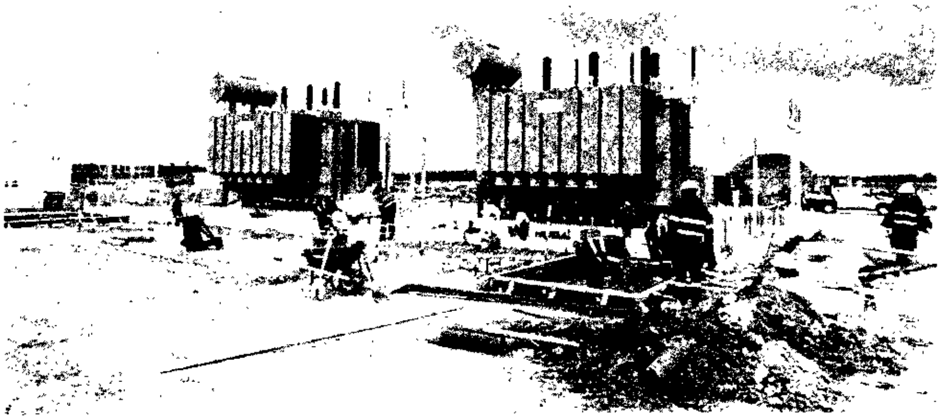
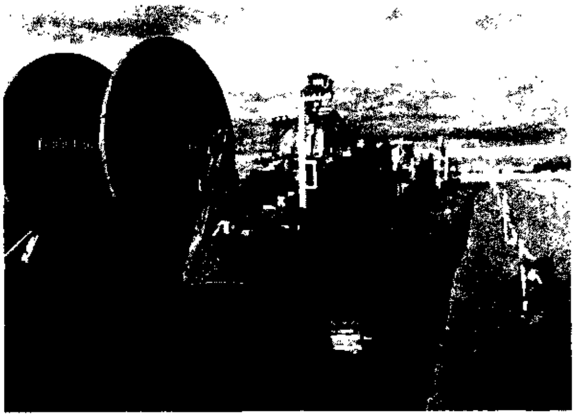


Fern Trading Limited Annual Report and Accounts 2023



Registered No 12601636

FERN TRADING

1 [illegible]

Group snapshot 3

2 [illegible]

Directors' Report 4
Our business at a glance 8
Our strategy in focus 12
Directors 16
Principal risks and uncertainties 17

3 [illegible]

Corporate governance 21
TCFD reporting 24
[illegible] 31
Directors' report 37
Independent auditors' report 40

4 [illegible]

[illegible] 44
Group balance sheet 45
Company balance sheet 46
Group statement of changes in equity 47
Company statement of changes in equity 48
[illegible] 49
Statement of accounting policies 50
[illegible] 61

5 [illegible] 94

6 [illegible]

Directors and advisers 95

1 | OVERVIEW

Group snapshot

Revenue

Revenue has increased by over 12% in the last year from **£712m** in 2022 to **£800m** in 2023

Carbon offsets

Our renewable energy sites' carbon saving is over **681,101** carbon tonnes this year

Energy generation

Our renewable energy assets produce enough energy to power over **a million** UK homes

Number of loans

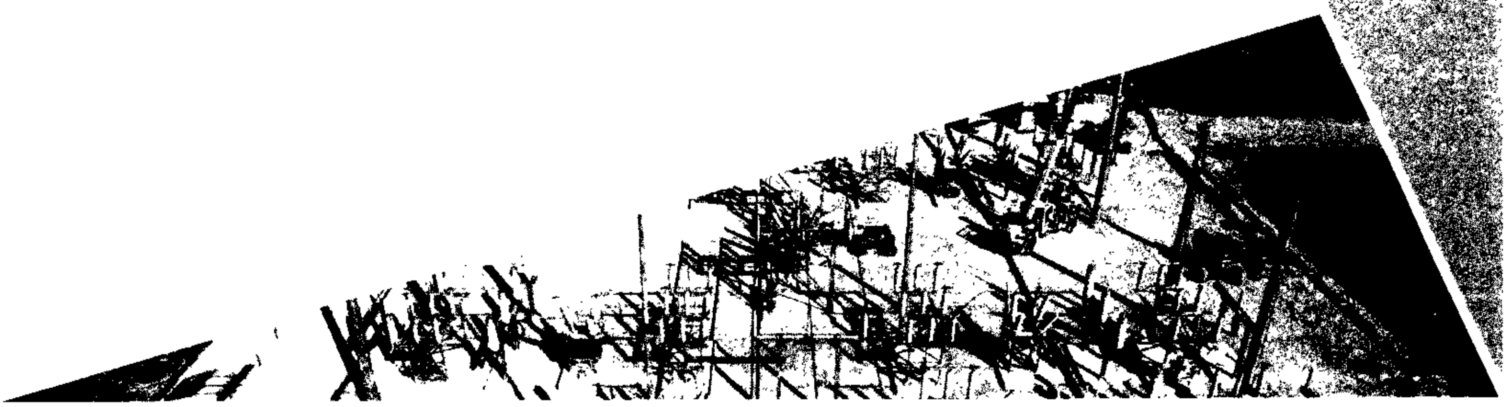
Over the year we [illegible] average **224** borrowers in the UK

Number of employees

We employ over **1,500** people

Number of sites

We own **229** energy sites spread predominantly across the UK



2 | STRATEGIC REPORT

Directors Report'

Fern Trading Limited (the "Company" or together with its subsidiaries the "Group") targets consistent growth for shareholders over the long-term, with a focus on steady and predictable growth, comprising more than 330 companies that operate across a range of industries. The Group has been trading for 13 years, successfully navigating the economic cycles and market volatility over this period. Our Group has established a stable presence in its sectors of operation and we expect to continue to perform predictably in these sectors.

The UK faced a challenging economic backdrop

demonstrate resilience, though was not immune to the challenging market conditions of the sectors. I

indicate an accounting loss, this is primarily due to capital deployment into newer asset intensive parts

growth in the future. Extraordinary costs incurred in the year have a further impact on the Group results.

Our renewable energy business is now a mature and well established sector for our Group, generating consistent revenues. Our growth strategy in our

contributed to an accounting loss this year, ahead of

and housebuilding, which includes retirement living

our mature sectors, producing 4.2% of the UK's solar energy and 2.7% of the UK's onshore wind energy output. We have built a property lending business, with a book of £444m at year end, which helps to support the construction and improvement of homes and commercial spaces throughout the UK.

housebuilding, are establishing themselves as important players in their markets and setting ambitious expansion targets

The Company's share price delivered 3.10% growth over the past 12 months, a steadier increase when compared with the exceptional growth of 10% for the prior year. Over the longer term, we expect the Group to return to our target annual growth. The

4.83%, ahead of our target 4.20% annual growth.

We remain a supportive employer, with an average

own and operate, and indirect employment provided for hundreds more people through contracts that we have in place.

A reflection on our year

Our Group delivered £800m of revenue (2022: £712m) while growing capital deployment, with net assets increasing to £2,366m at the end of the period (2022: £2,221m restated), led primarily by

divisions.

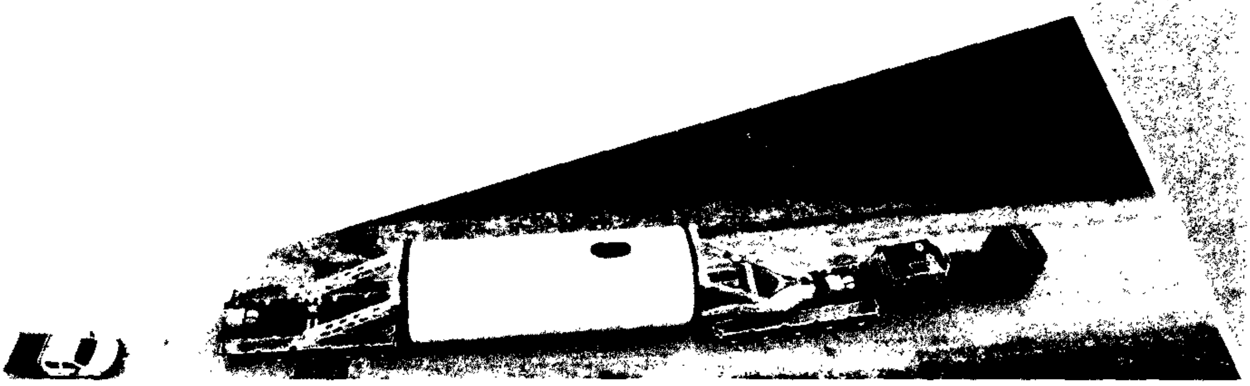
Our more mature sectors operated robustly and we continued to expand newer parts of the Group. As a

£82m (2022: £195m), and an accounting loss before

loss-making in their early years of construction and

At the start of the period, long term energy price forecasts and energy forward rates remained high, as the global economy continued to recover from the Covid-19 pandemic, together with seeking alternative sources of energy as a result of the

factors had increased the value of the Group's energy assets in the prior period and, in turn, the share price of the Group.



2 | STRATEGIC REPORT

Directors Report'

1. Energy

Approximately 50% of the Group's net assets comprise energy generating assets such as solar energy sites and wind farms. These assets provide long-term revenue streams, though their value can still be impacted by changes in pricing and demand

range of technologies to mitigate against less

contribute towards steady, predictable share price growth.

We expanded our solar portfolio with further additions in Zestec, which specialises in developing commercial solar rooftop sites in the UK. These sites are currently under construction, and we expect to retain and operate them once complete. The construction of Guardbridge, our wind farm in Poland, remains on track and on budget, and we expect it to start generating electricity by December 2023. Dulacca Wind Farm, our largescale construction project in Western Australia started generating electricity after year end and was subsequently sold in October 2023. At the beginning

the construction and sale of Darlington Point Solar Farm, one of the largest solar sites in Australia, with a capacity of 333MW.

Our successful and well established biomass division continues to perform well, delivering stable returns since acquisition in 2015. We added a new site at Snetterton in East Anglia in April 2021, which has

some months of operational downtime, following a gearbox fault, the insurance claim for replacement parts and loss of revenue was settled in full.

Construction at our Waste-to-Energy facility in Ayrshire has progressed as planned, with completion expected in 2025. The facility has been in development for four years and will be capable of processing over 185,600 tonnes per annum of non-recyclable household, commercial and industrial

exported. This will generate 17 MW of low carbon electricity, enough to power 30,000 homes, and it

energy project in western Scotland.

Our 26 reserve power sites have continued to perform ahead of expectations, due to low generation from wind assets over the winter 2022/23, resulting in demand for additional generation to balance the grid.

2. Lending

Our property lending business continues to be a substantial part of the Group, representing around 15% of the Group's net assets, comprising short- and medium-term secured loans to experienced property professionals. Our average loan book constituted over 224 loans this year to borrowers in the UK.

Our loans are written at conservative loan to value ("LTV") levels (below 70%) to protect against a fall in property prices. At the end of the period, the average LTV for the loan book was 60%. The turbulent market this year has reinforced the importance of this strategy, which has served the Group well over its 13 year history. We are naturally taking a cautious approach when assessing new lending opportunities considering the changing economic outlook.

Since inception in 2010, the Group has lent £2.49bn of property loans and has had a strong record of recovering its capital. However, the abrupt increase in interest rates in the current year has made it more

their loan term. This has contributed to a small increase in provisions and, at year end, we recorded a provision of £30m against one commercial loan. Though we acknowledge this provision feels noteworthy, for context, it amounts to around 1% of the Group's net assets and is an outlier compared to our track record. This does however serve to emphasise the importance of our experience and approach in the sector, including disciplined due

Directors Report'

diligence, conservative loan to value ratios, and an

during times of economic uncertainty. We will continue to adopt this approach throughout the coming year.

3. Fibre

In March, we successfully consolidated our regional

Fibre, Swish Fibre, Giganet and AllPoints Fibre into a new business, Fern Fibre Trading Limited ("FFTL"). Given wider market consolidation and opportunities in the market, it has made economic sense to bring together these separate businesses now rather than later. As part of this, post year end, we undertook a restructuring exercise to realise some operating

the account.

In the year we continued to invest capital in expanding our ultrafast FTTP broadband networks. The geographic focus of our networks is the Home Counties, the South and South West of England, Yorkshire and the Midlands, however we also provide connectivity to homes and businesses throughout the UK using networks owned by other operators. The business is generating revenue from residential

old copper networks.

the Group, as we invest into the infrastructure.

4. Housebuilding

Our housebuilding division remains an important part of the Group at approximately 8% of net assets and is comprised of Elivia Homes ("Elivia"), the housebuilding business we acquired last year, and Rangeford Holdings Limited ("Rangeford"), our retirement living business.

Elivia develops mid market family homes in South East commuter towns and villages and is performing broadly in line with budget, despite challenging conditions across the industry. We plan to grow it in a measured way, organically and via strategic

Homes, which expanded Elivia's footprint to East Sussex and Kent. Its ambition remains to deliver 750 homes per year.

Rangeford continues to expand its portfolio with three villages fully open and additional villages under construction in Chertsey and Stapleford (near Cambridge), due to open in 2024 and 2025 respectively. We are excited by the opportunities for growth in this sector, with two further sites acquired in Dorking and East Grinstead. The design work for these villages is well underway.

Inflation and Interest rates

surpass the Bank of England's target until 2025. A

does not tend to have a material impact on Group operations. For example, in our energy division the value of our renewable energy assets is determined

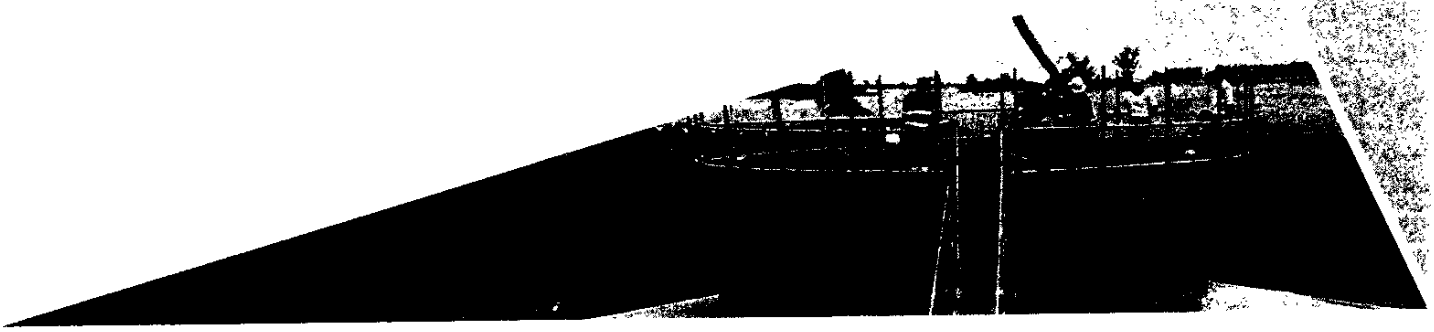
the life of the respective assets (typically 20 plus

increase, the impact on our share price should be

revenue each operating site would expect to make, which increases their value.

The rise in interest rates is seen as a return to normal after a long period of very low rates. The impact of this on our business has been broadly neutral as the Group is intentionally structured such that it does

interest rates change. An important part of this is a policy of taking out interest rate protection on the loans to the Group's energy assets giving us protection from interest rate increases. This has



Directors Report'

resulted in our renewables assets' loans continuing

interest rates were lower

Rising interest rates are felt more closely in our lending business and as such we continue to take a cautious approach in this sector. We can, and do, reduce the number of loans we write or alter the risk

ratios, or pausing activity in certain parts of the market, as appropriate.

Current trading and outlook

Since the year end, the Group has continued to perform steadily from an operational perspective and in line with our expectations. Our growth targets for the Group over the medium and long-term remain unchanged, and we continue to focus on

delivering predictable growth for shareholders.

In November 2022, the government announced the introduction of an Electricity Generator Levy ("EGL"), a temporary measure to charge exceptional receipts on high revenues for Groups generating electricity

March 2028 and applies to electricity generated from renewable, biomass and energy from waste sources. The Group was not required to pay EGL in the period, however we do expect to pay this in the

impact on the returns generated from our energy

Our property lending business continues to perform strongly with a diverse loan book comprising 224 loans on average. We focus on short-term loans (our current loan average term is 20 months) which enables us to swiftly adapt to changes in outlook. We consider this is particularly important in the current economic climate.

Fern Fibre Trading Limited ("FFTL"), continues to build

UK, while also focusing on sales and marketing

As it continues to grow and build out its infrastructure,

We are pleased to report that in October 2023, the Group raised £21.7m from existing shareholders

funds raised will allow the Group to grow slightly ahead of plans in certain sectors, however we do not expect this to materially change our business mix, which will continue to evolve in order to continue to target modest growth for shareholders in the years ahead.

"Our mix of business areas has developed over time, driven by the overarching importance we place on meeting the objectives of our shareholders."

2 | STRATEGIC REPORT

Our business at a glance

What we do

Fern Trading Limited is the parent company of nearly 330 subsidiaries (together the 'Group'). The Group [illegible] and housebuilding, which includes retirement living. Over the past 13 years we have built a carefully [illegible] well positioned to deliver long term value and predictable growth for our shareholders.

1. Energy division

We generate power primarily from sustainable sources and sell the energy produced either directly to industrial consumers or to large networks. Many of our renewable energy sites qualify for government [illegible] linked, source of income. We have also utilised our expertise in renewable energy to construct facilities for sale or ongoing operation. At year end the Group had fourteen sites under construction.

2. Lending division

We lend on a short- and medium-term, secured basis to a large number of property professionals, [illegible] improve residential and commercial properties.

3. Fibre division

[illegible] across various areas of the UK. We build the networks and connect them to homes and businesses to [illegible]

4. Housebuilding division

Our residential housebuilding operation develops [illegible] ensure the delivery of quality workmanship.

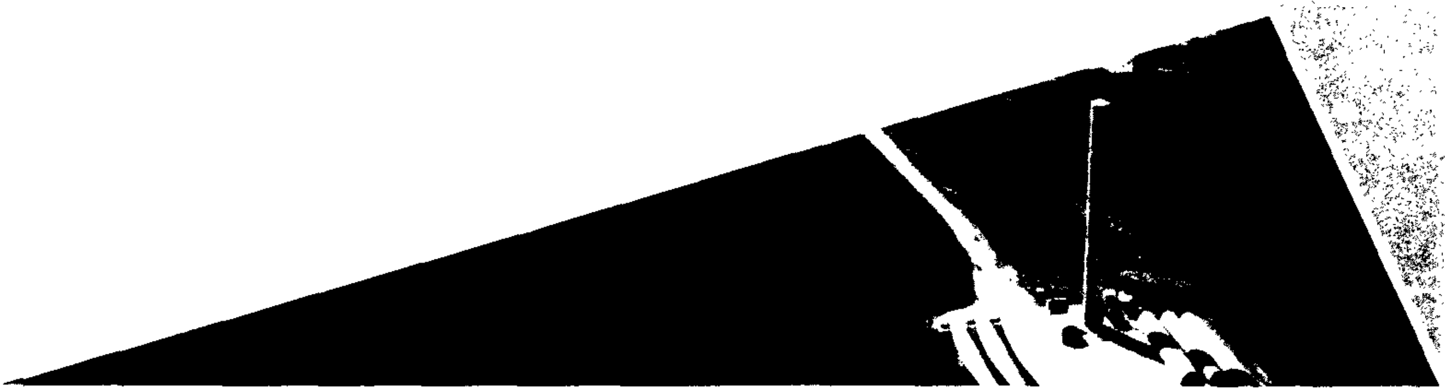
Our retirement villages provide high quality, contemporary living spaces with a friendly community at the heart of our villages.

Solar, wind, biomass, landfill gas, *reserve power*

Property lending, development financing

Ultrafast fibre broadband across *the UK*

Residential house building, Retirement *living*

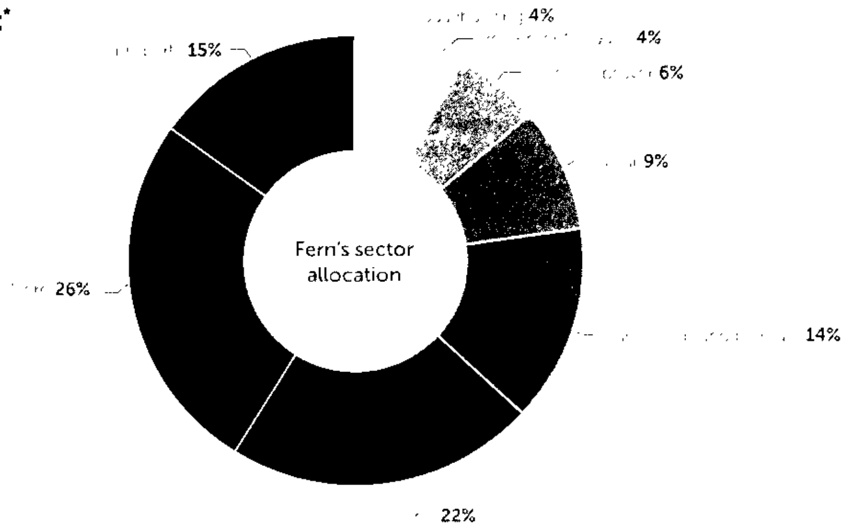


Our business at a glance

The strength of the Group's strategy is in both its ... of these businesses. Our lending business provides ... over the longer term.

The scale of our business is a key strength, enabling us to acquire large-scale established operations, as well as the opportunity to enter new sectors with minimal risk to the whole Group by selecting businesses with comprehensive business plans and strong management teams. This enables us to continue to diversify our business without compromising the quality of our operations.

Sector split*



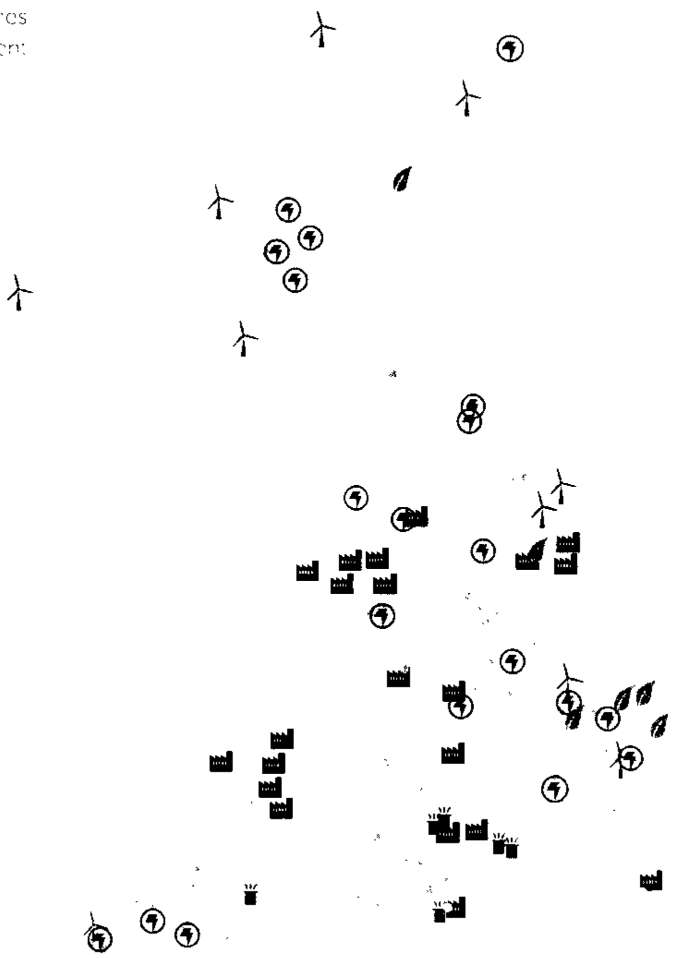
Owning and operating assets 85%
Lending 15%

Sector split is given by value as represented on the company balance sheet of Fern Trading Limited

Our business at a glance

Where we operate

We are proud that the businesses within our Group make a positive contribution to society, from generating clean energy to the creation of homes and the provision of quality retirement infrastructure



Solar sites

Biomass power stations

Wind farms

Reserve power plants

Retirement villages

Fibre networks

As we've grown our expertise in these sectors in the UK, we've been able to use our industry knowledge to take our expertise to exciting opportunities overseas, including constructing solar and wind farms in Australia, France, Ireland and Poland

2 | STRATEGIC REPORT

Our business at a glance

We are proud to operate a Group that makes a positive contribution to society across the UK, generating renewable energy, providing quality retirement living and new homes, and delivering high speed broadband to underserved areas of the country. This is aligned to our environmental, social, and governance (ESG) policy, which is crafted and approved by the Board of Directors.

