, attributed to less profit from investment property disposals this half-year compared to last.

### Operating Profit

HY 2024/25	£3.94m
HY 2023/24	£3.72m
HY 2022/23	£3.37m

## Dividends Received

Dividends received from our investment in Alternative Income REIT plc ("AIRE") has decreased by 7.4%, when compared to the 30 September 2023 interims. Dividends received in the current period totalled 3.050p per share compared to 3.295p per share in prior comparable period. The decrease is reflective of a larger dividend payment in August 2023. Our investment is constantly under review and the Board are aware of the anticipated headwinds that may lie ahead given the leveraged nature of the AIRE portfolio.

## Net Asset Value ("NAV")

As usual the Board have not undertaken a publicised mid-year revaluation on the direct property holdings. However, a revaluation of the AIRE investment was required as a market price is available daily. The 30 September 2024 bid price of 72p, resulted in a book profit of £1.01m.

The above has produced an increase in reported Glenstone NAV per share. The 30 September 2024 NAV totals £12.91 per share.

## Property Purchases

### Retail Warehouse – B&M, Belton Road, Loughborough.

£2.7m

6.75%

Situated in a prominent location, the unit comprises approximately 26,000sq.ft. of Retail Warehouse space with a further 8,300sq.ft. for a dedicated garden centre. The property is let to B&M Retail on a new 10-year lease and has been comprehensively refurbished prior to B&M's occupation.



### Retail – 15 Cornhill, Bury St Edmunds



£1.2m

12.75%

The property is located in prime position on Cornhill and is let in its entirety to WH Smith for a remaining 8.25 years. There is a concession to the Post Office on the first floor. This is the second time that Glenstone have owned the unit having sold it some 23 years ago.

We continue to invest in our existing real estate and have spent over £2m on improving and adding value to the portfolio, most notably at our site located in Newhaven.

## Property Sales

In the six months to 30 September 2024 the Company sold one property for £325,000, realising a profit of £28,710.

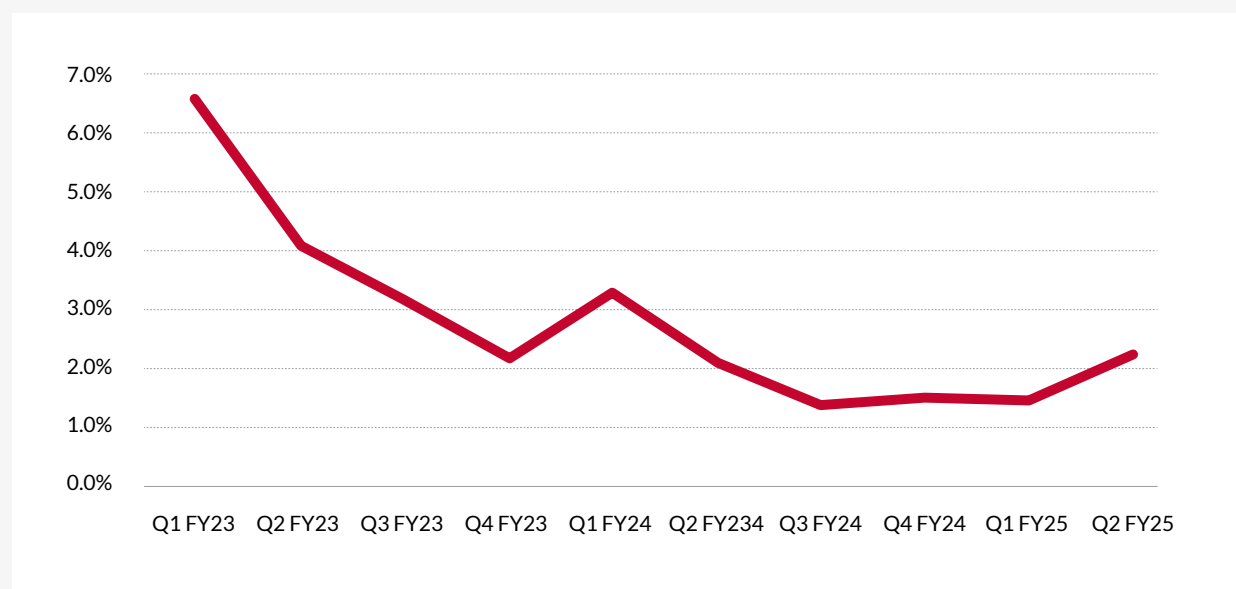
## Gearing

As at 30 September 2024 net gearing stood at 20.2%. An increase on the year end net gearing of 15.3%. The increase is reflective of the two purchases made during the half year coupled with our investment in the portfolio.