Energy

We own 229 operational energy sites, producing 3,069GWh a year. That's enough energy to power over a million homes.

Our combination of technologies across solar, wind, ... each other well, helping the UK to meet its energy targets irrespective of the weather.

The Fern Community Fund is a social enterprise run by the Group, which works to distribute community funds generated from our wind farms. This year, the Fern Community Fund has committed £1.4m to local community groups, supported 77 local university students through our Student Scholarship Fund, and provided a winter fuel subsidy to 740 residents who are local to the Group's sites.

Lending

The 191 new loans we advanced during the year have helped to fund the construction of much needed residential properties, as well as commercial property creating valuable new employment.

Fibre

... connectivity to hundreds of thousands of properties in small towns and villages that do not currently have ... for modern ways of working and communicating.

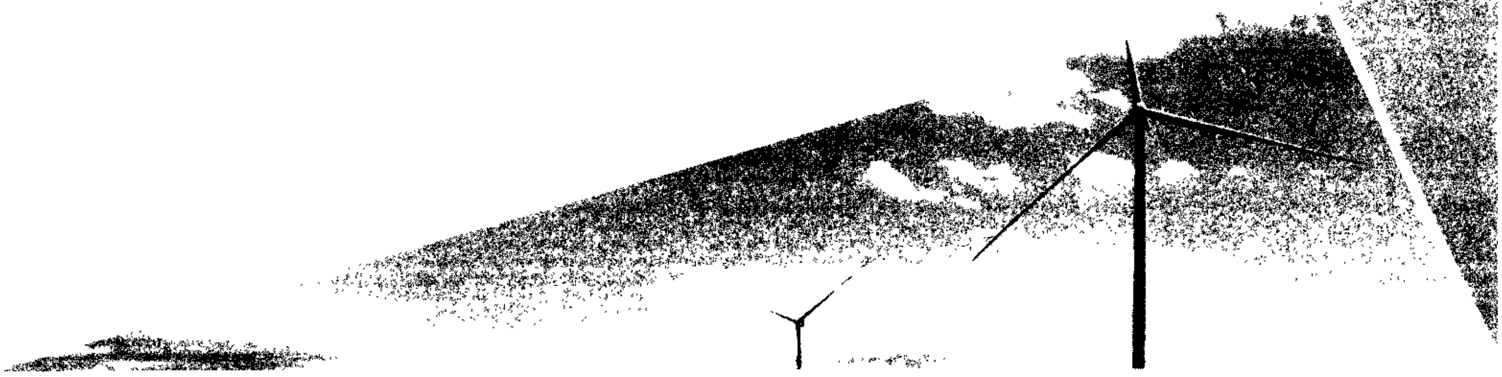
In Vorboss, we are building a dedicated high speed ... the digital infrastructure that the city needs, and removing bandwidth constraints to ensure the economy remains competitive.

Housebuilding

Our housebuilding division sources over 74% of the timber it used for frames in a sustainable way and installs solar panels or air source heat pumps in all properties, leading the way in this sector and helping reduce carbon emissions.

Our retirement villages provide high quality, contemporary living spaces, with close to 500 homes currently in place. We have nearly 400 further units in various stages of development, and our ... plus units.

... retirement villages, which is why our developments provide central facilities and a hub of social activity for our residents.



Our strategy in focus

Our businesses

Energy

Through our energy division, the Group owns and operates energy sites which supply gas and electricity into the network, as well as constructing renewable energy sites for future sale. Of the 229 energy sites that we own and operate, 203 provide renewable energy, contributing to the Group's position as one of the largest producers of renewable energy from commercial scale solar sites in the UK. Renewable energy sites are typically expected to generate stable

owning and operating these businesses is attractive to the Group because of their potential to deliver

Renewable energy sites generate power from sustainable sources and sell energy produced either directly to large industrial consumers or to the network. Many of our renewable energy sites also qualify for government incentives, which means a

qualifying site is operational and accreditation has been granted. This has reduced some of the impact of the volatility in long term energy price forecasts. As new sites built in the UK do not qualify for the same historic government incentives, we are seeing more interest in the market for sites like the ones we own and operate.

Owning and operating energy sites is a core part of our strategy and currently makes up approximately 60% of the Group's net assets. This part of the Group has generated high returns this year due to market conditions but crucially it has the potential to provide stable returns over the long term. This combination is key to our strategy to balance risk and return across the range of Group activities to generate target ored stable returns for shareholders.

"Our energy sites generated 3,069 GWh of power."

Due to the high-quality energy sites that we own, we

mainstream banks at competitive rates to enhance our returns, which helps us to deliver the level of returns our shareholders expect.

While our renewable energy business started its life in the solar energy sector, the Group has built expertise across other adjacent technologies

supported by reserve power plants which provide backup power to the National Grid. The Group

part of its business since weaker conditions for energy production from one technology often result in stronger production elsewhere. The Group also

as our business is spread across 229 sites, vastly

Did you know?
If laid end to end, our solar panels would stretch from London to Mexico City.

Our strategy in focus

In addition to our UK sites, the Group is developing sites overseas, in jurisdictions that we understand well. These present an attractive opportunity as they build on our sector expertise in countries at an earlier stage of renewable development. Currently we operate wind farms in Ireland and France and solar sites in France, in addition to a wind farm under construction in Poland.

During the year we acquired the rights to multiple commercial rooftop sites through our commercial rooftop solar developer, Zestec, on which we will build solar panels to generate electricity for the tenants of the building. Our sites under construction in Australia came to fruition this year, with Darlington Point, a large scale solar site sold at the start of the year, and Dulacca Wind Farm achieving commercial operation shortly after year end and being subsequently sold in October 2023.

Lending

Lending continues to be a core part of our business

cash generative sector over the past 13 years. This well-established part of the Group mainly consists of property lending, which provides short term

developers, buy to let landlords seeking bridging

business that we have built up in this sector is our ability to mitigate risk through having a large number of loans spread across relatively small projects to individual borrowers. We proactively manage counterparty risks through undertaking careful borrower due diligence, taking security over assets

conservative loan to value ratios. Not all loans will perform as expected and these measures help to minimise the impact of performance issues on an individual loan. This is further mitigated through the value that we lend to individual borrowers, relative to our total loan book, which is spread on average across 224 loans.

Fibre

and mobile

Through our FTTP business, we are building new

underserved parts of Devon, Somerset, Dorset, Wiltshire, Hampshire, Worcestershire, Yorkshire and the Home Counties spanning hundreds of thousands of properties.

Lending continues to be an important part of our business and has provided

and cash generative sector over the past thirteen years.

Our strategy in focus

Building a new network involves connecting large data centres and telephone exchanges in the UK

20th century. To date, Jurassic, Swish and Giganet have operated a vertically integrated model where

relationship as the internet service provider ("ISP"). Following the merger of our FTTP division, FFTL will follow the wholesale strategy of 4 Points Fibre,

multiple ISPs. We will continue to develop our own ISP service and brand (Cuckoo), which will sell connectivity on our consolidated network to end customers alongside other ISPs. In an increasingly competitive market, a wholesale strategy increases the opportunity to generate revenue from the network as multiple counterparties can sell access to it, rather than just one ISP (as per the vertically integrated model).

The merger of the FTTP companies took place in

focused on bringing the operations of the four

economies of scale. Separately the companies achieved a great deal, each building local networks, onboarding customers and delivering outstanding

across their networks will create greater opportunity for the business and potential customers in future.

The UK remains behind other European nations

our FTTP business is now well positioned to be a key player in bringing ultrafast connectivity to communities around the UK.

Through Vorboss, we are building an enterprise network in London to supply business to business ("B2B") enterprise connectivity to business customers. Vorboss has installed over 500km of

spent the last year launching its products to large businesses including market leading 10Gbps and 100Gbps products.

building the orchestration systems that the next

both supporting our own FTTP business in achieving its strategic goals and also enabling external customers to eliminate legacy constraints with

management services.

Mobile is our newest area of strategic development

mobile network market, becoming a Mobile Virtual Network Aggregator ("MVNA"). This will enable us to launch an innovative mobile platform to business and consumer facing companies to operate their own Mobile Virtual Network Operators in the UK.

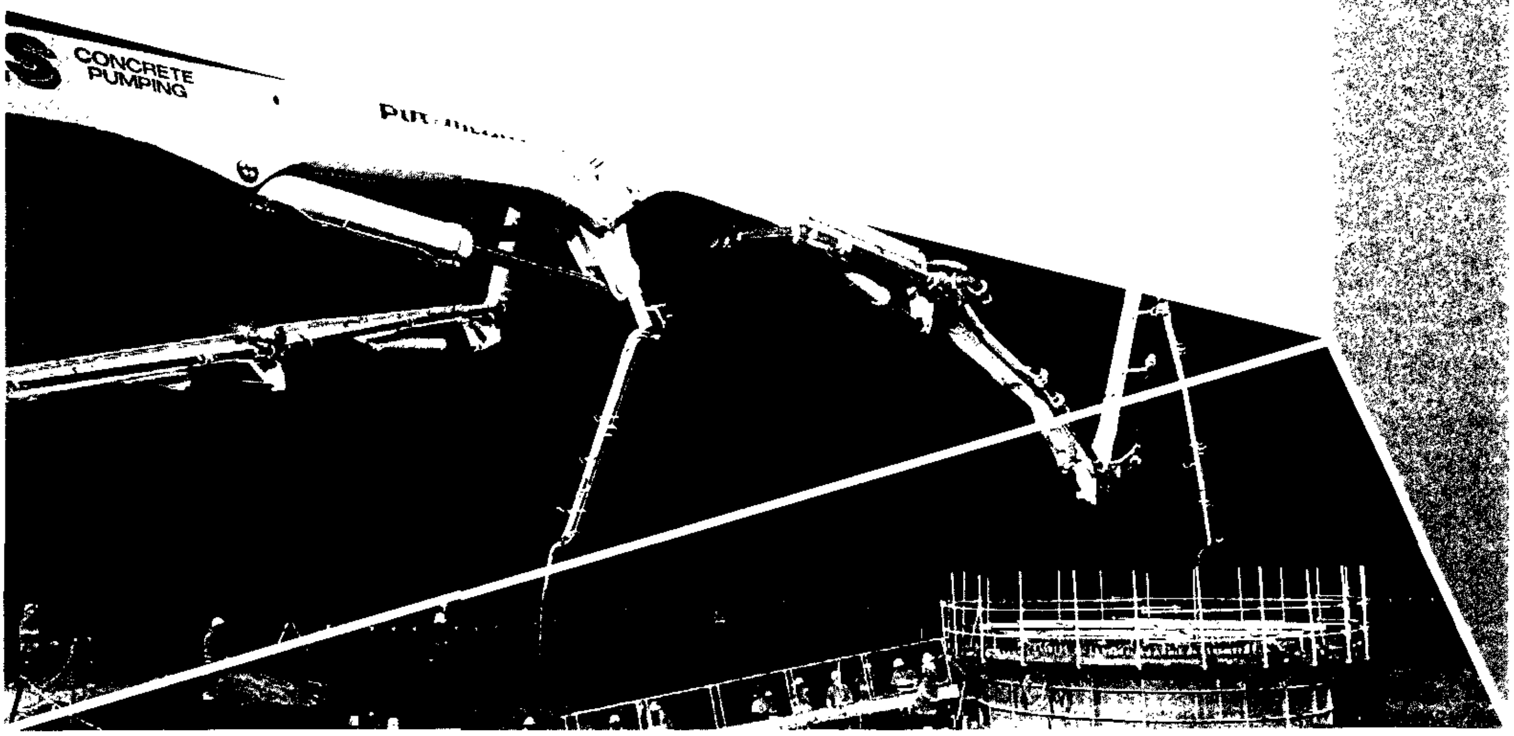
2 | STRATEGIC REPORT

Our strategy in focus

Housebuilding

Our residential building business, Elivia, is a full service housebuilder, which acquires land and [illegible] to ensure the delivery of quality workmanship. Elivia strives to deliver high quality and designed aspirational homes, comprising a mix of open [illegible] under construction. Elivia is headquartered near [illegible] Buckinghamshire, Berkshire, Hampshire, Surrey and West Sussex. In January 2023, we acquired Millwood Designer Homes which has allowed expansion into the adjacent regions of Kent and East Sussex, complementing Elivia's existing locations.

As part of our housebuilding division, the Group operates in the retirement living sector. Our retirement living business, Rangeford, owns and operates three retirement villages in Wiltshire, North Yorkshire and Gloucestershire, is currently constructing two sites for future operations, and has exchanged on two further sites, spread across the country, with the intention of developing these in the future.



2 | STRATEGIC REPORT

Directors

The experienced Board of Directors for the Fern Group are responsible for determining the strategy of the business and for accounting for the Company's business activities to shareholders. They have a set of complementary commercial, energy sector related and strategic skills.

Paul Latham

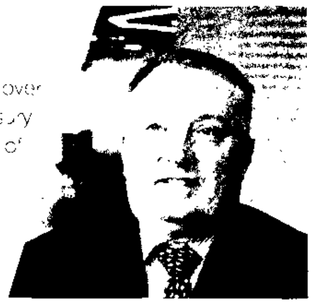
Paul was previously the Chief Executive of Fern. He has had various general management and internal consulting roles across a number of sectors and brings with him a wealth of industry and business experience, including building key elements of the infrastructure for Capital One Bank (Europe) plc as it grew from a start-up business to a company with 2,000 employees. Paul has worked at Octopus Investments since 2005.

Keith Willey

Keith is an associate professor of strategy and entrepreneurship at London Business School. He also holds various non executive directorships and advisory roles at high growth and more mature companies. In his role as non-executive

as its governance. He brings to the Fern business independent commercial experience gained from his time in academia, private equity investment, consulting and various hands on operational roles.

Peter Barlow



Peter has over 30 years exper

As a senior executive for International Power, Peter was responsible for arranging over $12bn of project and corporate funding, as well as banking relationships and treasury activities. He has spent over 20 years working internationally for HSBC, Bank of

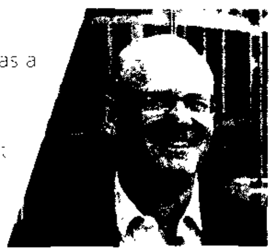
experience over numerous energy sub sectors and his all round knowledge of a

Board as well as its strategy formation and deployment.

Sarah Grant

Sarah has worked at Octopus Investments since 2016, she has a particular focus on debt raising and relationships with banks and other lenders, which she coordinates across the Octopus group. She also chairs the Octopus Investments Investment Committee and is a director of Octopus AIF Management Ltd. Octopus Investments is a key supporter of resource and expertise to Fern. Sarah's dual role ensures that the relationship between Octopus and Fern works well and always operates in the best interests of Fern's shareholders. She has over 25 years experience and previously held roles at Societe Generale and Rothschild.

Tim Arthur



Tim is a chartered accountant with more than 25 years international experience as a

of Lightsource Renewable Energy Ltd, a global leader in the funding, development and long term operation of solar photovoltaic projects. Tim brings extensive

of dynamic technology businesses gained from his executive positions.

2 | STRATEGIC REPORT

Principal risks and uncertainties

Principal risks

Management identify, assess and manage risks associated with the Group's business objectives and strategy. Risks arise from external sources, those which are inherent commercial risks in the market, and from operational risks contained within the systems and processes employed within the business. Overall risk exposure is managed across

both by sector and geography.

The principal risks that the Group are exposed to are described below, along with the mitigating actions we take to reduce the potential impact of the risk. We also include our assessment of whether the likelihood of the risk has increased, decreased or remained the same.

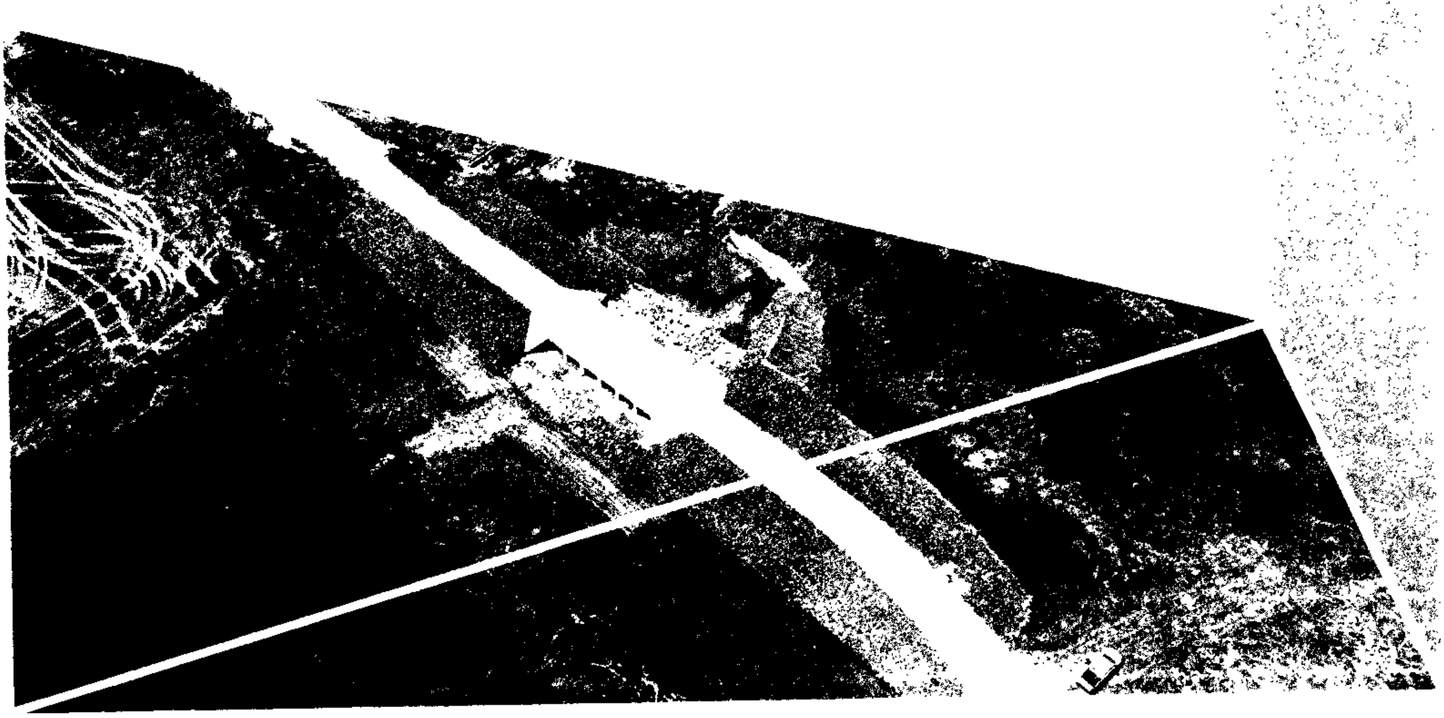
Energy Division

Risk	Mitigations	Change
Market risk: The energy sector is experiencing ... a risk that forecast levels of income are not achieved due to changes in ... contracts or government subsidies. Due to this turbulent environment, the potential for increased intervention by the regulator is also a risk. Changes in Government policy may result in reduced income streams within the group due to additional levies.	• C ... portion of the energy generated by our sites • L ... ("ROC") scheme. 29% of our energy income was generated from ROC revenue • W ... Electricity Markets ("OFGEM") to contribute to an industry voice with policy makers who set future regulatory requirements	= No change
Operational risk: Levels of energy produced may be lower than anticipated due to sub-optimal weather conditions or performance issues with equipment which may result in	• Unpredictability of the weather is mitigated through • Regular servicing of assets is undertaken to ensure assets are kept in good condition and minimise the risk that assets are unavailable for a longer period	= No change
Financial risk: Revenues (from energy generation) or sale proceeds (from the sale of sites) generated from overseas sites are lower than expected due ... rates	• Management ensures only a small portion of the Group's assets and revenues are expected to be derived from overseas sites	= No change
Construction risk: Construction of the sites takes longer or is more costly than anticipated due to resource availability or increased cost of raw materials	• ... where appropriate to reduce exposure to increasing costs	= No change

Principal risks and uncertainties

Fibre Division

Risk	Mitigations	Change
Market risk: Expected sales from customers are lower than anticipated due to increased competition from other providers. A change in policy by the regulators in favour of larger operators could impact our ability to deliver planned development [illegible] gained from a larger presence in a particular area.	• Management regularly reviews the competitive landscape [illegible] other alternative network operators. • Following the merger our [illegible] businesses, we are pursuing a wholesale network strategy increasing the network commercialisation opportunity in a more competitive market. • M[illegible] Communications and the Government ("Ofcom") to ensure [illegible] its interests are appropriately represented. • We are an active participant in relevant industry bodies, particularly those representing alternative network operators.	No change
Construction risk: Construction of the network takes longer or is more costly than anticipated due to resource availability or increased cost of raw materials.	• [illegible] suppliers to reduce the exposure to any one individual entity. Selection of outsourced partners is managed through a detailed procurement process with long-term [illegible] people resources accordingly. • Where supply chain problems are expected for critical items [illegible] and other materials on hand, and advance order technical equipment with long lead times.	No change
Operational risk: Network service is interrupted or unreliable leading to potential loss of customers and reputational damage.	• Our networks are built in a resilient way with diverse route options should a failure occur in one route. This combined with an ability to identify and resolve connectivity issues quickly, minimises downtime of the networks.	No change



Principal risks and uncertainties

Lending Division

Risk	Mitigations	Change
Market risk: rates lead to a market-wide drop in property values across all sectors of real estate. This may impact our ability to recover a loan	• The teams proactively manage our position in the marketplace and are prepared to enforce where needed if a loan moves into default • Our loans are made at conservative loan-to-value (LTV) ratios with a maximum LTV of 70%	Increased (due to fall in property prices)
Counterparty risk: Loans may be made to unsuitable counterparties, impacting our ability to recover the loan balance in full.	• Loans are secured against physical underlying security, such as a charge over the property or other assets of the ensure maximum chance of recovery should enforcement action be needed • Thorough due diligence is performed prior to writing loans, including property or land valuations and credit checks done on borrowers • Where loans are written for assets under construction milestones and covenants are put in place to ensure stages are complete prior to releasing further drawdowns	No change

Housebuilding Division

Risk	Mitigations	Change
Market risk: A fall in house prices could impact our ability to generate expected revenue from the sale of apartments in our retirement villages and housing developments built by Lilvia An increase in interest rates could lead to delays in the purchase process resulting in completion and revenue not being realised as planned	• Planning consents on undeveloped land are optimised to maximise revenues and reduce the risk of losses on sale • During the underwriting process for each site, the proposed pricing is reviewed against current sales in the area. Minimal HPI is used and price movement/sales speed sensitivities are included and reviewed	No change
Construction risk: Construction takes longer or is more costly than anticipated due to resource availability or increased cost of raw materials Inability to engage with suitable price contract in the current environment	• to reduce exposure to increasing material costs • The Group only works with reputable third parties with a strong track record of delivering similar projects • The assessment of all potential projects include conservative building cost assumptions with material contingency levels against other comparable projects	Increased (due materials and labour)

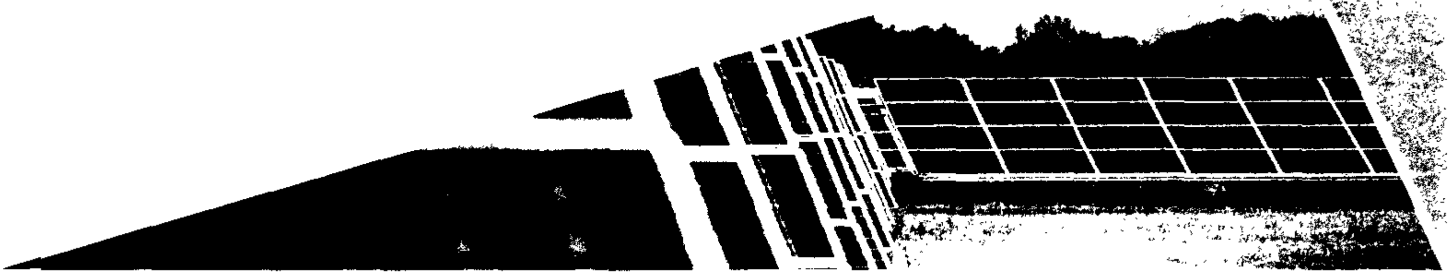
Principal risks and uncertainties

Group

Risk	Mitigations	Change
Market risk: An increase in base rates may increase costs on debt facilities impacting the Group's ability to service debt as it falls due	• W ... line with an underlying benchmark rate) the Group typically ... payments throughout the term of the facility ... hedging ... statements	No change
Liquidity risk: Poor management of cash within the Group could impact the Group's ability to meet obligations as they fall due	• A ... by management on a monthly basis incorporating cash availability and cash requirements across the Group. On at least a quarterly basis this is shared with the Board. • The Group monitors bank covenants on an ongoing basis to ensure continued adherence to covenants. Where covenants can't be met, forecasts are updated for the lower cash available as a result of the restriction. • ... on at short notice to meet immediate business needs	No change
Health and Safety risk: The safety of our employees and those employed through contracts are of paramount importance. There is a risk that accidents in the workplace could result in serious injury or death	• We have developed robust health and safety policies in compliance with ISO45001 across the Group to ensure the ... • ... contractors on a regular basis	No change
Cyber Security risk: An attack on our IT systems and data could lead to disruption of our operations and loss of customer data. Loss or misuse of data may result in reputational damage, regulatory action under GDPR and	• W ... who is responsible for data security across the Group and reports quarterly to the Board. • The CISO works closely with our businesses to ensure adequate standards of security and information management are met. • Each of our businesses that hold customer data has their own dedicated resource for ... and security	No change

The strategic report was approved by the Board of Directors on 20 December 2023 and signed on its behalf by

PS Latham
Director
20 December 2023



3 | GOVERNANCE

Corporate governance

Section 172 (1) statement

The Board consider that they have adhered to the requirements of section 172 of the Companies Act 2006 (the "Act"), and have, in good faith, acted in a way that would be most likely to promote the [illegible] as a whole (having regard to all stakeholders and matters set out in section 172(1)(a-f) of the Act) in the decisions taken during the year ended 30 June 2023.

In the performance of its duty to promote the success of the Group, the Board has regard to a number of matters, including the likely consequence of any decisions in the long term, and listens to the views of the Group's key stakeholders to build trust and ensure it fully understands the potential impacts [illegible] duties partly by delegation to committees and the Boards of subsidiary undertakings who operate within a corporate governance framework across the Group.

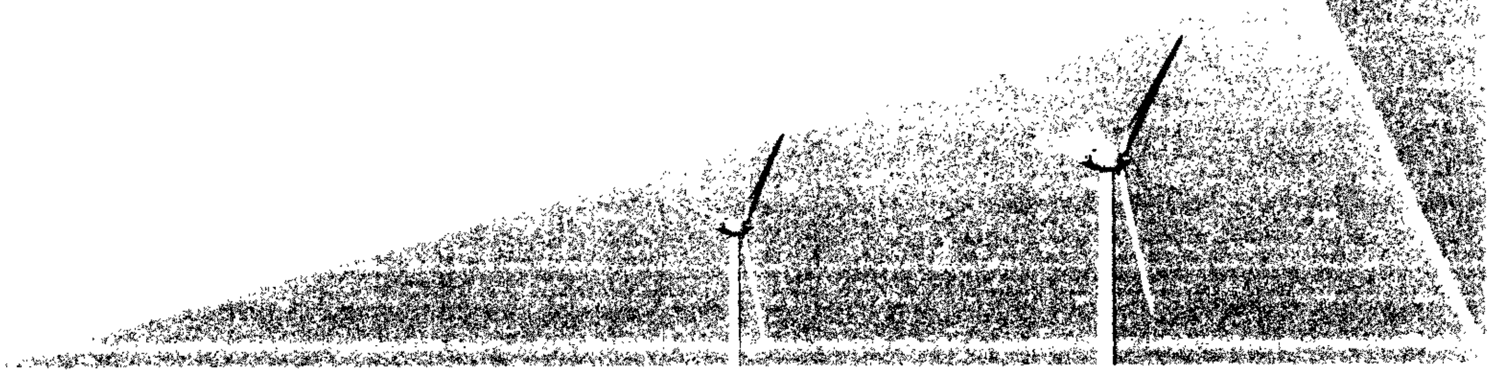
At every Board meeting a review of health and safety [illegible] performance, as well as legal and regulatory compliance, is undertaken. The Board also review [illegible] including the Group's business strategy, key risks, stakeholder related matters, diversity and inclusivity, environmental matters, corporate responsibility, and governance, compliance and legal matters.

Principal decisions

[illegible] those decisions that are of a strategic nature and that [illegible]

The Board consider that the following are examples of principal decisions it made in the year ended 30 June 2023:

- Evaluating and deciding to create a new strategic area of development by expanding into the mobile network market and becoming a Mobile Virtual Network Aggregator ("MVNA"). The Board considered this opportunity as well aligned and [illegible] operations, which would help to deliver long-term value.
- The Group decided to further expand its footprint in the housebuilding sector, by acquiring Millwood Designer Homes, a company with values similar of those of Livia and the Group. Millwood is considered an award winning regional homebuilder based in Kent which built around 100 homes a year. This follows the decision made in May 2022 to diversify the Group's asset base and entering into this new sector has been well thought out with long-term growth in mind. The Board considered the opportunity and how it aligned with our objectives to make a positive contribution to the community and environment, by building new homes to address the UK's shortage of properties.
- The Board decided to commence a group reorganisation which involved merging the four [illegible] business into one new business, Fern Fibre Trading Limited. FFTL will focus on two separate strategies, while working closely together: (1) [illegible] and onboarding multiple ISPs in AllPoints Fibre Networks and (2) developing our own ISP service and brand, through Cuckoo Limited. The Board evaluated the possible impact on stakeholders including shareholders and observed that the new structure would not change how the Board and Group engage with shareholders or their view of [illegible] improved governance and oversight of the sector as well as enhancing the future prospects.



Corporate governance

Business strategy

Our business strategy is set out on pages 12 to 15 of the Strategic Report. Management prepares a detailed Group budget which is approved by the Board on an annual basis and forms the basis for the Group's resource planning and deployment decisions. In making decisions concerning the

foremost to its strategic focus, but also to other matters such as the interests of its various stakeholders and the long term impact of its actions on the Group's future and reputation.

Shareholders

Shareholder relations and generating shareholder value is a key consideration when the Board is making strategic decisions. The prime medium by which the Group communicates with shareholders

which aim to provide shareholders with a full understanding of the Group's activities and its results. This information is published on our website at **www.ferntrading.com**

Employees

The Group's employees are fundamental to the

their duty to employees by entrusting oversight to subsidiary Boards.

The directors of the subsidiary undertakings manage the day to day decision making, engagement and communications with employees and ensure that people are treated fairly and are valued with respect.

our employees wish to be informed and consulted

a policy of good communication at all levels and we aim to establish a climate which constantly

local level and the publication of monthly key performance indicators covering output, operating costs, and health and safety.

The health and safety of our employees in the workplace is a continual focus for the Group, given its broad operational business. The Directors review health and safety reporting at each board meeting to ensure appropriate policies and procedures are in place to protect the health and safety of our employees and contractors. Where there are

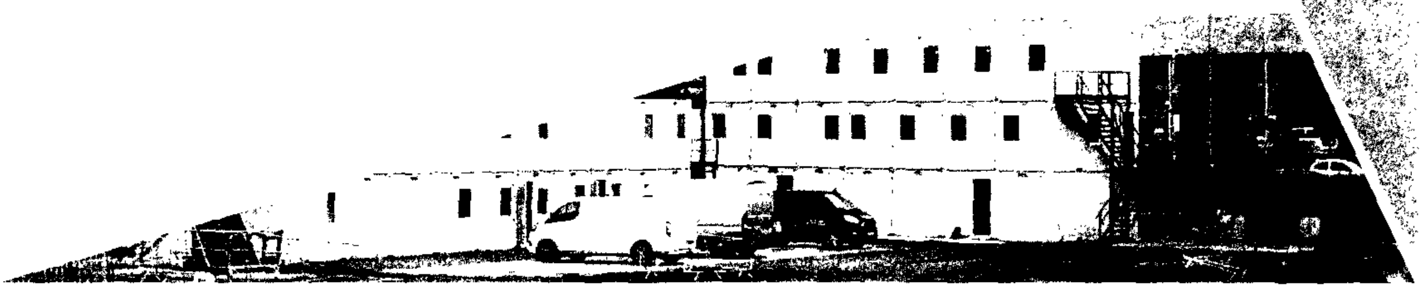
up and resolved on a timely basis, with the Board having oversight of the actions taken.

The Group outsources activities and management of certain operational activities to external suppliers. Where activities are outsourced the Board ensures that they are managed by reputable suppliers who meet all the relevant industry and regulatory commitments as well as treating employees fairly. Expected standards are documented in all service contracts and adherence to these are continually monitored by Board through their service agreement with Octopus Investments Limited.

Suppliers and customers

The Group acts in a fair manner with all suppliers and customers and seeks to maintain strong business relationships with them. This is achieved by all contracts being negotiated through a fair and transparent tender process which includes assessing the impact on the long term objectives of the Group. We review our payment processing times against contracts every six months to ensure suppliers are paid promptly and this information for the company is available on the **www.gov.uk** website.

The Group ensures it acts fairly and in a transparent manner to all customers across all divisions and services and actively engages to resolve any disputes or defaults. The Board closely monitors customer metrics and engages with the management team to understand the issues if business performance does not meet customers expectations.



3 | GOVERNANCE

Corporate governance

The Board considers Octopus Investments Limited to be a key business partner and supplier with responsibility for the provision of operational [illegible] secretarial services.

Community and environment

The provision and operation of sustainable infrastructure is at the centre of the Group's strategic goals. Through its business activities the Group seeks to make a positive contribution to the community, environment and economy. Our renewable energy business is helping the UK meet [illegible] give people in rural communities access to high-speed broadband, and our retirement villages create communities of people in their later years, reducing the strain on our healthcare services. We are also building new homes to address the UK's shortage of properties.

Business conduct

As Directors our intention is to behave responsibly, ensuring management operate the business with integrity and in accordance with the high standards of conduct and governance expected of a business such as ours. Our intention through our business strategy (outlined on pages 12 to 15) is to operate in sectors and work with other businesses that share our values.

Business ethics and governance

The Board is responsible for ensuring that the activities of the Group and its various businesses are conducted in compliance with the law and applicable governance and regulatory regimes, and in adherence with prevailing best practice for the relevant industry. This includes reviewing internal controls, ensuring that there is an appropriate balance of skills and experience represented on the [illegible] [illegible] Group. Further detail can be found in the statement of directors responsibilities on page 38. In the year to 30 June 2023 no areas of concern have been [illegible]

Employee, human rights, social and community issues, environment policy and anti-corruption and bribery matters

The Board's policy on employee, human rights, social and community issues, environment policy and anti-corruption and bribery matters is discussed in the Directors' Report on page 38. The Board actively promotes a corporate culture that is based on ethical values and behaviours.

3 | GOVERNANCE

Task force on Climate-related Financial Disclosures ("TCFD")

In December 2015, the TCFD was established by the Financial Stability Board ("FSB") to develop recommendations and encourage companies to take account of how they identify and manage climate related issues. The TCFD requires companies to produce climate related disclosures across four key pillars: Governance, Strategy, Risk Management and Metrics & Targets. The TCFD has noted eleven key recommendations across these pillars that enable companies to provide information to shareholders and other stakeholders.

The Group's operations play an important role in the UK's long term transition to a net zero economy, as renewable energy and the development of lower carbon alternatives are critical to a move away from fossil fuels. Capital deployment in renewable energy assets, such as our 80 ground mounted solar sites, enables our business and shareholders to generate returns from this transition, whilst having an inherently positive impact on climate change and the environment.

Of the Group's divisions, the Board considers the energy division to be most at risk to climate change and conversely most able to take advantage of the opportunities presented by a transition to a lower carbon economy. Whilst the Board considers the impact of climate related issues across all our

retirement living) divisions, the disclosures set out below are mainly with reference to the Group's energy subsidiaries.

Statement of Compliance

TCFD's aims and objectives and has included

four key pillars and eleven recommendations in

sustainability risks, we apply Sustainability Accounting Standards Board ("SASB") guidance on materiality, assessing whether, and to what extent, sustainability issues (including climate risks) could impact performance.

Governance

Disclose the organisation's governance around climate-related risks and opportunities

a) Describe the board's oversight of climate-related risks and opportunities

Climate-related risks and opportunities form part of the Board's strategy. A key aspect of the Group's business model, determined by the Board, and adhered to by divisional management teams, is to deploy capital in renewable energy

lower carbon economy.

The Board is responsible for monitoring climate related government policy and physical climate changes to inform the deployment strategy and the materiality of risks faced by the Group's subsidiary companies. The Group Board monitors

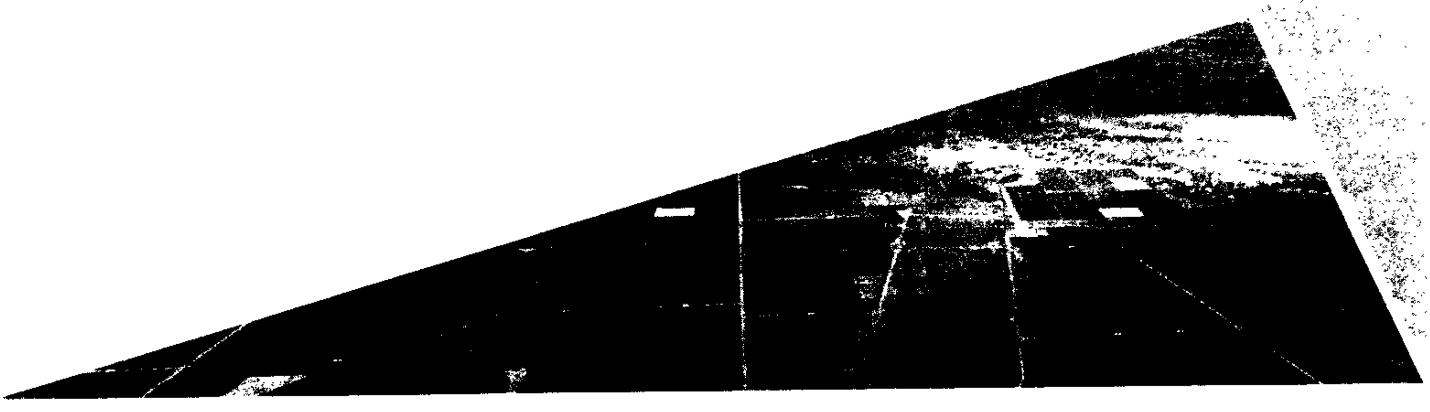
performance, and any adverse or positive impacts on revenues or costs that could result from climate related risks and opportunities.

On an annual basis, the Group Board review and approve an ESG Policy document that

latest version approved in April 2023. The Board therefore ensures that each new opportunity, and existing divisions on an on going basis, adheres to the Group's ESG policy.

b) Describe management's role in assessing and managing climate related risks and opportunities

At a company level, transition and physical risks and opportunities are considered throughout



Task force on Climate-related Financial Disclosures ("TCFD")

the acquisition, construction and due diligence process right through to the on-going management. The Board have reviewed and

business that are considered by commercial and management teams, including those operating

to-day management and assessment of climate-related risks and opportunities is therefore undertaken by divisional management teams and reported to the Board where necessary.

All of the above ensures the Board's oversight and management of climate-related risks and opportunities includes functions established to provide good governance over the Group's divisions. This enables the Board and subsidiary companies to all be aligned on approach to climate related risks and opportunities.

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material

a) Describe the climate-related risks and

the short, medium and long term

Given the Group's long term experience in its operating sectors and strong links to its suppliers, particularly in the energy and housebuilding sectors, the Group is well positioned to overcome risks and take advantage of opportunities arising from climate change. Climate related risks and opportunities are also at the core of the Group's strategy and are discussed right the way through the business, from Board level to the individual subsidiary companies within the Group. Climate plays a part in shaping the Group's long-term

management teams consider how to manage emissions and risks while achieving this rapid growth. Fibre has a positive long term impact on the environment as once the infrastructure is in place and operating, it is seen as a low carbon technology. A well-constructed and operated

emissions in the long-term due to the potential for home working and smart cities.

In the Group's housebuilding division, one major risk is ensuring short- and long term construction processes are managed in line with potential exposure to climate risks, such as

as all developments within the housebuilding sector (including retirement living) have technical

purchased.

The Group is also subject to regulatory risk as all homes and developments must satisfy environmental planning conditions, which may change as regulations are introduced to support the UK's transition to net zero. This presents the Group with the opportunity to go above and beyond applicable regulatory

homes and become a leader in this regard. It is important for the housebuilding division to satisfy all environmental planning conditions

exceed regulatory standards. The Group looks to develop strategies around progressive adoption of Modern Methods of Construction ("MMC") including timber frames, solar panels, air source heat pumps and electric vehicle charging points where appropriate. Where possible, the Group moves operational assets onto renewable energy

3 | GOVERNANCE

Task force on Climate-related Financial Disclosures ("TCFD")

the impact of climate-related risks

Within the energy division, the Group is in a strong position to take advantage of opportunities and mitigate risks that arise from the transition to a net zero economy. The main short term risk arises from competition as competitors could identify gaps as they seek to deploy more capital into renewable energies. The Group's successful track record helps it seize opportunities derived from the need to tackle climate change and continue to acquire and build new large scale impact projects, such as our Waste-to-Energy or the expansion into commercial solar rooftops.

The Group also faces risks from increased variability in weather patterns and potentially

performance. The Group constantly assesses the risks and opportunities presented by variable weather as part of ongoing due diligence and performance management.

Over the longer term, regulatory changes could impact the Group and could lead to changes in government incentives for constructing and operating renewable energy assets. The Group could be more exposed to volatile power prices as renewable energy becomes an increasingly sizeable proportion of total energy produced by the UK market. To mitigate this risk, the Group enters into short and long term contracts which

generated by a site. Long term government backed agreements are also in place, such as

scheme. This aligns with the Group's strategy of continuing to develop predictable long-term revenue streams, providing resilience against volatile pricing changes in the UK energy market.

As new technologies at renewable energy or housebuilding sites are developed and become more reliable, opportunities may arise for the Group to integrate these as the technologies mature and become cheaper. However, there is a risk that deployment into newer technologies could underperform compared to the business cases. Whilst representing a risk, it is expected that the negative impact would be immaterial to

c) Describe the impact of climate-related risks and opportunities on the organisation's business,

financial projections, including those that are

statements and included for budget preparations,

such as company valuations or business plans,

key inputs such as power price curves, operating and maintenance costs or future revenues which are all impacted by transitioning to a lower-carbon economy. The most material impact on the valuation of renewable energy assets is usually wholesale energy prices and operational performance. The Octopus Investments Valuation Committee is responsible for reviewing these assumptions and the sensitivities associated and is therefore considered as part of the valuation process.

positively if the shift towards renewable energy and sustainable homes is successful or negatively if the transition is slow. Extreme weather such as

at the Group's wind and solar farms and housebuilding sites, impacting any operating and

and longer-term budgets. Constructing our

3 | GOVERNANCE

Task force on Climate-related Financial Disclosures ("TCFD")

assets to the highest quality standard and going above and beyond the relevant regulatory standards by adopting MMCs will impact the Group's operating and maintenance costs further. The Group's cost projections are captured at point of acquisition, and models are [illegible]

and appropriate levels of insurance obtained. [illegible]

supply chain of feedstocks and strategic stores to [illegible]

supply from extreme weather conditions, there is contractual recourse obligations between the site and suppliers for protection against loss of revenues.

Climate-related risks also have an impact on accounting estimates and judgements within the [illegible]

includes a decommissioning provision relating to the future obligation to return land on which there are operational biomass, wind and solar farms to their original condition. This accounting [illegible]

the future dismantling and restoration costs, as well as the timing of the dismantlement, all of which will be impacted by physical climate risks and raw materials required for restoration. The Group engages with a third party to perform the assessment of costs to be incurred, including an assessment of future climate risks.

c) Describe the resilience of the organisation's [illegible]

climate scenarios, including a 2°C or lower scenario

1 - [illegible]

lower carbon economy, such as in a 2°C climate pathway (i.e. limiting global temperature increase to well below 2°C) whilst taking the steps to ensure we remain resilient to the risks associated [illegible]

Under a 1.5°C scenario, the world will experience [illegible]

fuels towards renewable energy sources as countries and businesses alike implement strong decarbonisation plans to reach net zero. Delivery [illegible]

in the pace of capital deployment into renewable energy, all of which leads to a growth in the Group's acquisition opportunities.

– [illegible]

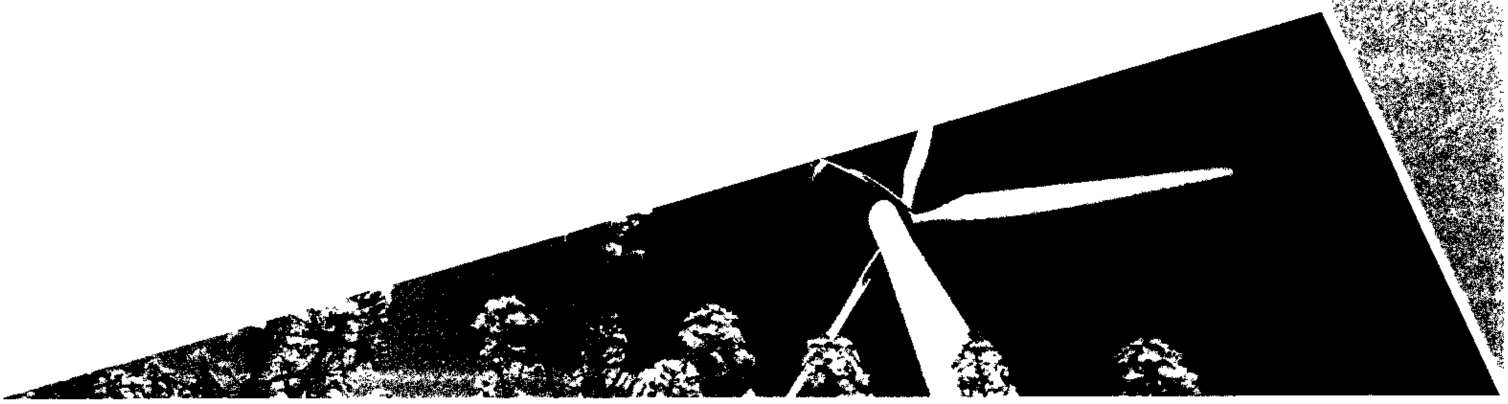
renewable energies is from competition and the potential for price cannibalisation. The Group's strategy is resilient to this as they focus [illegible]

mover advantages before any form of price erosion can take place. Increasing demand for [illegible]

deployment opportunities for renewable assets, with rising demand supporting the power price for electricity, mitigating price cannibalisation. The Group's housebuilding sector could also [illegible]

costs on installation of solar panels or heat pumps as technologies advance and become cheaper to access.

Under a 4°C scenario, it is assumed that the transition to a lower-carbon economy has been slower and the incentives to construct and operate renewables have not been forthcoming. There is also the increased physical risk of more extreme weather delaying the introduction and operation of renewable assets. Whilst this could impact the Group's revenue potential, this would discourage competition and the Group would be well placed to take advantage of any opportunity that arose. The Group's strategy



3 | GOVERNANCE

Task force on Climate-related Financial Disclosures ("TCFD")

is further resilient as the unpredictability of

technologies and location of sites. The Group's

housebuilding sectors is just one of the methods the Group is using to mitigate possible impacts of relying on a poorly supported renewable energy sector and lower-carbon transition that would occur in a 4°C scenario.

When comparing the two scenarios, the Group

a 4°C scenario pathway. The Board believes

either scenario enabling the Group to continue to provide returns whilst contributing to the transition to a lower carbon economy.

Risk Management

Disclose how the organisation identifies, assesses and manages climate-related risks.

a) Describe the organisation's process for identifying and assessing climate-related risks.

Climate-related risks are considered by management teams at both a Group and entity

deployment process.