## Post Period

Q3 of the financial year has been a hive of activity. We have completed the sales of five properties realising circa £6m of valuation. The assets collectively were yielding sub 6%. The proceeds have been invested in a further three assets totalling £3.23m. A Retail Warehouse in Norwich, let to Magnet (£1.35m); A Pub in Haslemere, let to Stonegate and guaranteed by J D Wetherspoon (£986,000); and a Retail unit located in Woodbridge, let to Peacocks (£892,000). Collectively these three assets provide for a yield in excess of 9%.

## Voids



Our property portfolio has consistently maintained impressively low void rates for an extended period of time. Looking ahead, we anticipate an increase in the void rate. This is strategic and is intended to leverage asset management opportunities, thereby optimising the portfolio's future performance.

## Annual General Meeting 2025

The Board have decided that the 2025 AGM will be hosted, in Central London, on 17 September 2025. Details on timing and location will be provided in due course. 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 2024

## Consolidated statement of comprehensive income

	Unaudited	Audited	Unaudited
	6 months ended 30-Sep-24	12 months ended 31-Mar-24	6 months ended 30-Sep-23
	£	£	£
Rental and other income	5,175,006	9,676,892	4,509,609
Sales proceeds from development properties	-	855,000	470,000
<b>Gross property income</b>	<b>5,175,006</b>	<b>10,531,892</b>	<b>4,979,609</b>
Property operating expenses	(612,708)	(1,339,041)	(627,127)
Cost of disposal of development properties	-	(634,092)	(316,858)
<b>Net property income</b>	<b>4,562,298</b>	<b>8,558,759</b>	<b>4,035,624</b>
Administrative expenses	(595,676)	(1,390,783)	(606,970)
<b>Operating profit before gains and losses</b>	<b>3,966,622</b>	<b>7,167,976</b>	<b>3,428,654</b>
Profit on disposal of investment properties	28,710	340,191	292,365
Goodwill written off	-	(348,254)	-
Fair value loss on investment properties	-	(1,561,719)	-
Value of incentives on investment properties	(53,542)	11,607	1,596
<b>Operating profit</b>	<b>3,941,790</b>	<b>5,609,801</b>	<b>3,722,615</b>
Fair value gain/(loss) on investments	1,007,774	120,933	(1,228,974)
Dividends received	614,742	1,238,553	664,122
Finance income	15,783	50,418	26,256
Finance expense	(845,307)	(1,455,716)	(689,042)
<b>Profit before taxation</b>	<b>4,734,782</b>	<b>5,563,989</b>	<b>2,494,977</b>
Taxation	(3,946)	(66,782)	(44,850)
<b>PROFIT FOR THE PERIOD</b>	<b>4,730,836</b>	<b>5,497,207</b>	<b>2,450,127</b>

The principal accounting policies of the Group are set out in the Group's 2024 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	Unaudited
	30-Sep-24	31-Mar-24	30-Sep-23
	£	£	£
<b>FIXED ASSETS</b>			
Tangible assets	1,263,359	1,265,331	1,320,750
Investments	14,511,932	13,504,159	12,154,251
Investment property	148,910,311	142,847,213	132,871,678
	164,685,602	157,616,703	146,346,679
<b>CURRENT ASSETS</b>			
Stocks	-	-	262,350
Debtors falling due within one year	1,065,122	1,272,392	1,521,852
Debtors falling due after one year	981,881	849,109	834,005
Cash at bank and in hand	1,816,852	3,767,019	1,522,793
	3,863,855	5,888,520	4,141,000
<b>CREDITORS</b>			
Amounts falling due within one year	(3,017,906)	(3,515,463)	(4,614,552)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	845,949	2,373,057	(473,552)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	165,531,551	159,989,760	145,873,127
<b>CREDITORS</b>			
Amounts falling due after one year	(29,581,320)	(24,819,713)	(25,559,230)
<b>NET ASSETS</b>	135,950,231	135,170,047	120,313,897
<b>CAPITAL AND RESERVES</b>			
Called up share capital	210,658	211,776	190,714
Share premium account	61,454,038	61,454,038	61,454,038
Capital redemption reserve	22,687	21,570	21,570
Merger reserve	13,315,288	13,315,288	-
Fair value reserve	3,867,397	2,607,157	4,029,402
Profit and loss reserve	57,080,163	57,560,218	54,573,323
<b>TOTAL EQUITY</b>	135,950,231	135,170,047	120,269,047
<b>NET ASSET VALUE PER SHARE</b>	£12.91	£12.77	£12.61

The Group's financial statements for the year ended 31 March 2024, 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

**Directors:**

C L Powell  
R Shaunak  
A C Smith  
B P Green  
R P Maybury

**Registered office:**

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**Registered number:**

00986343

**Auditors:**

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London EC4M 7JW

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**Solicitors:**

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**Registrars:**

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