The Group takes responsibility for understanding and assessing each of its group companies against a consistent framework which includes climate-related risks. In our energy sector, to identify climate-related risks in a subsidiary, management teams use SASB tools as part of ongoing due diligence, such as ThinkHazard and/or Climate Scale tools. Relevant climate

of capital deployment for new opportunities.

b) Describe the organisation's process for managing climate-related risks.

At a divisional level, transition and physical risks are considered throughout the acquisition process. Climate-related risks are managed by incorporating questions into an ESG matrix to prompt additional due diligence on assets, requiring the review of natural hazards in the region the asset is located and any mitigation strategies can then be determined.

c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.

W

Group implements an appropriate strategy to address the ones highlighted by the above

the Group's operations in terms of assets and geography, appropriate levels of insurance and

chains.

3 | GOVERNANCE

Task force on Climate-related Financial Disclosures ("TCFD")

Metrics & Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

a) Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process

As mentioned under the Risk Management pillar, management teams assess the relevant climate-related risks and opportunities of potential acquisitions in relation to set criteria. The ESG Risk Matrix used for our energy assets has a total score of 15, with a score of 9 or more required to indicate compliance with ESG policy requirements

b) Disclose scope 1, scope 2 and, if appropriate scope 3 greenhouse gas (GHG) emissions and the related risks

The Group's location based scope 1, 2 and 3 emissions are disclosed in the table below. In accordance with SECR, the Group's scope 3 emissions include only those relating to business travel.

Throughout the year, we have continued to

resulting in an increase in emissions as this is a function of growth and headcount increase. This is highlighted by the Group's Scope 2 emissions rising by 5% in FY23 caused by increased energy consumption, despite the overall emissions

companies are focused on the end goal of building a network, the journey along the way is just as important

The increase in emissions from our core division

from our reserve power sites, which account for 90% of reported emissions. Our 26 reserve power sites provide vital back up power to the National Grid in times of peak demand, and emissions are

in the energy generation required to balance the grid and supplement baseload power. We have thus seen a 5.2% reduction in emissions from the prior year in our reserve power sites alone, a function of the sites being called upon with less frequency

The other primary driver of the Group's emissions are our biomass plants, which account for a further 9% of the remaining emissions. Our biomass plants use a mix of straw, waste wood chips and other fuels of natural origins, which also have the capacity to regenerate, to produce electricity

The Group has therefore seen a headline reduction in tonnes of CO2 emitted in FY23 compared to FY22 of 5.8% primarily driven by the lower use of fuel in the reserve power and biomass sites that the Group owns and operates,

increases in core emissions

Emissions (Location Based)	FY23 (tCO2e)	FY22 (tCO2e)	% Change
Scope 1	221,552	237,723	(7%)
Scope 2	5,123	4,877	5%
Scope 3	2,024	332	509%
Total	**228,699**	**242,932**	**(6%)**

3 | GOVERNANCE

Task force on Climate-related Financial Disclosures ("TCFD")

Aggregated Metrics	FY23	FY22	% Change
Total emissions data (tCO2e)	228,699	242,952	(6%)
Energy Consumption (mWh)	6,782,755	7,986,050	(15%)
Emission intensity (tCO2e/Total Energy Consumption)	0.0337	0.0304	11%

Quality of data provided

The Group appointed Minimum, who are carbon accounting experts, to independently calculate its Greenhouse Gas ("GHG") emissions in accordance with the UK Government's Environmental Reporting Guidelines including Streamlined Energy and Carbon Reporting Guidance. The GHG emissions have been assessed following the ISO 14064 2018 standard and have used the 2022 emission conversion factors published by the Department for Business, Energy & Industrial Strategy (BEIS).

The emissions were categorised into location-based Scope 1, 2 and 3 emissions, in alignment with the World Resources Institute's 'Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard' guidelines with the below

- Scope 1: All direct GHG emissions by the Group from sources under their control (e.g. burning fuel)
- Scope 2: Indirect GHG emissions from where the energy the Group purchases and uses is produced (e.g. when generating electricity used in the buildings)
- Scope 3: All indirect emissions not covered by scope 2 that occur up and down the value chain (e.g. from business travel, employee commuting, use of sold products, distribution)

Minimum used a survey based approach to collect data, allowing subsidiary companies to

primary data was collected, be it kWhs of electricity consumed, m^3 of natural gas burnt

scope 3 emissions. We are pleased to report that of the data collected for the TCFD and SECR

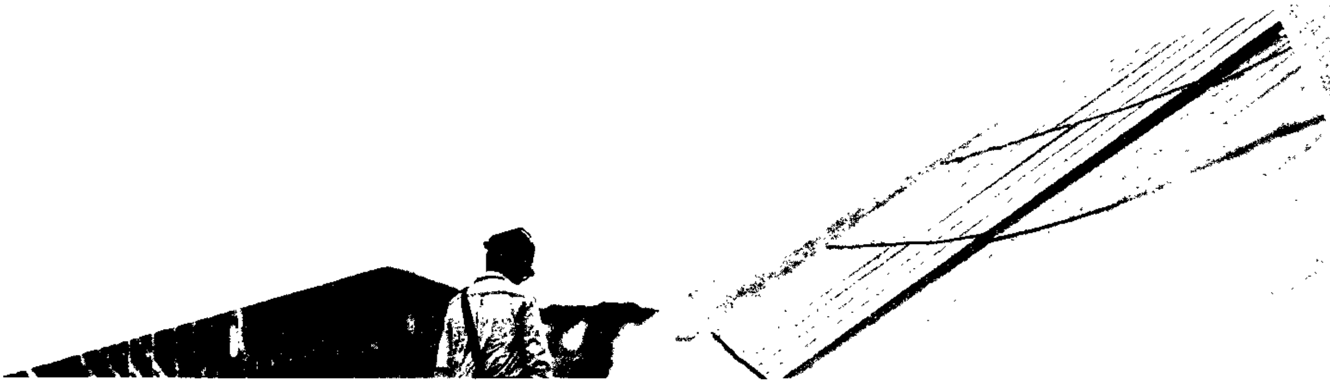
submitted by the subsidiary companies

c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

The Group, through the development and operation of primarily renewable energy assets, inherently contributes to the UK achieving its net zero target and helps drive the transition away from fossil fuels. Although the majority of the Group's energy generating assets, such as wind and solar, are low carbon by nature, other Group divisions are more carbon intensive and drive higher emissions. For instance, the operation of the Group's reserve power plants or the

assets. Where possible, the Group moves

seeks to partner with suppliers and contractors that are like-minded in their climate ambitions.



3 | GOVERNANCE

Group finance review

The purpose of this report is to provide additional

that we use include those that have been derived from our reported results in order to eliminate factors that distort year-on-year comparisons. These are

statements

we expect to derive from these businesses. To that

the full market value of assets or businesses owned by the Group.

There were various changes to the operational assets during the year, including the sale of Darlington Point, a large solar site in Australia, and Fluvia expanding their south-eastern footprint with the acquisition of Millwood Designer Homes. In March, our FTTP businesses were successfully consolidated into one new business focusing on wholesale strategy and our own ISP brand. Subsequent to year end, Dulacca, a large wind farm in Western Australia, became operational following a two year construction

2023

To support continued expansion, we built up cash reserves at year end of £157m, which serve to fund the operational needs of our divisions.

	2023 £'000	(restated) 2022 £'000	Movement £'000	Movement %
Revenue	**800,351**	**711,830**	88,521	12
EBITDA	**82,017**	**194,917**	(112,900)	(58)
Loss before tax	**(148,767)**	**55,888**	(204,655)	(366)
Lending book (net of provisions)	**439,535**	**360,901**	78,634	22
Cash	**156,919**	**256,415**	(99,496)	(39)
Net debt	**1,001,265**	**793,169**	208,096	26
Net assets	**2,366,052**	**2,220,920**	145,132	7

Financial performance

The Group has reported a loss before tax of £149m for the year ended 30 June 2022, which is a fall from

continue to grow our assets and operational base, as detailed further in this report. Similarly, overall EBITDA* decreased by 58% to £82m (2022: £195m), which is mainly due to operational growth in our newer

Additionally, there are two instances of extraordinary

not expected to reoccur: (1) restructuring costs of

premises businesses and (2) impairments costs of £22m, associated with trading assets which were sold subsequent to year end.

*Earnings before interest, tax, depreciation and amortisation

3 | GOVERNANCE

Group finance review

Revenue increased by £88m to £800m (2022: £712m) which was driven by a steady increase across all our sectors. Following the acquisition of Elivia Homes in May 2022, revenue from homebuilding was included

and contributed £50m of the £88m increase. The second most impactful increase, at £16m, was in our energy division, as power generation from our operating assets remained steady and energy prices stabilised in the second part of the year.

Retirement living saw a £9m increase (45%) in revenue, as we saw our sites reaching completion and buyers taking residence. Additionally, revenue from our lending division saw an increase of 15% to £49m (2022: £42m) due to an increase in the loan book value to an average of £454m over the year.

Operating expenses for the year were in line with our expectations, with the increase primarily driven by reserve power, due to gas procurement costs

base, and the associated costs resulting from the addition of Elivia brought an associated increase in

increased by £35m.

A prior year restatement due to hedge accounting

between Other Comprehensive Income and Retained Earnings, this resulted in an accumulated

in the restated accounts. However, interest costs increased in the year, as Elivia's external debt facility was included in the Group results for the full year.

Financial position

Continued shareholder interest and investment has seen net assets grow to £2,366m (2022: £2,221m restated). In the year ended 30 June 2023 we issued 142m shares (2022: 150m) for a total consideration of £234m (2022: £205m).

Fixed assets increased by £113m as deployment in

energy assets decreased by a net £108m due to a combination of deployment in construction projects,

2022.

Net current assets of £815m (2022: £807m restated)

in stock in the homebuilding division, which in turn

accelerated cash deployment. Our loan book, gross of provisions, has increased by 27% to £474m (2022: £375m), and at 30 June 2023 represented 15% of net assets (2022: 13%).

Cash and cash equivalents as at 30 June 2023 were £157m (2022: £256m). Cash generated from operating activities remained strong at £205m (2022: £346m), which has been utilised alongside external

issues to grow the business. We have invested

which will require further capital expenditure over

across sectors. Of the cash held at year end, £134m

subsidiaries, where there are a number of construction and infrastructure projects under way, requiring cash to be readily available for stage payments due in the months after year end.

Goodwill at £514m (2022: £541m), continues to be

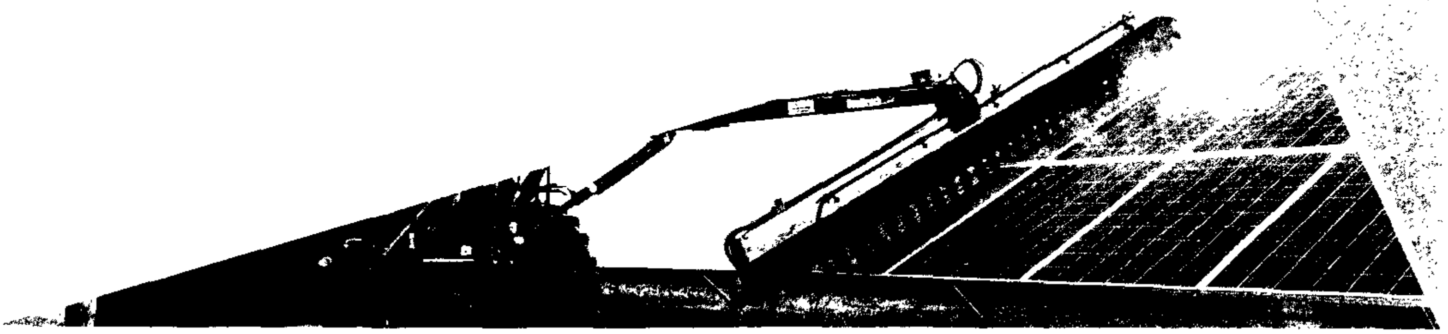
on the acquisition of some businesses. Acquired businesses – for example renewable energy sites, often have a market value in excess of the company's

streams. Put simply, the market value of our

tangible assets such as solar panels or wind turbines. We pay market value for the sites we acquire, which

the solar panels and so generates goodwill, which essentially represents the value of the expected future income streams. Goodwill recognised is tested for impairment annually and will gradually be

expected returns are realised.



Group finance review

Sector performance

Energy

As economic activity and global demand continued to remain high throughout the year, so too did wholesale energy prices, driven by movements in commodity prices. This resulted in the Group maintaining strong revenues from energy generation at a level similar to 2022 across our energy sites, with revenue of £606m (2022: £590m).

Our generation capacity remained consistent year on year, as there were no substantial changes to our energy generating assets. However, production was marginally reduced due to Snetterton, one of our

of operational downtime following a gearbox fault.

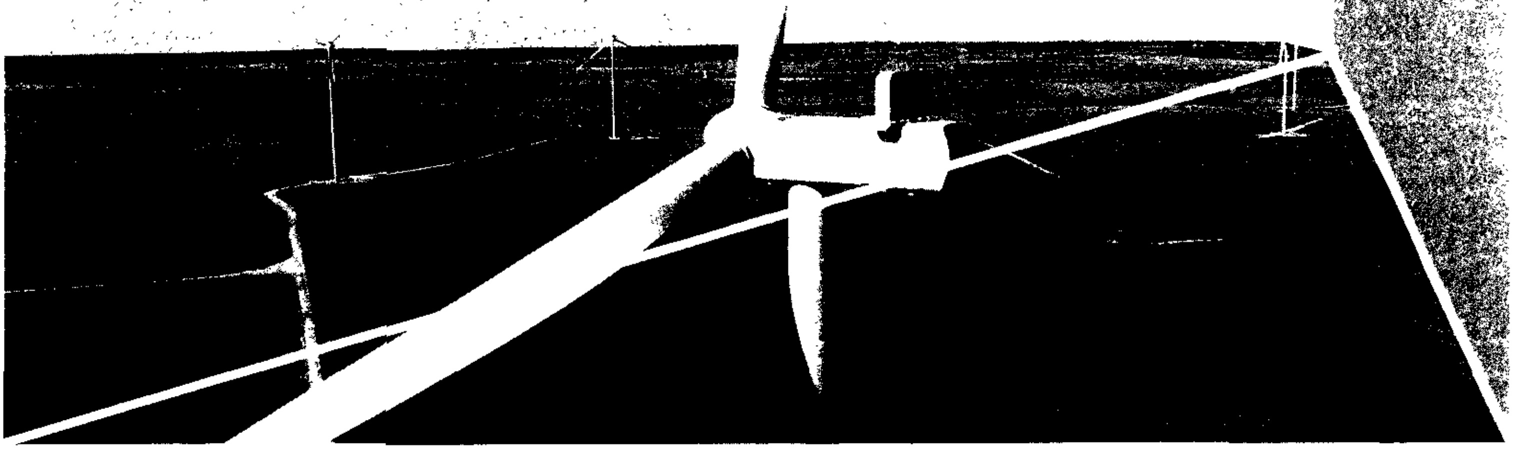
The associated insurance claim for replacement parts and loss of revenue was settled in full.

price per unit for the division as a whole, as it increased to £107.7/MWh from £97.5/MWh in the prior year, a movement of 10%.

While total operating costs remained mostly consistent year-on-year at £377m (2022: £327m), the Group recorded a £30m increase in gas procurement

EBITDA also decreased by 15% to £232m (2022: £258m).

	FY2023 Production (MWh)	FY2022 Production (MWh)	FY2023 External Availability	FY2022 External Availability
Biomass	**991,873**	1,050,038	**83.5%**	84.6%
	225,680	240,226	**96.2%**	97.9%
Reserve Power	**405,802**	403,355	**94.6%**	94.2%
Solar	**569,063**	554,858	**94.8%**	97.7%
Wind	**876,374**	851,214	**92.6%**	90.5%
Total	**3,068,792**	**3,099,690**		



3 | GOVERNANCE

Group finance review

The French government has announced it would revoke the measure introduced in November 2020 to retroactively modify FiT contracts, which reduces uncertainty in our French solar portfolios. However, this earlier ruling resulted in an £8m French solar Goodwill impairment in the prior year, which due to accounting convention cannot be reversed once recognised.

In November 2022, the UK government announced the introduction of an Electricity Generator Levy (EGL), a temporary measure to charge exceptional receipts on high revenues for Groups generating

until 31 March 2028 and it enacts a 45% windfall levy on wholesale energy market revenues in excess of

renewable, biomass, and energy from waste sources. The Group was not required to pay EGL in the period, however we do expect to pay this in the next

had already anticipated the impact on the returns generated from our energy portfolio over the next

Lending

Revenue from lending increased by £7m to £49m (15%), primarily due to a larger loan book for 2023, as property deployment accelerated in the year. At year end, the book had increased both in value (£474m, 2022: £375m) and in numbers of loans (219 loans, 2022: 176 loans). However, the UK's challenging background was not without impact and throughout the year, we recorded a provision of £30m against one commercial loan. This has highlighted the

lending accounts for £470m of the total division, spread across 198 loans at year end. As a result, EBITDA for the lending division improved slightly to £8m loss from £13m loss in the prior year. Within this movement are provisions of £43m recognised against property loans during the year (2022: £39m).

Fibre

the build phase and are starting to add customers to their networks. By 30 June 2023, the division was serving around 50,000 customers and building in over 100 locations in the UK; we are on track to be

properties in those towns and villages.

Overall, the division has almost doubled its revenue year on year, from £9m in 2022 to £16m in the

capital intensive and leads to a physical asset on balance sheet, the division also incurs large operating expenses as the businesses scale their operations and develop market presence. This resulted in a reported EBITDA loss of £120m (2022: £56m loss),

development stage of the division. This includes extraordinary costs of £13m associated with the restructure.

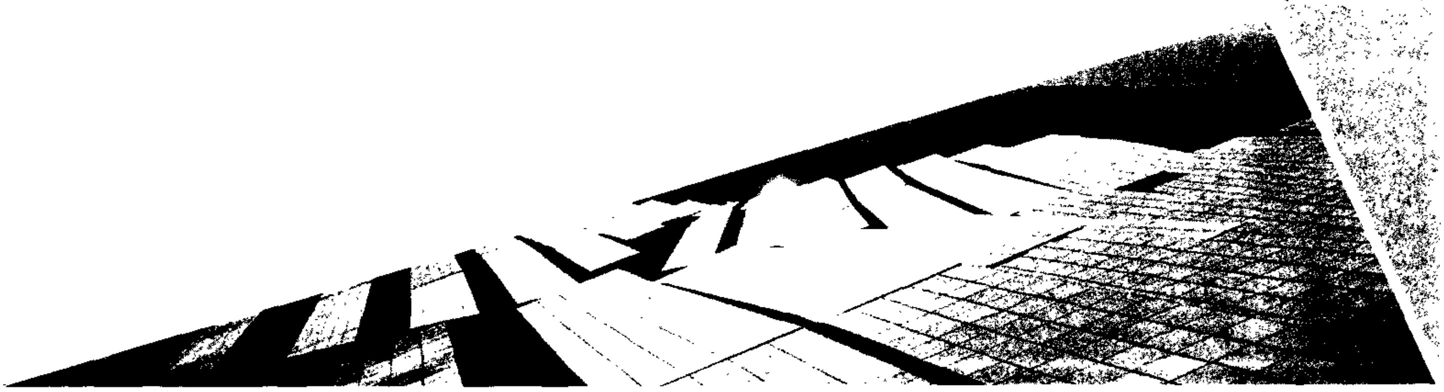
As we build out these networks, the assets will be recognised on the balance sheet at cost which cannot include future value which is expected to be generated as the assets have been internally generated.

Housebuilding

We have rebranded our healthcare division to

Whereas it incorporates primarily Fivia and Rangeford, this division continues to include the results of One Healthcare (two private hospitals, for

and liabilities were sold subsequent to year end. Extraordinary costs of £22m associated with these assets are recognised in the accounts and are not expected to reoccur in future periods.



Group finance review

Housebuilding operations contributed £130m (2022 [illegible] impact of increased revenue in Rangeford, as well as a full year of Elivia operations. Elivia sold 132 units in the year, and is performing in line with budget, while Rangeford increased its revenue by 45% to £29m and sold 47 units.

A change in accounting policy resulted in the cost of Rangeford communal areas being capitalised as [illegible] amortised over the life of the site. Previously, these costs were immediately recognised to Cost of Sales in the P&L. The treatment has been agreed with our auditors and has not resulted in a prior year [illegible] increased by £15m in the current year as a result [illegible]

Funding and liquidity

Our strategy within our renewable energy businesses [illegible] levels from mainstream banks to enhance returns. At year end we had drawn £1,160m of external debt in this part of the Group, with a further £175m available to be drawn.

This approach enables us to acquire businesses that have stable characteristics such as predictable cost base, revenue streams, government incentives or proven technology and as such have lower returns [illegible] that failing to adopt this strategy would have a negative impact on business return and shareholder value over the long term. 80% of our interest payable [illegible] exposed to current interest rate volatility. The Group applies hedge accounting for interest rate swaps which means any changes in the fair value of the [illegible] recognised in the P&L. The market value of the swaps is recognised on the balance sheet as an asset or a liability, depending on whether the swap is favourable compared to current rates.

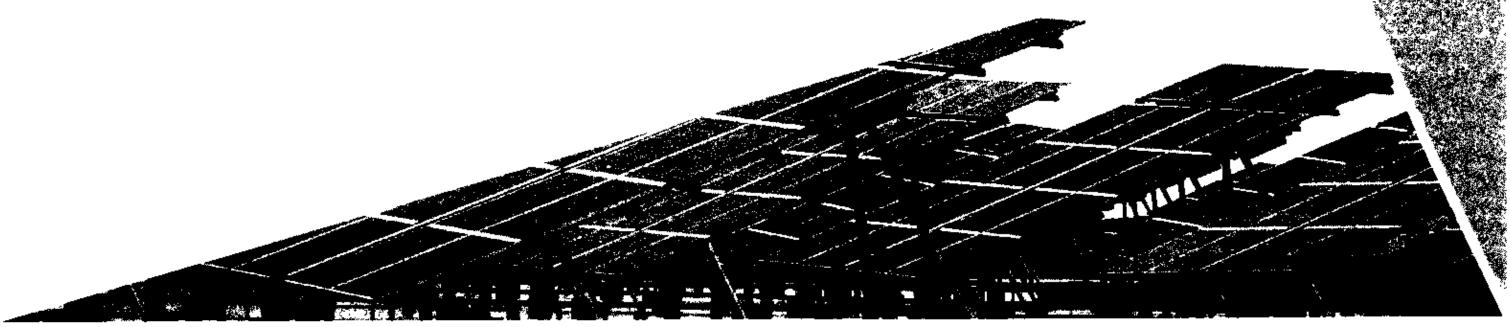
[illegible] ensure that they are competitive and optimised for the needs of the business. To ensure cash is [illegible]

Group has access to a Revolving Credit Facility of £290m, which is interlinked to the net assets of our [illegible] by seasonality of operating working capital.

Looking ahead

[illegible] believe that the business is positioned well to take advantage of future growth opportunities across its core business areas. Energy and lending operations are well established in the market and continue to make excellent progress with robust performances [illegible] loans during the year in our lending sector having experienced challenges which are not indicative of further problems across other loans in the sector.

[illegible] with expectations, while growing its revenue and operational base. Sales activity in our housebuilding division remain strong against a challenging market [illegible]



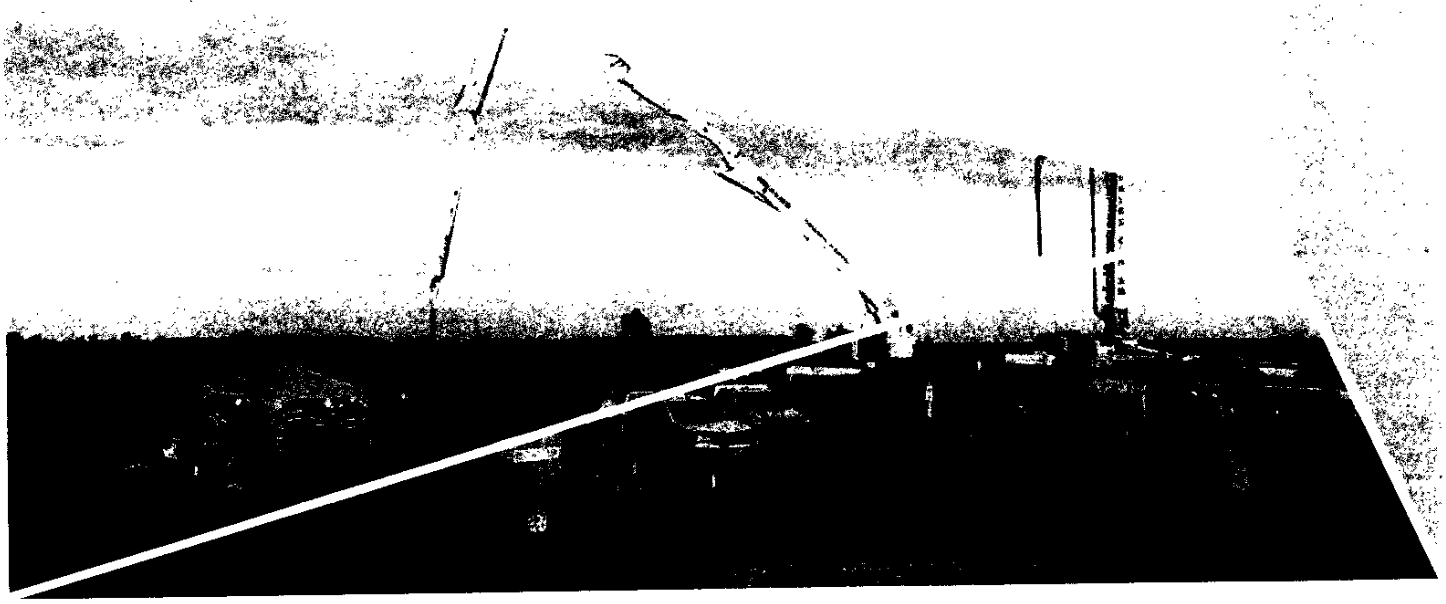
Group finance review

We expect to generate strong operating returns from our established divisions for the coming years.

construction phase assets, while at the same time

maturity

PS Latham
Director
20 December 2023



Directors' report for the year ended 30 June 2023

of the Group for the year ended 30 June 2023.

For a summary of the Group's results, refer to the

The directors have not recommended payment of a dividend (2022: £Nil)

during the year and up to the date of signing the

PS Latham

KJ Wiley

PC Barlow

T Arthur

SM Grant (appointed 1 January 2023)

statements

Refer to the Strategic Report on page 8

Refer to the Strategic Report on page 12

Refer to the section 172 statement on page 21

management including information on the exposure of the Group to credit risks, liquidity risks and market

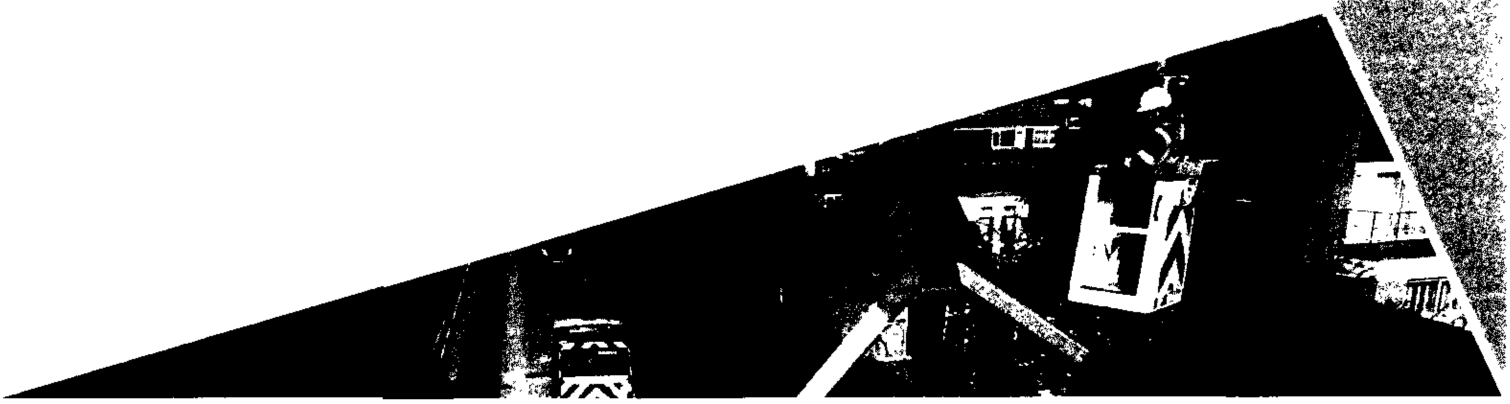
The Group's principal risks are set out in the strategic report on page 17

As permitted by section 414c (11) of the Companies Act 2006 the directors have elected to disclose information required to be in the directors' report by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, in the strategic report

The Board recognises that a corporate culture based on sound ethical values and behaviours is an asset. The Group endeavours to conduct its business with integrity, in an ethical, professional and responsible manner, treating our employees, customers, suppliers and partners with courtesy and respect.

Applications for employment by disabled persons are given full and fair consideration for all vacancies, having regard to their particular aptitudes and abilities. Should a person become disabled while in

retain them in employment, giving alternative training as necessary



3 | GOVERNANCE

Directors' report for the year ended 30 June 2023

We fully realise that our employees wish to be

their own areas of interest and responsibility

communication at all levels and we aim to establish a climate which constantly encourages the open

publication of monthly key performance indicators covering output, operating costs and health and safety.

The Group has in place an agreement with Octopus Investments Limited to provide services to the Group covering operational oversight, administration, company secretarial and company accounting.

The Board adopted an updated environmental, social and corporate governance (ESG) policy in April 2023. The Group recognises the need to conduct its business in a manner that is responsible to the environment, wherever possible.

aims and objectives of the Task Force on Climate-related Financial Disclosures (TCFD) and has

page 24 in line with the four key pillars and eleven recommendations.

The Group has an Anti-Bribery Policy which introduced robust procedures to ensure full compliance with the Bribery Act 2010 and to ensure that the highest standards of professional ethical conduct are maintained.

In accordance with the recommendations of The UK Corporate Governance Code, the Board has considered the arrangements in place to encourage

arrangements are in place to allow an independent investigation, and follow-on action where necessary, to take place within the organisation.

We are committed to acting ethically and with integrity in all our business dealings and relationships

and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains, consistent with our obligations under the Modern Slavery Act 2015. We expect the same high standards from all of our contractors, suppliers and other business partners. As part of our contracting processes, we expect our suppliers to comply with the Modern Slavery Act 2015.

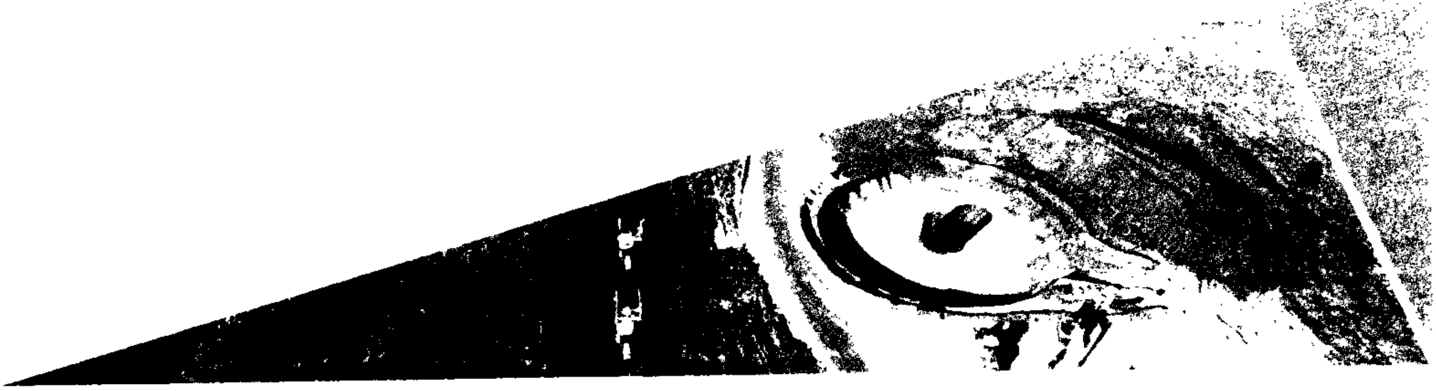
The directors are responsible for preparing the

accordance with applicable law and regulation.

Company law requires the directors to prepare

that law the directors have prepared the Group and

United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law). Under company law the



Directors' report for the year ended 30 June 2023

the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures
- make judgements and accounting estimates that are reasonable and prudent; and
- concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate

explain the Group and Company's transactions and disclose with reasonable accuracy at any time the

comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation

from legislation in other jurisdictions.

As permitted by the Articles of Association, the

by section 234 of the Companies Act 2006. The

year and is currently in force.

Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Group and Company's auditors are unaware; and
- *they have taken all the steps that they ought to have* taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group and Company's auditors are aware of that information.

in accordance with the provisions of section 418 of the Companies Act 2006.

Ernst & Young LLP having been appointed in 2022, have indicated their willingness to be reappointed for another term and will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

The Directors' report was approved by the Board of Directors on 20 December 2023 and signed on its behalf by

PS Latham
Director
20 December 2023

Independent auditors' report to the members of Fern Trading Limited

Opinion

Trading Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2023 which comprise the Group Statement of Comprehensive Income, the Group and Parent Company Balance Sheet, the Group Statement of Cash Flows, the Group and Parent Statement of Changes in Equity and the related notes 1 to 29

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).

- give a true and fair view of the Group's and of the

  of the Group's loss 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

statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the

ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained

opinion.

Conclusions relating to going concern

concluded that the directors' use of the going concern basis of accounting in the preparation of

Based on the work we have performed, we have

events or conditions that, individually or collectively,

Company's ability to continue as a going concern for

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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Other information

The other information comprises the information

statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

cover the other information and, except to the extent otherwise explicitly stated in this 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

the course of the audit or otherwise appears to be materially misstated. If we identify such materia

Independent auditors' report to the members of Fern Trading Limited

inconsistencies or apparent material misstatements, we are required to determine whether this gives rise [illegible] themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 [illegible]
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we [illegible]

Strategic report or 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, or returns adequate for our audit have not been received from branches not visited by us; or
- [illegible] in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration [illegible]
- we have not received all the information and explanations we require for our audit.

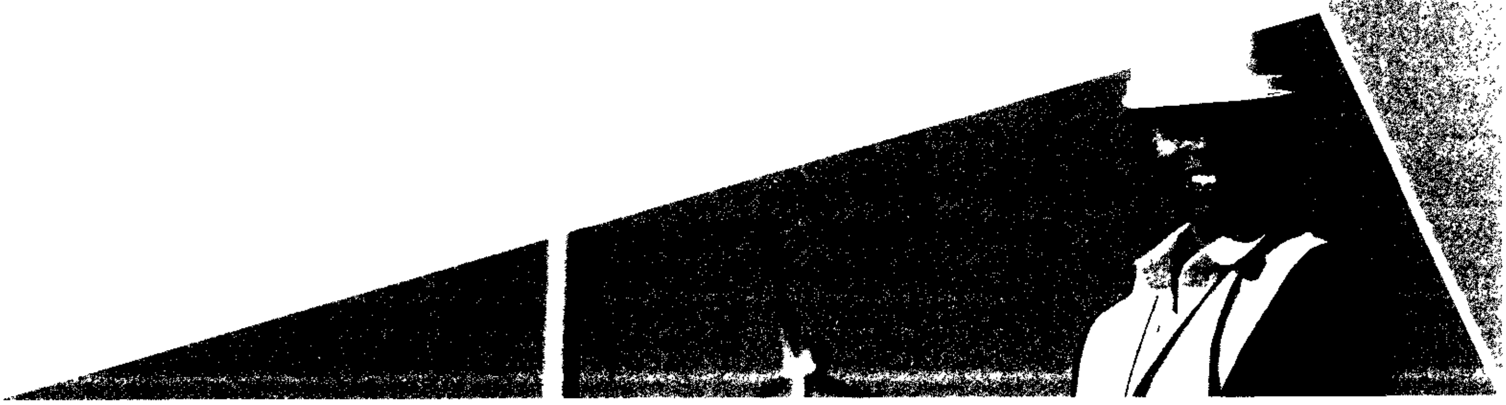
Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on pages 38 and 39 the Directors are responsible for the preparation [illegible] that they give a true and fair view, and for such internal control as the Directors determine is [illegible] statements that are free from material misstatement, whether due to fraud or error.

[illegible] 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

Our objectives are to obtain reasonable assurance [illegible] 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, [illegible] economic decisions of users taken on the basis of [illegible]



Independent auditors' report to the members of Fern Trading Limited

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the

  are those that relate to reporting framework (FRS 102 and the Companies Act 2006).
- We understood how Fern Trading Limited is complying with those frameworks by making enquiries of management, those charged with governance and those responsible for legal and compliance procedures as to any fraud risk framework within the entity, including whether a formal fraud risk assessment is completed. We corroborated our enquiries through review of the following documentation or performance of the following procedures:
  - obtaining an understanding of entity-level

    control environment
  - obtaining an understanding of policies and procedures in place regarding compliance with laws and regulations, including how compliance with such policies is monitored and enforced, obtaining an understanding of management's process for identifying and responding to fraud risks, including programs and controls

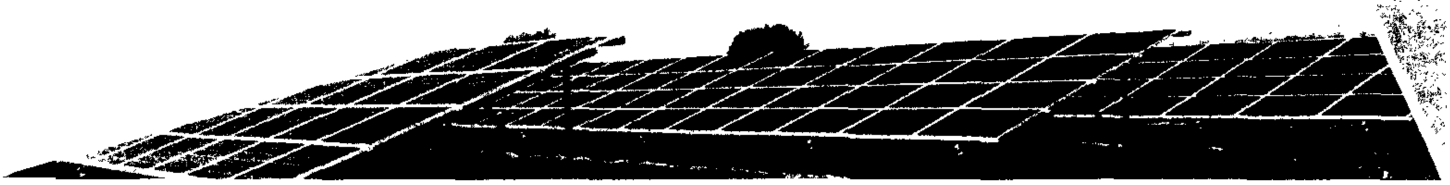
    otherwise prevent, deter and detect fraud, and how senior management monitors those programs and controls
  - review of board meeting minutes in the period and up to date of signing
- We assessed the susceptibility of the Group's

  including how fraud might occur by holding a discussion within the audit team which included:
  -
  - understanding the Group's business, the control environment and assessing the inherent risk for

    level, including discussions with management to gain an understanding of those areas of the

  - considered the controls that the Group has

    entity or that otherwise seek to prevent, deter or detect fraud including gaining an understanding of the entity level controls and policies that the Group applies
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved testing of journal entries through journal analytics tools, with focus on manual



Independent auditors' report to the members of Fern Trading Limited

journals, large or unusual transactions, or journals meeting our defined risk criteria based on our understanding of the business, tested accounting estimates for evidence of management bias, enquiring of members of senior management and those charged with governance regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements, and inspecting correspondence, if any, with the relevant licensing or regulatory authorities.

A further description of our responsibilities for the audit of the financial statements is located on the

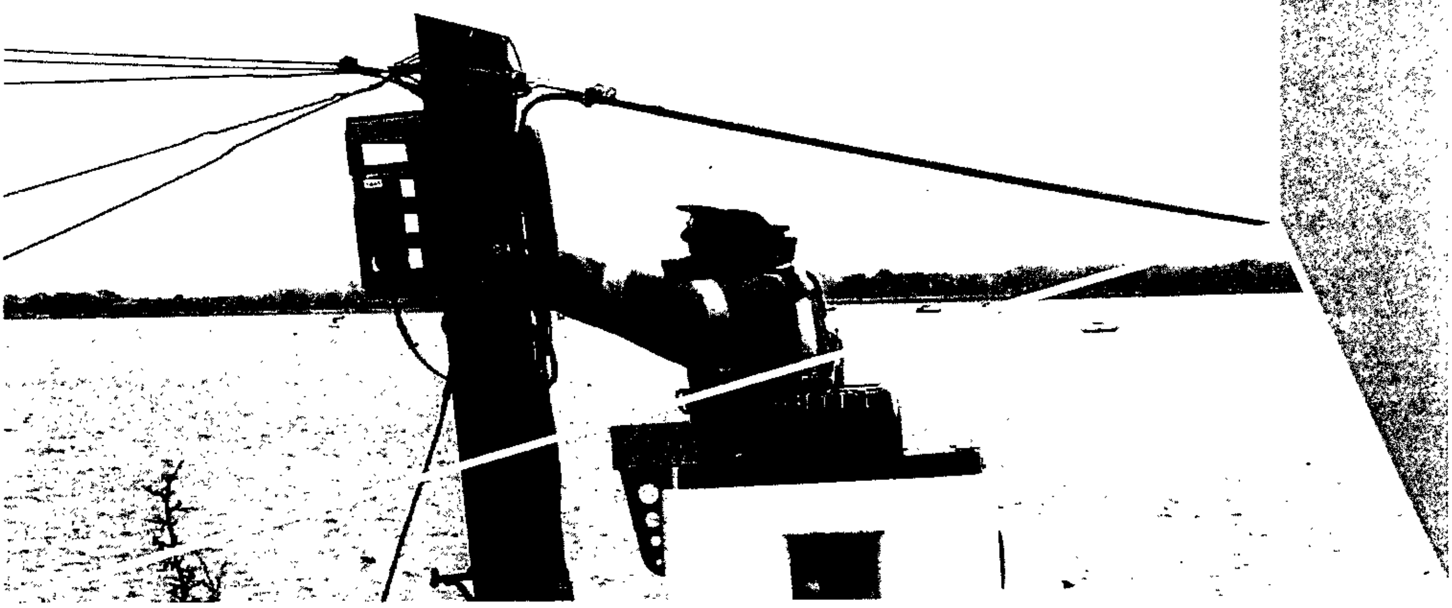
Financial Reporting Council's website at **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

Use of our 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.

Ernst & Young LLP

Michael Kidd (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast
20 December 2023



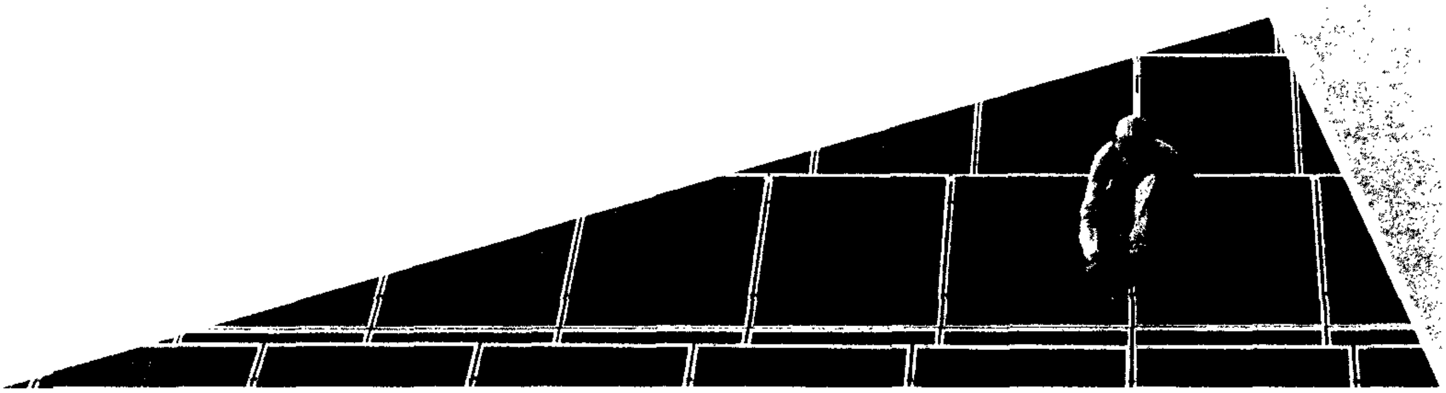
4 | FINANCIAL STATEMENTS 30 JUNE 2023

	Note	2023	(restated) 2022
		£'000	£'000
Turnover	1	**800,351**	711,830
Cost of sales		**(526,367)**	(386,008)
Gross profit		**273,984**	325,822
Administrative expenses		**(379,077)**	(283,126)
Operating profit/(loss)	2	**(105,093)**	42,696
Other income	1	**4,968**	3,550
		955	5,249
	8	**(1,045)**	29,533
Other interest receivable and similar income	6	**713**	150
Interest payable and similar charges	6	**(49,265)**	(25,270)
Profit/(loss) before taxation		**(148,767)**	55,888
		17,208	(17,868)
Profit/(loss) for the financial year		**(131,559)**	38,020
Attributable to Fern		**(132,896)**	44,642
Minority interest		**1,337**	(6,622)
		(131,559)	38,020

All results relate to continuing activities. Note 26 details the prior period adjustments

Group statement of comprehensive income for the year ended 30 June 2023

	2023	(restated) 2022
	£'000	£'000
Profit/(loss) for the financial year	**(131,559)**	38,020
Other comprehensive income		
	39,599	71,401
Foreign exchange gain/(loss) on retranslation of subsidiaries	**(9,093)**	18,562
Other comprehensive income for the year	**30,506**	89,963
Total comprehensive income for the year	**(101,053)**	127,983
Attributable to		
• **Owners of the parent**	**(102,390)**	134,605
• **Non-controlling interests**	**1,337**	(6,622)
	(101,053)	127,983



4 | FINANCIAL STATEMENTS 30 JUNE 2023

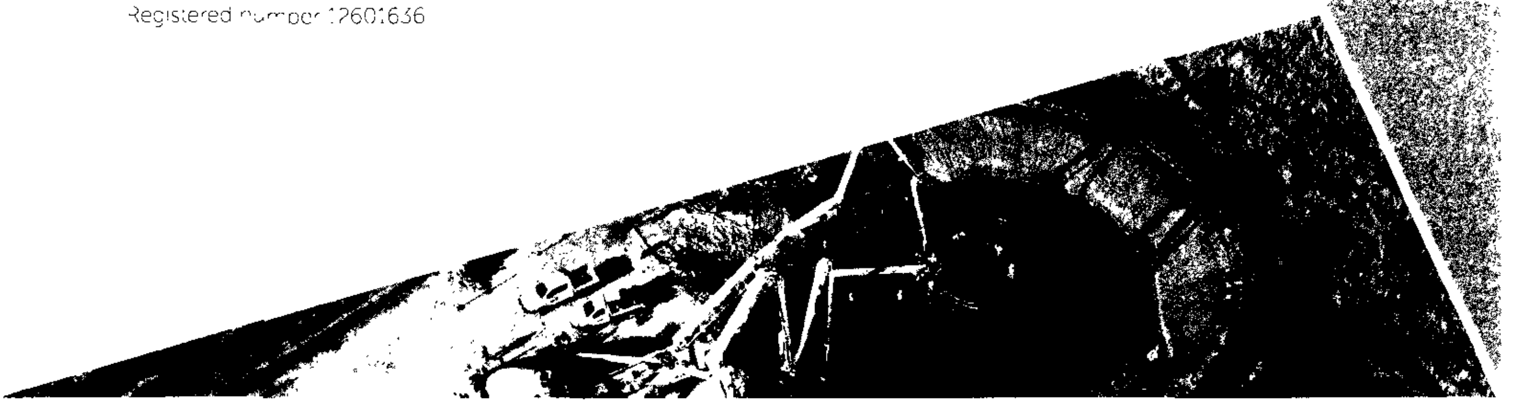
Group balance sheet as at 30 June 2023

	Note	2023 £'000	(restated) 2022 £'000
Fixed assets			
Intangible assets	8	**528,874**	557,708
Tangible assets	9	**2,035,554**	1,893,430
Investments	10	**13,742**	35,452
		2,578,170	2,486,590
Current assets			
Stocks	12	**263,616**	184,479
Debtors (including £161m (2022: £138m) due after more than one year)	13	**825,068**	623,876
Cash at bank and in hand	11	**156,919**	256,415
		1,245,603	1,064,770
Creditors: amounts falling due within one year	14	**(430,891)**	(258,264)
Net current assets		**814,712**	806,506
Total assets less current liabilities		**3,392,882**	3,293,096
Creditors: amounts falling due after more than one year	15	**(949,946)**	(993,325)
Provisions for liabilities	17	**(76,884)**	(78,851)
Net assets		**2,366,052**	2,220,920
Capital and reserves			
Called up share capital	18	**175,876**	161,662
Share premium account		**608,085**	364,882
Merger reserve		**1,613,899**	1,655,569
		91,516	51,917
		(110,530)	9,791
Total shareholders' funds		**2,378,846**	2,223,821
Non controlling interests		**(12,794)**	(2,901)
Capital employed		**2,366,052**	2,220,920

Note 26 details the prior period adjustments.

20 December 2023 and are signed on their behalf by

PS Latham
Director
Registered number 12601636



4 | FINANCIAL STATEMENTS 30 JUNE 2023

Company balance sheet as at 30 June 2023

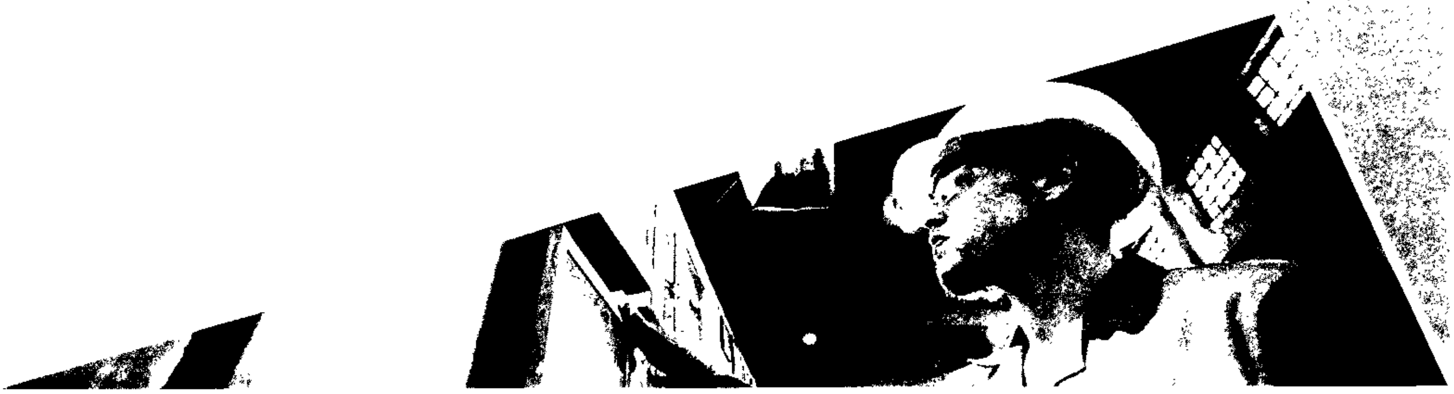
	Note	2023 £'000	2022 £'000
Fixed assets			
Investments	10	**2,991,990**	2,539,978
		2,991,990	2,539,978
Current assets			
Debtors	13	**26,543**	39,888
Cash at bank and in hand	11	**17,478**	6,422
		44,021	46,310
Creditors: amounts falling due within one year	14	**(700)**	(449)
Net current assets		**43,321**	45,861
Total assets less current liabilities		**3,035,311**	2,585,839
Net assets		**3,035,311**	2,585,839
Capital and reserves			
Called up share capital	18	**175,876**	161,662
Share premium account		**608,085**	364,882
Merger reserve		**1,986,457**	1,986,457
		264,893	72,838
Total shareholders' funds		**3,035,311**	2,585,839

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to

statements of the Company was £192,055,220 (2022: £236,742,000)

and are signed on their behalf by

PS Latham
Director
Registered number 12601636



Group statement of changes in equity for the year ended 30 June 2023

	Called up share capital	Share premium account	Merger reserve	Cash flow hedge reserve (restated)	Profit and loss account (restated)	Total share-holders' funds (restated)	Non-controlling interest	Capital employed (restated)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
[illegible]	149,676	173,118	1,440,257	(14,979)	136,049	1,884,121	3,721	1,887,842
Prior period adjustments (note 26)				(4,505)	5,849	1,344		
Balance as at 1 July 2021 (restated)	149,676	173,118	1,440,257	(19,484)	141,898	1,885,465	3,721	1,889,188
[illegible] year (restated)	–	–	–	–	44,642	44,642	(6,622)	38,020
Changes in market [illegible] hedges	–	–	–	71,401	–	71,401	–	71,401
Foreign exchange loss on retranslation of subsidiaries	–	–		–	18,561	18,561	–	18,561
Other comprehensive income/(expense) for the year	–	–	–	71,401	18,561	89,962	–	89,962
Total comprehensive income/(expense) for the year	–	–	–	71,401	63,203	134,604	(6,622)	127,982
Utilisation of merger reserve	–	–	(95,312)	–	(95,312)	–	–	–
Shares issued during the year	11,986	191,764	–	–	–	203,750	–	203,750
Balance as at 30 June 2022 (restated)	161,662	364,882	1,635,569	51,917	9,791	2,223,821	(2,901)	2,220,920
Balance as at 1 July 2022 (restated)	**161,662**	**364,882**	**1,635,569**	**51,917**	**9,791**	**2,222,821**	**(2,901)**	**2,220,920**
Profit for the financial year	**–**	**–**	**–**	**–**	**(132,896)**	**(111,226)**	**1,337**	**(109,889)**
Changes in market value of cash flow hedges	**–**	**–**	**–**	**39,599**	**–**	**39,599**	**–**	**39,599**
Foreign exchange loss on retranslation of subsidiaries	**–**	**–**	**–**	**–**	**(9,093)**	**(9,093)**	**–**	**(9,093)**
Other comprehensive income/(expense) for the year	**–**	**–**	**–**	**39,599**	**(9,093)**	**30,506**	**–**	**30,506**
Total comprehensive income/(expense) for the year	**–**	**–**	**–**	**39,599**	**(141,989)**	**(102,390)**	**1,337**	**(101,053)**

	Called up share capital	Share premium account	Merger reserve	Cash flow hedge reserve (restated)	Profit and loss account (restated)	Total share-holders' funds (restated)	Non-controlling interest	Capital employed (restated)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Non-controlling interest arising on business combination	–	–	–	–	–	–	(11,230)	(11,230)
Utilisation of merger reserve	–	–	(21,670)	–	21,670	–	–	–
Shares issued during the year	14,214	243,203	–	–	–	257,417	–	257,417
Balance as at 30 June 2023	175,876	608,085	1,613,899	91,516	(110,530)	2,378,847	(12,794)	2,366,052

Note 26 details the prior period adjustments

Company statement of changes in equity for the year ended 30 June 2023

	Called up share capital	Share premium account	Merger reserves	Profit and loss account	Total shareholders' funds
	£'000	£'000	£'000	£'000	£'000
Balance as at 30 June 2021	149,676	173,118	1,791,145	31,409	2,145,348
	–		–	236,741	236,741
Utilisation of merger reserve	–	–	195,312	195,312	–
Total comprehensive income	–	–	195,312	41,429	236,741
Shares issued during the year	11,986	191,764	–	–	203,750
Shares cancelled during the year	–	–		–	–
Balance as at 30 June 2022	**161,662**	**364,882**	**1,986,457**	**72,838**	**2,585,839**
Profit for the financial year	–	–	–	**192,055**	**192,055**
Utilisation of merger reserve	–	–	–	–	–
Total comprehensive income	–	–	–	**192,055**	**192,055**
Shares issued during the year	**14,214**	**243,203**	–	–	**257,417**
Shares cancelled during the year	–	–	–	–	–
Balance as at 30 June 2023	**175,876**	**608,085**	**1,986,457**	**264,893**	**3,035,311**

4 | FINANCIAL STATEMENTS 30 JUNE 2023

Consolidated statement of cash flows for the year ended 30 June 2023

	Note	2023 £'000	(restated) 2022 £'000
Cash flows from operating activities			
		(132,896)	44,643
Adjustments for:			
	7	**(17,208)**	17,868
Interest receivable and similar income	6	**(713)**	(130)
Interest payable and other similar charges	6	**49,264**	25,270
Loss on disposal of subsidiaries	8	**1,045**	(29,532)
		(955)	(5,249)
	8	**43,991**	45,762
	9	**103,754**	101,802
		21,670	
		3,961	3,040
Movements on derivatives and foreign exchange		**(19,149)**	(18,044)
Increase in stock		**(48,283)**	(19,829)
(Increase)/decrease in debtors		**(160,903)**	31,022
Increase/(decrease) in creditors		**105,863**	(173,957)
Non controlling interests	19	**1,337**	(6,622)
Tax received/(paid)		**8,528**	25,853
Net cash generated from operating activities		**(40,694)**	41,897
Cash flows from investing activities			
Purchase of subsidiary undertakings (net of cash acquired)		**(19,176)**	(52,377)
Sale of subsidiary undertakings and joint venture		**120,521**	101,778
Purchase of tangible assets		**(490,656)**	(322,446)
Sale of intangible assets		**90**	(7,222)
Purchase of unlisted investments		**(65,335)**	(124,203)
Sale of unlisted investments	10	**88,000**	105,000
Interest received	6	**713**	130
Net cash used in investing activities		**(365,843)**	(299,340)
Cash flows from financing activities			
		284,617	201,719
Interest paid		**(186,453)**	(32,319)
		(49,264)	(32,013)
Proceeds from share issue	18	**257,417**	203,750
Net cash generated from financing activities		**306,317**	341,137
Net (decrease)/increase in cash and cash equivalents		**(99,496)**	83,694
Cash and cash equivalents at the beginning of the year	11	**256,415**	172,478
Exchange gains on cash and cash equivalents		**724**	243
Cash and cash equivalents at the end of the year	11	**156,919**	256,415

Note 26 details the prior period adjustments.

4 | FINANCIAL STATEMENTS 30 JUNE 2023

Statement of accounting policies

Company information

Fern Trading Limited ("the Company") is a private company limited by shares and incorporated on 14 May 2020. The company is domiciled in England, the United Kingdom and registered under company number

Statement of compliance

the United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

in note 29, have taken the exemption from an audit for the year ended 30 June 2023 permitted by section 479A of Companies Act 2006. In order to allow these subsidiaries to take the audit exemption, the parent company has given a statutory guarantee, in line with section 479C of Companies Act 2006, of all the outstanding net liabilities as at 30 June 2023.

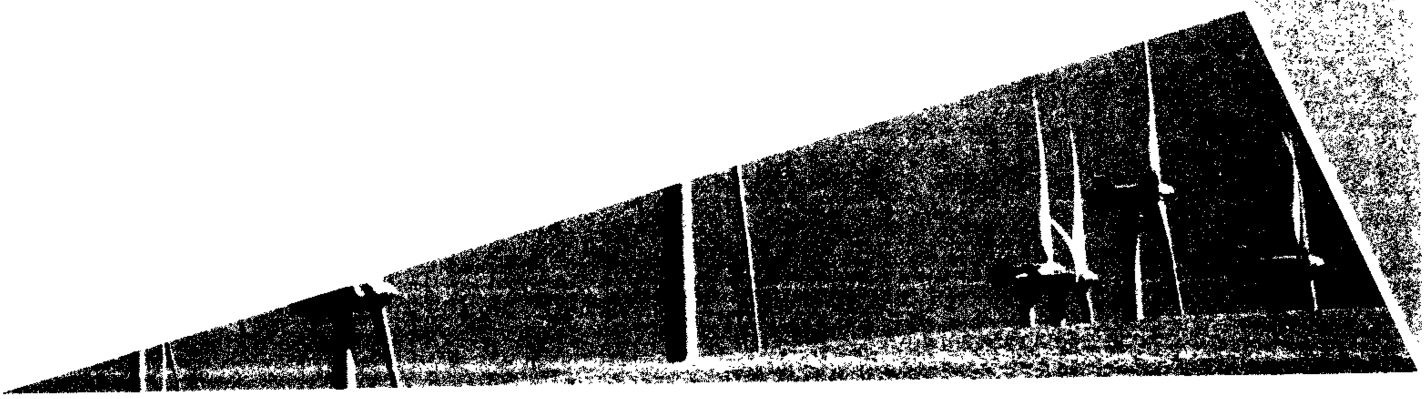
Going concern

review on pages 31 to 36. The principal risks of the Group are set out on pages 17 to 20.

been signed.

Due to the challenging market conditions management have performed an assessment to determine whether

believe that the Group is well placed to manage its business risks successfully despite the current uncertain economic outlook.



4 | FINANCIAL STATEMENTS 30 JUNE 2023

Statement of accounting policies

A reverse stress test was performed on the base case forecast to ascertain what scenarios would result in risks

revenue of 46%, the Group is able to sustain its current operational costs and meet all liabilities as they fall due

within the Group

over time have been used to assess the covenant requirements for the at least the next twelve months and all covenants have been forecast to be met even under the stress test scenario, in the going concern period.

At 30 June 2023, the Group had available cash of £157m and headroom available of £175m including a revolving credit facility of £290m. Debt of £217m is due to mature in less than one year, with the remainder of £941m payable in more than one year. The Group's facilities, repayment dates and undrawn amounts are set out in Note 16 Loans and Borrowings.

Key accounting judgement and estimates have been made with consideration given to the current economic outlook. Key estimates include loan recoverability, valuation of work in progress, decommissioning provisions, impairment of goodwill and investments, business combinations and hedge accounting. Details are set out on pages 50 to 60.

adequate resources to continue in operational existence for the next 12 months. Thus, they continue to adopt

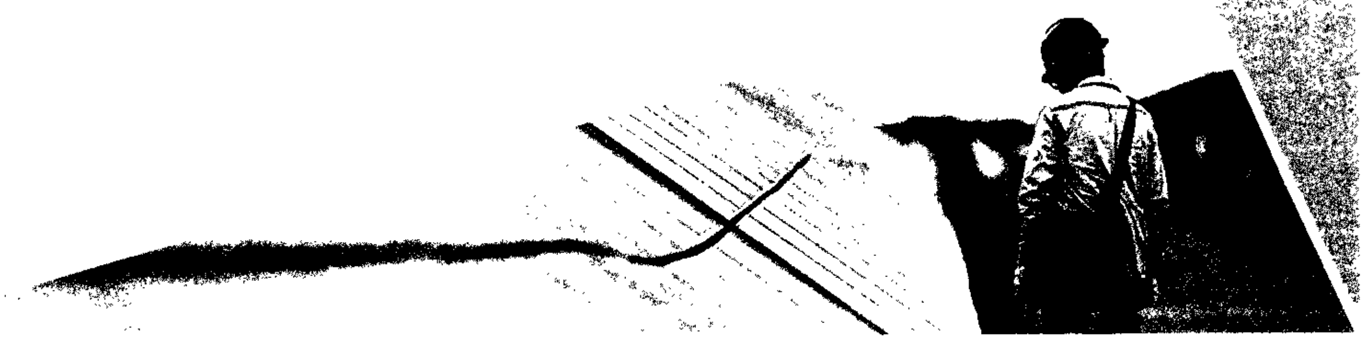
Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have

shareholders.

The Company has taken advantage of the following exemptions:

iii from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.



Statement of accounting policies

Basis of consolidation

undertakings made up to the same accounting date. All intra group balances, transactions, income and expenses are eliminated in full on consolidation. The results of subsidiary undertakings acquired or disposed

or disposal.

Any subsidiary undertakings or associates sold or acquired during the year are included up to, or from, the

Where the Group has written a put option over shares held by a non controlling interest, the Group derecognises the non-controlling interest and instead recognises a contingent deferred consideration liability within other payables for the estimated amount likely to be paid to the non controlling interest on exercise of

the non controlling interest's share of net assets, is recognised as goodwill. Movements in the estimated liability after initial recognition are recognised as goodwill.

Foreign currency

i. Functional and presentation currency

The Company's functional and presentation currency is pound sterling and rounded to thousands.

ii. Transactions and balances

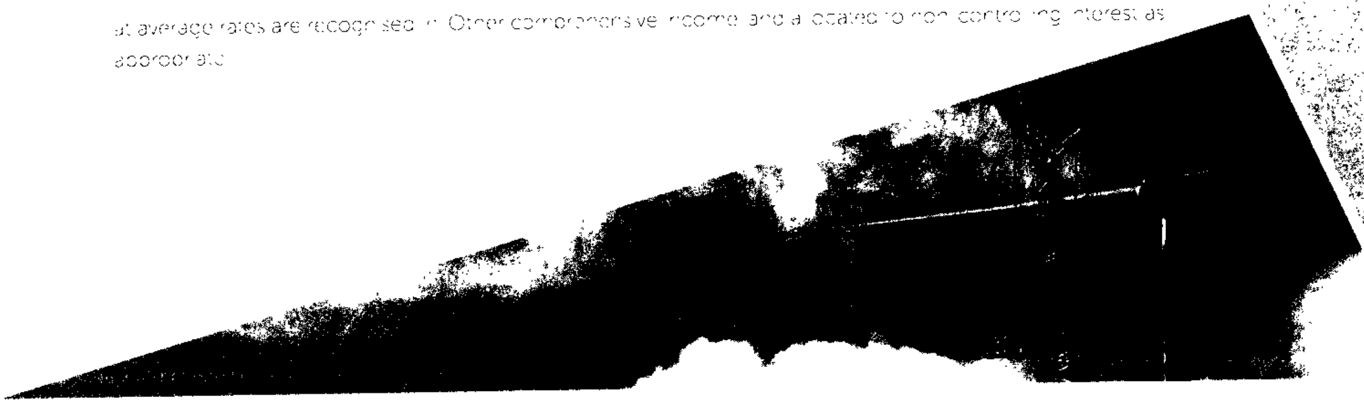
Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign

expenses.

iii. Translation

The trading results of Group undertakings are translated into pounds sterling at the average exchange rates for the year. The assets and liabilities of overseas undertakings, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates ruling at the year end. Exchange adjustments

at average rates are recognised in Other comprehensive income and allocated to non controlling interest as appropriate.



4 | FINANCIAL STATEMENTS 30 JUNE 2023

Statement of accounting policies

Turnover

The Group operates a number of classes of business. Revenue is derived by the following:

- Energy
  Turnover from the sale of electricity generated by solar farms, wind generating assets, reserve power plants

- Lending
  Turnover represents arrangement fees and interest on loans provided to customers, net of any value added tax. Loan interest is recognised on an accrual basis in line with contractual terms of the loan agreement. Arrangement fees are spread over the life of the loan to which they relate.

- Fibre
  Turnover is recognised at the fair value of the consideration received for internet connectivity and related IT services provided in the normal course of business, and is shown net of VAT. Turnover is recognised based on the date the service is provided.

- House building
  Turnover is recognised on legal completion of the sale of property, land and commercial spaces. Turnover from housing association contracts is recognised by reference to the value of work completed as a

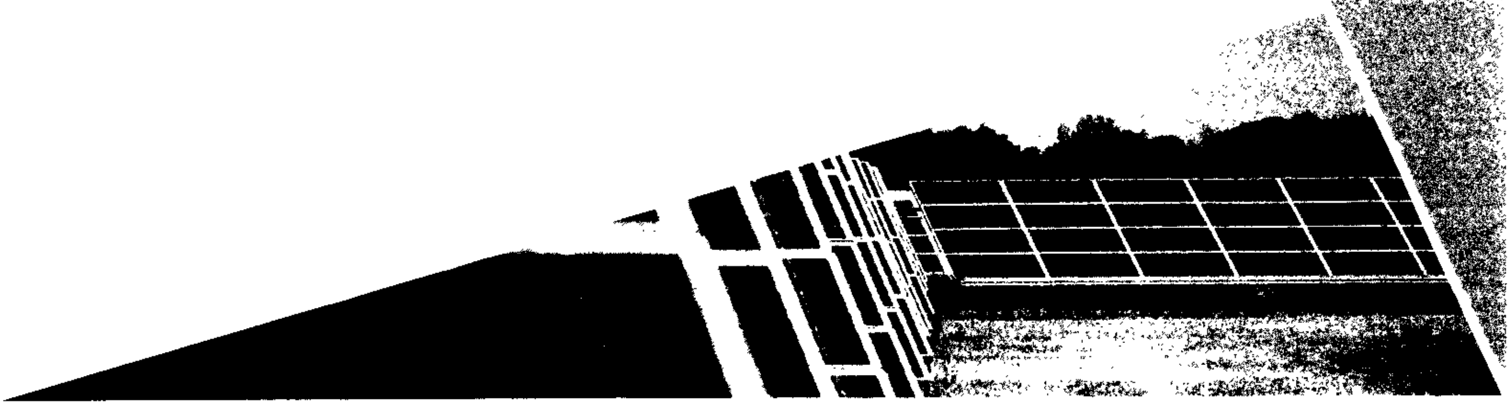
  and rewards of ownership of retirement properties have passed to the buyer (on legal completion), the

i. Short-term benefits

expense in the period in which the service is received.

ii. Defined contribution pension plan

entity. Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.



Statement of accounting policies

iii. Share-based payments

Cash settled share based payments are measured at fair value at the balance sheet date. The Group recognises a liability at the balance sheet date based on these fair values, taking into account the estimated number of units that will actually vest and the current proportion of the vesting period. Changes in the value of this liability are recognised in the income statement.

The Group has no equity settled arrangements.

Finance costs

method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially

loss account over the term of the debt.

Current and deferred tax

Tax is recognised in the statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Business combinations and goodwill

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and the equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated as goodwill. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Statement of accounting policies

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase

liabilities acquired

the combination

Goodwill is amortised over its expected useful life which is determined based on the estimated lifespan of the assets acquired. Where the Group is unable to make a reliable estimate of useful life, goodwill is amortised over a period not exceeding ten years. Goodwill is reviewed and assessed for impairment indicators on an

commences from the date an asset is brought into service. Land and assets in the course of construction are not depreciated. Tangible assets are depreciated over their estimated useful lives, as follows:

Land and buildings	2% to 4% straight line
Power stations	3% to 5% straight line
Plant and machinery	4% to 33% straight line
Network assets	4% to 6% straight line

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or depreciation rate are amended prospectively to

carrying amount may be impaired.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are

Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Development rights	25 and 30 years
Software	2 to 10 years

Amortisation expenses are included in administrative expenses. Development rights relate to planning consent to build a solar farm and a wind farm acquired on acquisition.

Where factors, such as changes in market price, indicate that residual value or useful life have changed, the

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

Statement of accounting policies

Leases

At inception the Group assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement and whether the

asset and depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

the lease.

Investments

The Company holds investments in a subsidiary at cost less accumulated impairment losses. If an impairment loss is subsequently reversed, the carrying amount of the investment is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior periods. A reversal

Cash

Cash includes cash in hand and deposits repayable on demand. Restricted cash represents cash for which the Group does not have immediate and direct access or for which regulatory or legal requirements restrict the use of the cash.

Stocks

Raw materials, spare parts and consumables are valued at the lower of cost and net realisable value. Where

Fuel stocks (MBM and litter) are valued on an average cost basis over one to two months and provision for

Fuel stock of straw has been valued at the historical cost per tonne of straw. A provision for unusable straw is

basis by age of straw.

Stocks of ash at Fibrophos are valued at the lower of cost and net realisable value to the Group.

Stocks of property development work in progress (WIP) are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present locations and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss

account.

4 | FINANCIAL STATEMENTS 30 JUNE 2023

Statement of accounting policies

Accrued income

Accrued income on loans is calculated at the rate of interest set out in the loan contracts. Energy income is accrued over the period in which it has been generated.

Deferred income

Deferred income is recognised in accordance with the terms set out in the contact. Deferred income is

Financial instruments

Financial assets

measured at the present value of the future receipts discounted at a market rate of interest. Such assets are

joint ventures are initially measured at fair value, which is normally the transaction price. Such assets are

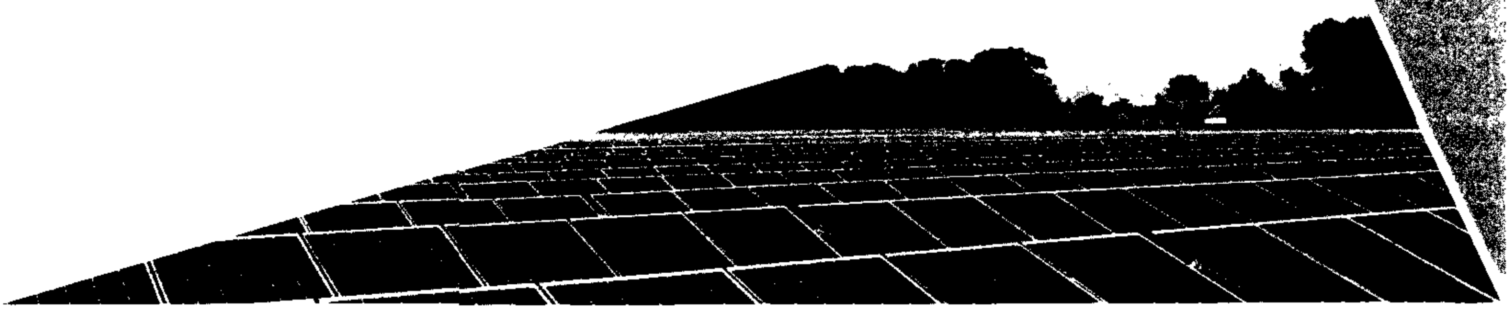
investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

and preference shares, are initially recognised at transaction price, unless the arrangement constitutes a

discounted at a market rate of interest.



Statement of accounting policies

paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of

or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Provisions

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation

the amount of the obligation.

of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

Hedging

borrowings. Interest rate swaps are held to manage the interest rate exposures and are designated as cash

relationship (being the excess of the cumulative change in fair value of the hedging instrument since inception of the hedge over the cumulative change in the fair value of the hedged item since inception of the hedge) is

expires, no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged debt instrument is derecognised or the hedging instrument is terminated.

Share capital

Ordinary shares issued by the Group are recognised in equity at the value of the proceeds received, with the excess over nominal value being credited to share premium.

Non-controlling interests

the date of acquisition.

Statement of accounting policies

Key accounting judgements and estimates

[illegible] accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under [illegible]

i. Recoverability of loans and advances to customers (estimate)

Loans and advances to customers, including associated accrued income balances, are reviewed for impairment on a biannual basis. In considering the need for a provision, management determine their best estimate of the [illegible] and capital due in future periods, this gives rise to judgement as to whether there is a shortfall between the carrying value and the fair value of the debtor balance.

Management note that provisions against loans and advances is a critical estimate and have therefore performed sensitivity analysis on the provision. The results of the sensitivity analysis conclude that a change of +/- one per cent in the amount provided against the estimated balance at risk would have resulted in £3.6m less/more expenditure being charged to the income statement during the period. See note 13 for the carrying amount of the debtors and provisions at 30 June 2023.

ii. Value of property development work in progress ('WIP') (estimate)

Property development WIP is reviewed for impairment on a periodic basis. In considering the need for a provision, management determine their best estimate of the recoverable value. Management engage an [illegible] including property valuations, rate of sales and development costs.

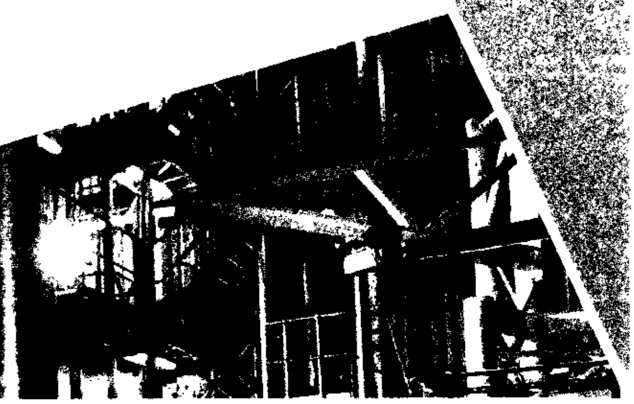
These estimates give rise to judgement as to whether there is a shortfall between the carrying value and the fair value of the balance as at the 30 June 2023. Post year end, management have reviewed the assumptions used to determine the value of property development WIP and have observed no changes in performance that would impact the valuation as at the 30 June 2023. See note 12 for the carrying amount of the property development WIP.

iii. Purchase price agreement (Australian entities) (judgement)

The Group owns one energy generating subsidiary in Australia which has entered into purchase price [illegible] and the actual price for electricity sold to the Australian energy market. The directors believe the contract is [illegible] such arrangements. Therefore it is being accounted for under FRS 102 section 23 as a revenue contract with variable consideration, rather than revaluing the entire contract to fair value.

iv. Business combinations (estimate)

The cost of a business combination is the fair value of the consideration given, liabilities incurred plus the costs directly attributable to the business combination. Fair value of these combinations is a key estimate and more details are provided on pages 54 to 55.



Statement of accounting policies

v. Decommissioning provision (estimate)

The provision for decommissioning costs is measured at management's best estimate of the present value of the expenditure required to settle the future obligation to return land on which there are operational wind and [illegible] estimation of future dismantling and restoration costs, as well as the timing of dismantlement.

Wind Farms (estimate):

Management note that decommissioning provisions is a critical estimate and have therefore performed sensitivity analysis. The results of the sensitivity analysis conclude that a change of +/- one per cent in the discount rate would have resulted in £2.2m increase/decrease in the provision. See note 18 for the provision recognised at 30 June 2023. Management utilise external expertise to provide an estimated cost to dismantle [illegible] obligation.

UK Solar (estimate):

Management note that decommissioning provisions is a critical estimate and have therefore performed sensitivity analysis. The results of the sensitivity analysis conclude that a change of +/- one per cent in the discount rate would have resulted in £3.0m increase/decrease in the provision. See note 18 for the provision recognised at 30 June 2023. Management utilise external expertise to provide an estimated cost to dismantle [illegible] obligation.

French Solar (judgment):

Management believe that given the nature of these particular assets, the lessor may wish to either take title of the assets for either continued use or to realise value through selling the assets and as such do not believe [illegible] situation at each balance sheet date.

vi. Impairment of goodwill and investments (estimate)

The value of goodwill held by the Group and investments in subsidiary undertakings held by the Company is reviewed annually for impairment. The recoverability of these balances is considered with reference to the [illegible] forward forecast business performance together with assumptions surrounding the expected life of the asset, externally prepared forecasts and valuations, and any adjustments required to the discount rate to take [illegible] rate and growth rate used in the calculation, all of which require management's judgement. Testing of the carrying value has been performed during the year, which has involved several scenarios being modelled. Based on this testing and the resulting impairment recognised on investments, management believes there is [illegible]

Management note that impairment of goodwill and investments is a critical estimate and have therefore performed sensitivity analysis on the provision. The results of the sensitivity analysis conclude that a change of +/- one per cent in the amount provided against the estimated balance at risk would have resulted in £5.14m less/more expenditure being charged to the income statement during the period. See note 8 for the carrying amount of the goodwill and investments at 30 June 2023.

Notes to the financial statements for the year ended 30 June 2023

1

Analysis of turnover by category

	2023	2022
	£'000	£'000
Lending activities	**48,613**	42,404
Energy operations – solar, reserve power and wind	**393,562**	365,958
[illegible]	**212,158**	223,526
Healthcare operations*	**54,849**	45,978
Home building	**74,932**	25,034
[illegible] operations	**16,237**	8,930
	800,351	711,830

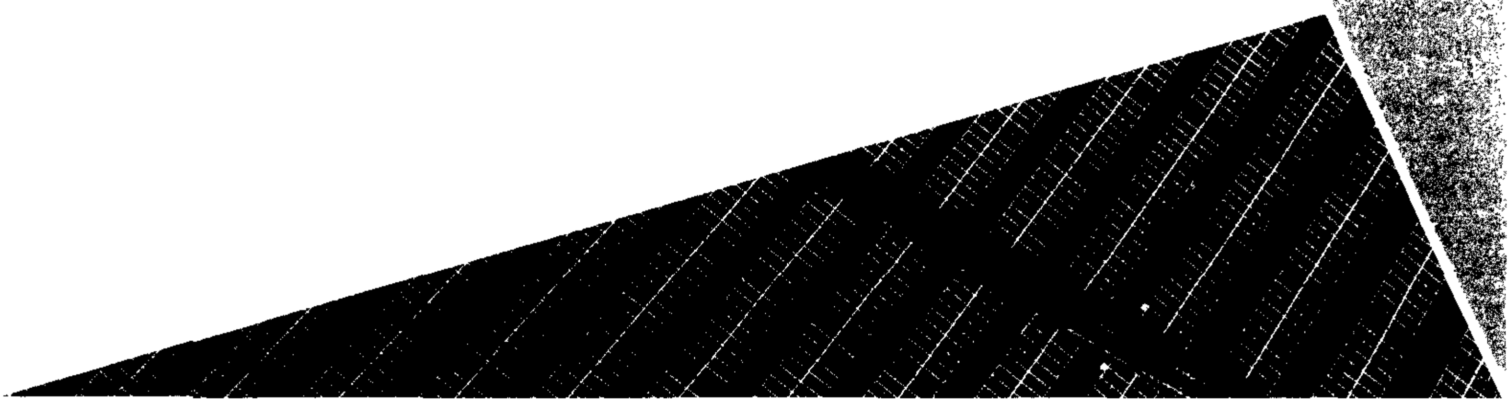
*Included in income from Healthcare operations is £29.1m (2022: £17.4m) relating to the sale of retirement village units and £25.8m (2022: £28.6m) in relation to services rendered.

Analysis of turnover by geography

	2023	2022
	£'000	£'000
United Kingdom	**669,180**	603,911
Europe	**127,287**	84,433
Rest of world	**3,884**	23,486
	800,351	711,830

Other income

	2023	2022
	£'000	£'000
Liquidated damages and insurance proceeds	**4,968**	3,550



Notes to the financial statements for the year ended 30 June 2023

2

This is stated after charging/(crediting)

	2023	2022
	£'000	£'000
Amortisation of intangible assets (note 8)	**43,055**	37,849
Impairment of intangible assets (note 8)	**936**	7,913
Depreciation of tangible assets (note 9)	**103,754**	101,802
	21,670	
Auditors' remuneration – Company and the Group's consolidated	**53**	45
Auditors' remuneration – audit of Company's subsidiaries	**1,129**	819
Auditors' remuneration – non audit services	**564**	246
Auditors' remuneration – tax compliance services	**507**	482
	650	772
Operating lease rentals	**12,677**	15,785

3

	2023	2022
	£'000	£'000
[illegible]	**94,557**	85,432
Social security costs	**10,168**	7,041
Other pension costs	**3,304**	3,233
	108,029	95,706

The monthly average number of persons employed by the Group during the year was:

	2023	2022
	Number	Number
[illegible]	**1,067**	1,032
Administration	**851**	651
Directors	**5**	3
	1,923	1,656

The Company had one other employee other than Directors during the period ended 30 June 2023 (2022: 1)

Notes to the financial statements for the year ended 30 June 2023

4 [illegible]

	2023	2022
	£'000	£'000
Emoluments	**293**	176

During the year no pension contributions were made in respect of the directors (2022: none)

The Group has no other key management (2022: none)

5 [illegible]

A number of subsidiaries of the Group operate a cash settled LTIP to qualifying employees, whereby employees render services in exchange for cash, the amount of which is determined by reference to the valuation of the underlying subsidiary. The fair value of the liability for the awards made is measured at each reporting date and at the settlement date. The fair value is recognised over the vesting period. The amount of expense recognised takes into account the best available estimate of the number of units expected to vest under the service and performance conditions underlying each award granted.

Cash-settled share-based payment transactions with employees

	2023 Number of awards	2022 Number of awards
[illegible]	**3,678,314**	1,914,751
Movement during the year	**(122,417)**	1,763,563
Closing outstanding balance	**3,557,897**	3,678,314

The total charge for the year was £3,961,000 (2022: £3,133,000) and at the 30 June 2023 there was a liability of £5,464,000 included within creditors greater than one year (2022: £2,407,000)

6 [illegible]

Interest receivable and similar income	2023	2022
	£'000	£'000
[illegible]	**713**	130

Interest payable and similar expenses	2023	2022 (restated)
	£'000	£'000
[illegible]	**46,322**	23,907
Amortisation of issue costs on bank borrowings	**2,943**	2,598
[illegible]	**0**	(1,235)
	49,265	25,270

Notes to the financial statements for the year ended 30 June 2023

7

a) Analysis of charge in year

	2023	(restated) 2022
	£'000	£'000
Current tax:		
[illegible]	**(99)**	(297)
Adjustments in respect of prior periods	**623**	4,770
[illegible]	**2,089**	5,641
Total current tax charge/(credit)	**2,613**	10,114
Deferred tax:		
[illegible]	**(25,748)**	6,227
[illegible]	**7,285**	(3,741)
[illegible]	**(1,358)**	5,268
Total deferred tax	**(19,821)**	7,754
Tax charge on profit/(loss) on ordinary activities	**(17,208)**	17,868

b) Factors affecting tax charge for the year

The tax assessed for the year is lower (2022: higher) than the standard rate of corporation tax in the UK of 20%

	2023	(restated) 2022
	£'000	£'000
Profit/(loss) before tax	**(148,767)**	55,888
[illegible] corporation tax in the UK of 21% (2022: 19%)	**(30,497)**	10,619
[illegible]	**12,874**	11,723
[illegible]	**(5,407)**	(868)
[illegible]	**(892)**	(8,102)
Adjustments in respect of prior periods	**7,896**	(545)
[illegible]	**(1,182)**	5,041
Total tax charge for the year	**(17,208)**	17,868

c) Factors that may affect future tax charge

The Finance Act 2021 enacted on 10 June 2021 increased the main rate of UK corporation tax from 19% to

which represents the future corporation tax rate that was enacted at the balance sheet date

Note 26 details the prior period adjustments

Notes to the financial statements for the year ended 30 June 2023

8 [illegible]

Group	Software £'000	Goodwill (restated) £'000	Development rights £'000	Total £'000
Cost				
At 1 July 2022	**3,089**	**743,456**	**15,314**	**761,859**
Acquired through business combinations (note 27)	6,612	6,565	–	11,810
Additions	2,047	14,105		17,519
Disposals	-	(3,439)	(10,216)	(13,655)
Gain on translation	–		–	
At 30 June 2023	**11,748**	**760,687**	**5,098**	**777,533**
Accumulated amortisation				
At 1 July 2022	**119**	**202,475**	**1,557**	**204,151**
Disposals	(22)	-	(1,442)	(1,464)
Loss on translation	–	1,981	–	1,981
Impairment		936		936
Charge for the year	1,657	41,263	135	43,055
At 30 June 2023	**1,754**	**246,655**	**250**	**248,659**
Net book value				
At 30 June 2023	**9,994**	**514,032**	**4,848**	**528,874**
At 30 June 2022	2,970	540,981	13,757	557,708

The gain on translation of foreign currency denominated goodwill is recognised in other comprehensive income. Amortisation of goodwill is charged to administration costs.

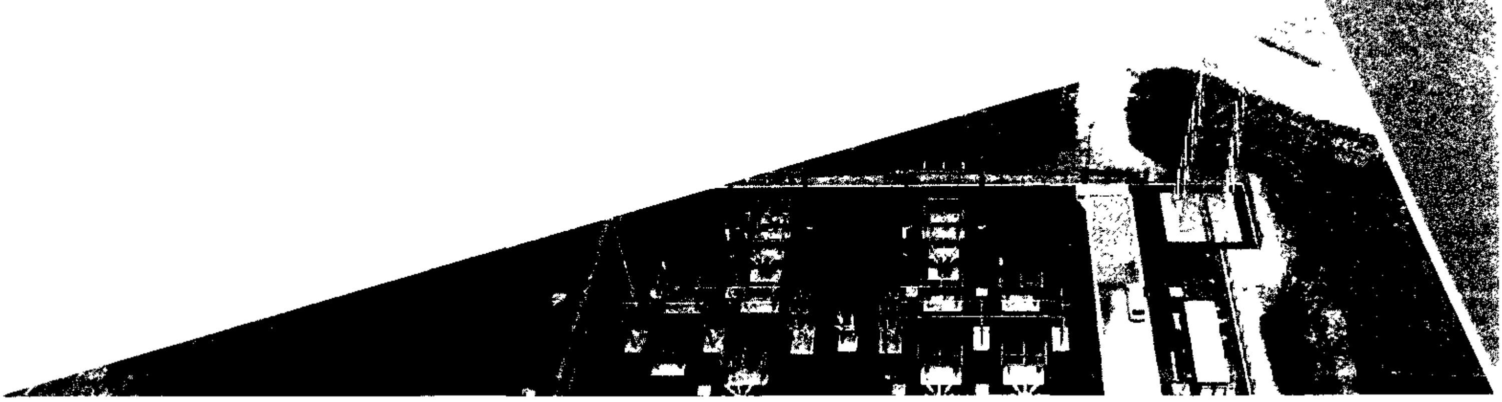
Details of the subsidiaries acquired during the year ended 30 June 2023 can be found in note 27.

During the year the Group disposed of a solar farm in Australia. Development rights relating to this sale were £10.2m with accumulated amortisation of £1.4m.

Impairment of £0.9m has been recognised on goodwill (2022: £79m).

No assets have been pledged as security for liabilities at year end (2022: none).

The Company had no intangible assets at 30 June 2023 (2022: none).



Notes to the financial statements for the year ended 30 June 2023

9

Group	Land and buildings £'000	Power stations £'000	Plant and machinery £'000	Network assets	Assets under construction £'000	Total £'000
Cost						
At 1 July 2022	10,533	319,071	1,745,911	118,686	310,170	2,504,371
Additions	8,458	1,783	48,388	138,061	352,053	548,743
Acquired through business combinations (note 27)	–	–	469	–	–	469
FX/fair value movement	–	–	(3,294)	–	–	(3,294)
Transfers	–	133	(39,357)	20,331	(73,296)	(92,189)
Disposals	–	–	(243,366)	(1,749)	(103)	(245,218)
At 30 June 2023	**18,991**	**320,987**	**1,508,751**	**275,329**	**588,824**	**2,712,882**
Accumulated depreciation						
At 1 July 2022	4,593	107,189	494,742	4,417	–	610,941
Charge for the year	1,883	15,604	72,130	14,137	–	103,754
Disposals	–	18	(15,950)	–	–	(15,932)
Transfers	(25,827)		(15,750)	447	–	(41,130)
Impairment	21,020		–	–	–	21,020
FX/fair value movement	–	–	(1,325)	–	–	(1,325)
At 30 June 2023	**1,669**	**122,811**	**533,847**	**19,001**	**–**	**677,328**
Net book value						
At 30 June 2023	**17,322**	**198,176**	**974,904**	**256,328**	**588,824**	**2,035,554**
At 30 June 2022	5,940	211,882	1,251,169	114,269	310,170	1,893,430

is £nil (2022: £51,785,000). Included in network assets is a provision of £2,070,000 (2022: £1,023,000) for obsolete equipment and development.

The Company had no tangible assets at 30 June 2023 (2022: none).

Notes to the financial statements for the year ended 30 June 2023

10 [illegible]

Group	Unlisted investments £'000	Total £'000
Cost and net book value		
At 1 July 2022	35,452	35,452
Additions	66,290	66,290
Disposals	(88,000)	(88,000)
At 30 June 2023	**13,742**	**13,742**
At 30 June 2022	35,452	35,452

Company	Subsidiary undertakings £'000	Total £'000
Cost		
At 30 June 2022	2,539,978	2,539,978
Additions	452,012	452,012
Disposals		–
At 30 June 2023	**2,991,990**	**2,991,990**
Accumulated impairments		
At 30 June 2022		
Reversal of impairments	–	
Impairments		–
At 30 June 2023	**–**	**–**
Net book value		
At 30 June 2023	**2,991,990**	**2,991,990**
At 30 June 2022	2,539,978	2,539,978

Details of related undertakings are shown in note 29.

Unlisted investments comprise the Group's holding of the members' capital of Tendo LLP, a lending business, and its shareholding in Bracken Trading Limited. Fern co-founded Tendo LLP in October 2012 with the intention of conducting a proportion of its future trade through the partnership. Additions and disposals of unlisted investments relate to investments and divestments in Tendo LLP in line with Fern's cash requirements and to utilise surplus funds. Fern has a small shareholding in Bracken Trading Limited from time to time. Fern's investment in Bracken Trading Limited at 30 June 2023 was £Nil (30 June 2022: £nil). The directors do not consider Tendo LLP or Bracken Trading Limited to be subsidiary undertakings of Fern Trading Limited.

Notes to the financial statements for the year ended 30 June 2023

11

Cash includes cash in hand and deposits repayable on demand.

Restricted cash represents cash for which the Group does not have immediate and direct access or for which regulatory or legal requirements restrict the use of the cash.

	Group	
	2023	2022
	£'000	£'000
[illegible]	**104,744**	195,823
Restricted cash	**52,175**	60,592
Cash at bank and in hand	**156,919**	256,415

Restricted cash is composed of £Nil held in escrow and £52,175,231 of cash held in subsidiaries with bi-annual distribution windows.

The Company had a cash balance of £17,478,000 as at 30 June 2023, none of which was restricted (2022: 6,422,000).

12

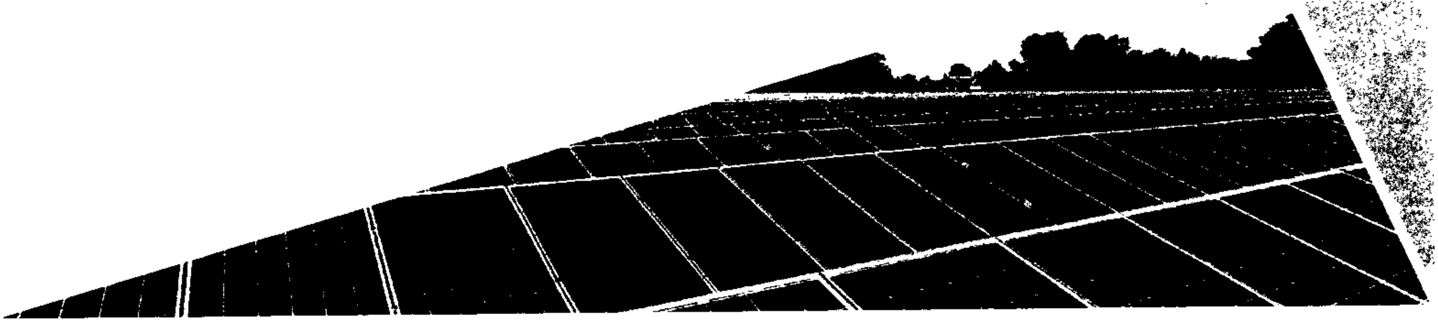
	Group	
	2023	2022
	£'000	£'000
[illegible]	**1,978**	1,538
Fuel, spare parts and consumables	**27,132**	26,023
Property development WIP	**234,506**	156,918
	263,616	184,479

The amount of stocks recognised as an expense during the year was £157,827,000 (2022: £120,413,000).

Included in the fuel, spare parts and consumables stock value is a provision of £378,000 for unusable fuel stock (2022: £390,000). Including in property development WIP is a provision of £591,000 (2022: £928,000).

There has been no impairment recognised during the year on stock (2022: none). No inventory has been pledged as security for liabilities (2022: none).

The Company had no stocks at 30 June 2023 (2022: none).



Notes to the financial statements for the year ended 30 June 2023

13 [illegible]

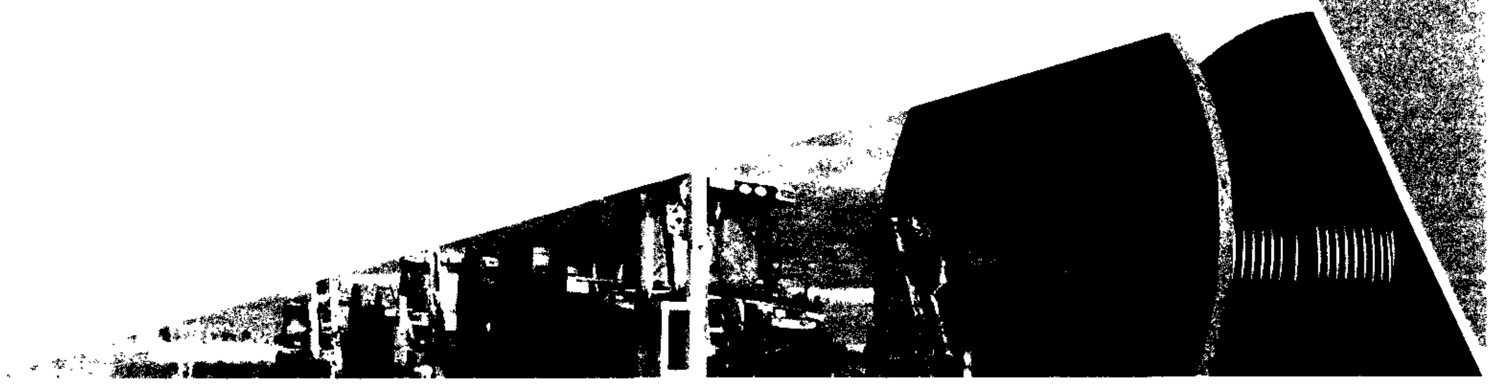
	Group		Company	
	2023	2022 (restated)	**2023**	2022
	£'000	£'000	**£'000**	£'000
Amounts falling due after one year				
Loans and advances to customers	**141,927**	137,662	**–**	–
Prepayments	**18,714**	–	**–**	–
Amounts falling due within one year				
Loans and advances to customers	**297,609**	223,239	**–**	–
Trade debtors	**26,075**	42,050	**14**	392
Amounts owed by related parties (note 24)	**–**		**21,227**	32,950
Other debtors	**21,338**	20,197	**494**	3,843
Corporation tax	**3,475**	–	**4,624**	2,527
[illegible]	**108,164**	55,126		
Prepayments and accrued income	**189,146**	145,602	**184**	176
Assets held for resale	**18,620**	–	**–**	–
	825,068	623,876	**26,543**	39,888

Loans and advances to customers are stated net of provisions of £34,942,000 (2022: £13,874,000). Prepayments and accrued income are stated net of provisions of £20,427,000 (2022: £7,739,000).

[illegible] current assets as at 30 June 2023.

No interest is charged on amounts owed by group undertakings, as the outstanding balances are unsecured and repayable on demand (2022: none).

Note 26 details the prior period adjustments.



Notes to the financial statements for the year ended 30 June 2023

14

	Group		Company	
	2023	2022 (restated)	**2023**	2022
	£'000	£'000	**£'000**	£'000
Bank loans and overdrafts (note 16)	**217,142**	87,732	**–**	
Trade creditors	**50,183**	58,004	**1**	76
Other taxation and social security	**–**	10,273	**–**	
Other creditors	**52,303**	24,562	**–**	-
Finance leases (note 16)	**29,844**	2,428	**–**	-
Accruals and deferred income	**81,419**	75,465	**699**	373
	430,891	258,264	**700**	449

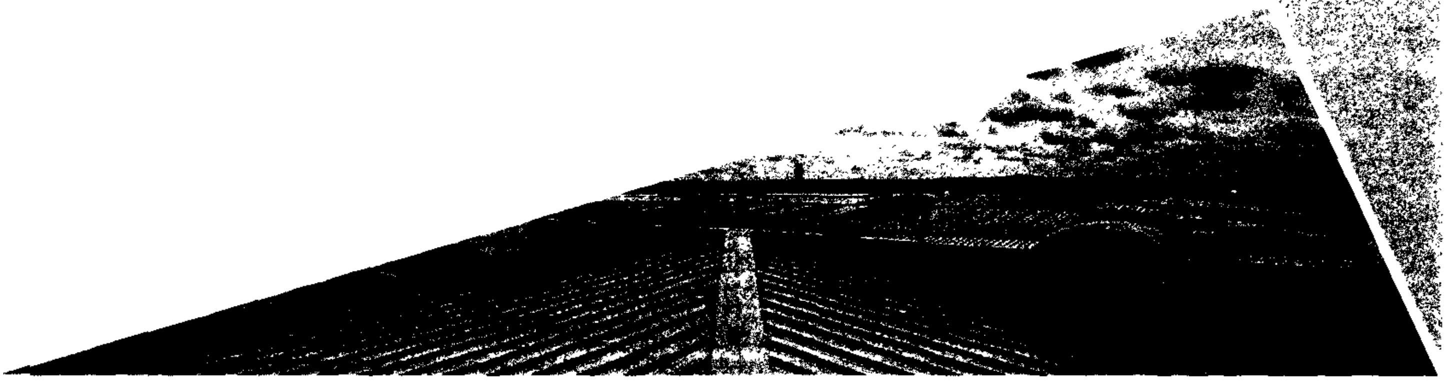
15

	Group	
	2023	2022
Amounts falling due between one and five years	**£'000**	£'000
[illegible]	**700,520**	583,070
Finance leases (note 16)	**2,052**	5,899
Other creditors	**2,274**	6,264
	704,846	595,233

	Group	
	2023	2022
Amounts falling due after more than five years	**£'000**	£'000
[illegible]	**240,522**	573,416
Finance leases (note 16)	**4,578**	24,676
	245,100	598,092
[illegible]	**949,946**	993,325

The Company has no creditors due in greater than one year.

Amounts owed to related parties are unsecured, non interest bearing and repayable on demand.



Notes to the financial statements for the year ended 30 June 2023

16 [illegible]

	2023	2022
Group	**£'000**	£'000
Due in one year [illegible]	**217,142**	87,732
[illegible]	**700,520**	383,070
[illegible]	**240,522**	573,416
	1,158,184	1,044,218

The Company had no bank loans at 30 June 2023.

The bank loans are secured against assets of the Group with each loan as held by the subsidiary shown below.

	Interest rate	2023 £'000	2022 £'000
Vihers Energy Limited	6 month SONIA plus 1.60%	**411,016**	429,138
Cedar Energy and Infrastructure Limited	SONIA plus 2.00% + 0.7% non-utilisation fee	**125,000**	-
Elios Energy 2 Limited	3 month EURIBOR plus 1.20%, Fixed rate 1.70%	**26,609**	30,946
Elios Energy 3 France SAS	1.2% + 6 month EURIBOR	**55,553**	56,079
Boomerang Energy Limited	6 month SONIA plus 1.50%	**281,938**	284,348
Darlington Point Solar Farm Pty Limited	6.49% (swap rate of 4.59% + 1.9% margin)	**–**	114,026
Melton Renewable Energy UK Limited	6 month SONIA plus 2.5%	**72,717**	85,718
Dulacca Wind Holdco PTY Ltd	1.7% + BBSY	**156,563**	31,614
Elivia Homes Limited	5% + SONIA + 2.5% non-utilisation fee	**18,749**	12,306
Millwood Designer Homes Limited	3% + SONIA + 1.2% non-utilisation fee	**10,000**	-
Zestec Asset Management Limited	Fixed rate 2.5%	**39**	43
		1,158,184	1,044,218

[illegible] resulted in no commercial impact to the business.

Finance leases

[illegible]

	2023	2022
	£'000	£'000
Payments due		
Not later than one year	**1,195**	2,428
[illegible]	**6,594**	5,899
[illegible]	**79,141**	76,461
Total gross payments	**86,930**	84,788
[illegible]	**(50,457)**	(51,785)
Carrying amount of the liability	**36,473**	33,003

[illegible] secured against the leased assets.

[illegible]

Notes to the financial statements for the year ended 30 June 2023

17 [illegible]

Group	Decommissioning provision £'000	Deferred tax £'000	Total £'000
[illegible]	**41,023**	**37,828**	**78,851**
[illegible]	319	(27,106)	(26,787)
[illegible]	–	21,363	21,363
[illegible]	(4,612)	–	(4,612)
[illegible]	–	7,358	7,358
[illegible]	730	–	730
[illegible]	(19)		(19)
At 30 June 2023	**37,441**	**39,443**	**76,884**

The decommissioning provision is held to cover future obligations to return land on which there are operational wind, biomass and solar farms, to their original condition. The amounts are not expected to be utilised for in excess of 25 years.

The Company had no provisions at 30 June 2023.

18 [illegible]

The Group and Company have the following share capital.

Group	2023	2022
Allotted, called-up and fully paid	**£'000**	£'000
[illegible]	**175,876**	161,662

Company	2023	2022
Allotted, called-up and fully paid	**£'000**	£'000
[illegible]	**175,876**	161,662

During the year the Group issued 142,135,908 (2022: 119,866,754) ordinary shares of £0.10 each for an aggregate nominal value of £14,214,000 (2022: £11,987,000). Of the shares issued during the year, total consideration of £257,417,000 (2022: £203,750,000) was paid for the shares giving rise to a premium of £243,203,000 (2022: £191,763,000). During the year the Group purchased nil (2022: nil) of its own ordinary shares of £0.10 each with an aggregate nominal value of £nil (2022: £nil). Total consideration of £nil (2022: £nil) was paid for the shares, giving rise to a premium of £nil (2022: £nil).

The Group has adopted predecessor accounting principles as it was formed as part of a group reconstruction, therefore the share capital and share premium account are treated as if they had always existed. Movements

Notes to the financial statements for the year ended 30 June 2023

in share capital arising both before and after the restructure are reported as movements in the Group share capital

During the year the Company issued 142,135,908 (2022: 119,866,754) ordinary shares of £0.10 each for an aggregate nominal value of £14,214,000 (2022: £11,987,000). Of the shares issued during the year, total consideration of £257,417,000 (2022: £203,750,000) was paid for the shares, giving rise to a premium of £243,203,000 (2022: £191,764,000). During the year the Group purchased nil (2022: nil) of its own ordinary shares of £nil each with an aggregate nominal value of £nil (2022: £nil). Total consideration of £nil (2022: £nil) was paid for the shares, giving rise to a premium of £nil (2022: £nil).

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

Cash flow hedge reserve

hedging arrangements

Merger reserve

of the subsidiaries acquired

19

The movement in non-controlling interests was as follows

		Group	
Group	Note	**2023 £'000**	2022 £'000
At 1 July 2022		**(2,901)**	3,721
[illegible]	27	**(11,231)**	–
[illegible]		**1,337**	(6,622)
At 30 June 2023		**(12,795)**	(2,901)

Notes to the financial statements for the year ended 30 June 2023

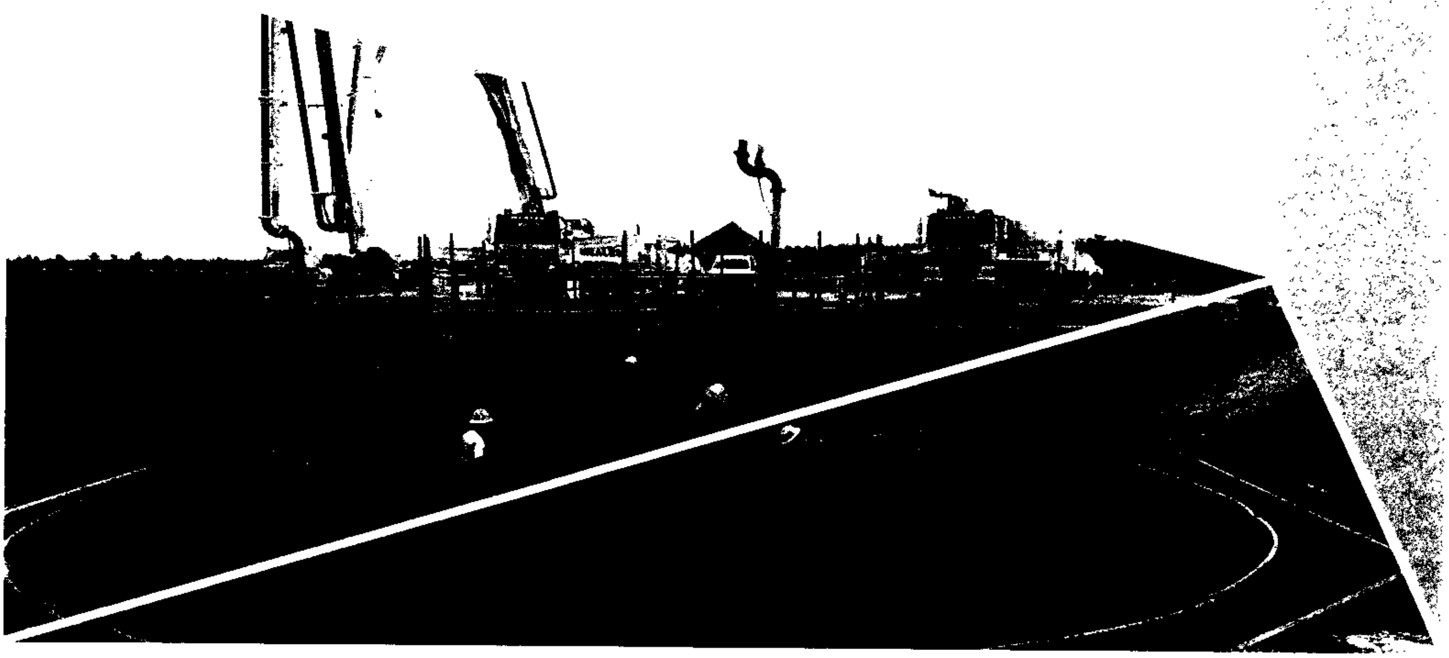
20

As at 30 June 2023 there were no contingencies across the Group or Company

21

	Group		Company	
Group	**2023 £'000**	2022 £'000	**2023 £'000**	2022 £'000
Carrying amount of financial assets				
[illegible]	**508,042**	423,150	**509**	4,235
[illegible]	**105,691**	54,409	**–**	–
Carrying amount of financial liabilities				
[illegible]	**1,265,555**	1,126,163	**1**	76

Note 26 details the prior period adjustments



Notes to the financial statements for the year ended 30 June 2023

Derivative financial instruments

a) Market risk

Energy market risk

in Government policy, or regulator intervention may result in reduced income streams within the group due to additional levies

Currency risk

other currencies, principally Euro and Australian dollar. Consequently, the Group is exposed to foreign

translation of earning and net assets of its non-sterling operations

Transactional exposures

Transactional exposures arise from administrative and other expense in currencies other than the Group's presentational currency (Sterling). The Group enters in to forward foreign exchange contracts and foreign exchange swaps to mitigate the exchange rate risk for certain foreign currency payables and receipts. The forward currency contracts and swaps are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key inputs used in valuing the derivatives are the forward exchange rates for GBP:AUD and GBP:EUR. On 30 June 2023 the fair value of the foreign currency contracts was an asset of £nil (2022: £nil) and a liability of £nil (2022: £nil)

Translational exposures

Balance sheet translational exposures arise on consolidation on the retranslation of the balance sheet of non-sterling operations into sterling, the Group's presentational currency. The level of exposure is reviewed by management and the potential foreign exchange movement is within an acceptable level of risk and therefore, typically, the Group's policy to not to actively hedge these exposures

Interest rate risk

on a case by case basis. Management can elect whether to hedge account for these arrangements on an individual transaction basis and have elected to apply hedge accounting for interest rate swaps. The swaps are based on a principal amount of the loan facility and mature on the same date. On 30 June 2023 the

of £105,691,000 (2022: liability of £54,409,000)

Price risk

The Group is a short- to medium-term lender to the residential property market. To the extent that there is

there is a risk that the Group may not recoup its full exposure. This is mitigated by the short-term nature of the loans and the conservative level of loan to value that the Group is prepared to lend at

Notes to the financial statements for the year ended 30 June 2023

b) Credit risk

Customer credit risk is mitigated through the Group's credit control policies, which are in place to ensure that our customers have an appropriate credit history and are monitored on an ongoing basis.

c) Liquidity risk

Liquidity risk arises on bank loans in place across the Group and is managed through careful monitoring of covenants and sensible levels of debt. Borrowing is on a long term basis, whereas our revenue is received

due

22

At the year end the Group had capital commitments as follows:

Group	2023 £'000	2022 £'000
	118,859	347,254
	197,320	173,600

At 30 June the Group had total future minimum lease payments under non-cancellable operating leases as follows:

	2023		2022	
	Land and buildings	**Other**	Land and buildings	Other
	£'000	**£'000**	£'000	£'000
[illegible]	**10,350**	**781**	8,707	661
	34,358	**709**	51,627	726
	98,367	**–**	95,664	
	143,075	**1,490**	155,998	1,387

Under sections 394A and 479A of the Companies Act 2006, the parent company Fern Trading Limited has guaranteed all outstanding liabilities on those companies taking the exemption to which the subsidiaries list

£915m. Such guarantees are enforceable against Fern Trading Limited by any person to whom any such liability is due.

The Company had no capital or other commitments at 30 June 2023.

Notes to the financial statements for the year ended 30 June 2023

23

On 24 October 2023, Fern Trading Development Limited ("FTDL"), a subsidiary of the Group successfully sold

the sale

shares

24

Under FRS 102 33.1A disclosures need not be given of transactions entered into between two or more members of a Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

During the year, fees of £90,490,000 (2022: £77,934,000) were charged to the Group by Octopus Investments

recharged legal and professional fees totaling £75,000 (2022: £10,155) by the Group. At the year end, an amount of £Nil (2022: £5,500) was outstanding which is included in trade creditors.

recognised by the Group. At the year end, the Group has an interest in the members capital of £13,742,000 (2022: £35,452,000) and accrued income due of £2,812,000 (2022: £5,276,000).

The Group engages in lending activities which include balances provided to related parties. Regarding entities with key management personnel in common, loans of £65,070,000 (2022: £63,490,000), accrued income of £28,896,000 (2022: £19,789,000) and deferred income of £Nil (2022: £Nil) were outstanding at year end. During the year interest income of £9,162,000 (2022: £7,160,000) and fees of £214,000 (2022: £394,000) were recognised in relation to these loans.

As at 30 June 2023 £Nil (2022: £Nil) was owed to the Company by Bracken Trading Limited, a related party by key management personnel in common.

Other than the transactions disclosed above, the Company's other related party transactions were with its wholly owned subsidiary members of the Group.

25

In the opinion of the directors, there is no ultimate controlling party or parent company.

Notes to the financial statements for the year ended 30 June 2023

26

a) Derivative adjustment

We have conducted a review of prior years accounting treatment of other comprehensive income, in relation

exercise undertaken in 2017 and the Group has received professional advice in relation to the accounting

cumulative impact was a £15.5m reduction in historical interest cost, and an equal and opposite reduction in other comprehensive income. A summary of the impact of the correction is provided below, which includes the associated tax adjustments

Group	Year ended 30 June 2021 (as stated)	Accumulated adjustments	Year ended 30 June 2021 (restated)
	£'000	£'000	£'000
Cash Flow Hedge	14,979	4,505	19,484
Derivative Fair Value	6,469	1,209	7,678
Deferred Tax (Liability)/Asset	(58,145)	1,575	(56,570)
Retained Earnings	(156,049)	(5,849)	(141,898)
Corporation Tax Receivable/(Payable)	6,603	(1,439)	5,164

Group	Year ended 30 June 2022 (as stated)	Accumulated adjustments	Year ended 30 June 2022 (restated)
	£'000	£'000	£'000
Cash Flow Hedge	(63,005)	11,088	(51,917)
Interest payable and similar expenses	32,192	(8,285)	23,907
Derivative Fair Value	54,410	716	55,126
Corporation Tax Receivable/(Payable)	(8,161)	(3,013)	(11,174)
Deferred Tax (Liability)/Asset	(41,597)	3,769	(37,828)
Retained Earnings	2,770	(12,560)	(9,790)
Corporation Tax Charge	16,294	1,574	17,868

Notes to the financial statements for the year ended 30 June 2023

27 [illegible]

a) Millwood Designed Homes acquisition

On 25 January 2023, the Group acquired MDH (Group) Limited and its subsidiaries through the purchase of 100% of the share capital for consideration of £24,161,000

The following tables summarise the consideration paid by the Group, the fair value of the assets acquired, and the liabilities assumed at the acquisition date

Consideration	**£'000**
Cash	21,441
Directly attributable costs	720
Deferred consideration	2,000
Total consideration	**24,161**

Details of the fair value of the net assets acquired and goodwill arising are as follows

	Book value	**Adjustments**	**Fair value**
	£000	**£000**	**£000**
Fixed assets	469	–	469
Intangible assets	331		331
Stock	31,651	(797)	30,854
Trade and other receivables	1,365		1,365
Cash and cash equivalents	6,771	–	6,771
Trade and other creditors	(3,332)		(3,332)
Loans	(18,860)		(18,860)
Net assets acquired	**18,393**	**(797)**	**17,596**
Goodwill			6,565
Total consideration		**–**	**24,161**

Goodwill resulting from the business combination was £6,565,000 and has an estimated useful life of 10

The consolidated statement of comprehensive income for the year includes £12,604,000 revenue and a loss before tax of £469,000 in respect of this acquisition

Notes to the financial statements for the year ended 30 June 2023

28

Our reported results are prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, as detailed in the Financial Statements starting on page 44 of the Annual [illegible]

derived from our reported results in order to eliminate factors that distort year-on year comparisons. These [illegible]

Net debt

We provide net debt in addition to cash and gross debt as a way of assessing our overall cash position and it is computed as follows

	Note	**2023**	2022
		£'000	£'000
Bank loans and overdrafts	16	1,033,184	1,044,218
Other loans	14, 15	125,000	5,364
Gross debt		**1,158,184**	**1,049,582**
Cash at bank and in hand	[illegible]	(156,919)	(256,415)
Net debt		**1,001,265**	**793,167**

Notes to the financial statements for the year ended 30 June 2023

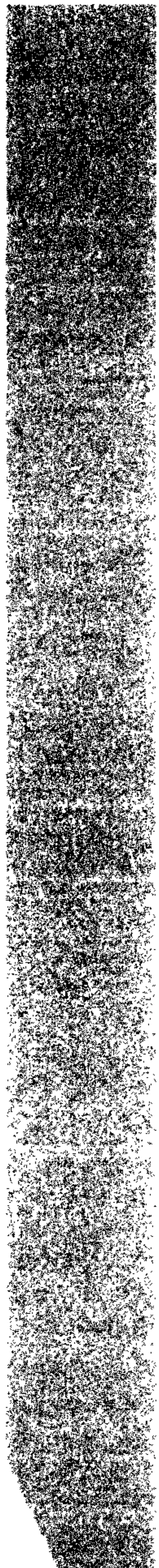
EBITDA

[illegible] tax for interest, tax, depreciation and amortisation, in addition to income and expenses that do not relate to [illegible]

The following table details the adjustments made to the reported results

	Note	2023 £'000	(restated) 2022 £'000
Profit/(loss) for the financial year		(131,559)	38,020
Add			
Amortisation of intangible assets	2	43,055	37,849
Impairment of intangible assets	8	936	7,913
Depreciation of tangible assets	2	103,754	101,802
Impairments	9	21,670	
Interest payable and similar expenses	6	49,265	25,270
Exceptional items		12,674	1,105
Tax	7	(17,208)	17,868
Less			
[illegible]		(955)	(5,249)
[illegible]		1,045	(29,532)
Interest receivable and similar income	6	(713)	(130)
EBITDA		**81,963**	194,917

Note 26 details the prior period adjustments




Notes to the financial statements for the year ended 30 June 2023

29 [illegible]

Details of the subsidiary undertakings are as follows

Name	Country of incorporation	Class of shares	Holding	Principal activity
[illegible]	[illegible]	Ordinary	100%	IT Security provider
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
Agrisol 2 S[illegible]	France	Ordinary	100%	Energy generation
A[illegible] Networks Limited[illegible]	[illegible]	Ordinary	100%	Holding company
Alboi[illegible] Limited[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Dormant company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation

Notes to the financial statements for the year ended 30 June 2023

Name	Country of incorporation	Class of shares	Holding	Principal activity
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	Ireland	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Dormant company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Dormant company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Dormant company
[illegible]	[illegible]	Ordinary	100%	Dormant company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation

Notes to the financial statements for the year ended 30 June 2023

Name	Country of incorporation	Class of shares	Holding	Principal activity
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Development of building projects
[illegible]	[illegible]	Ordinary	100%	Construction of domestic buildings
[illegible]	[illegible]	Ordinary	100%	Development of building projects
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible] France 19 [illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible] France 22 [illegible]	[illegible]	Ordinary	100%	Energy generation

Notes to the financial statements for the year ended 30 June 2023

Name	Country of incorporation	Class of shares	Holding	Principal activity
Elecsol France 24 S.a.r.l.	France	Ordinary	100%	Energy generation
Elecsol France 25 S.a.r.l.	France	Ordinary	100%	Energy generation
Elecsol France 28 [illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	France	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Construction of domestic buildings
[illegible]	[illegible]	"Ordinary, Deferred, Preference"	100%	Financial services holding companies
[illegible]	[illegible]	Ordinary	100%	Construction of domestic buildings
[illegible]	[illegible]	Ordinary	100%	Construction of domestic buildings
[illegible]	[illegible]	Ordinary	100%	Construction of domestic buildings
[illegible]	[illegible]	Ordinary	100%	Development of building projects
[illegible]	[illegible]	Ordinary	100%	Construction of domestic buildings
[illegible]	[illegible]	Ordinary	100%	Construction of domestic buildings
[illegible]	[illegible]	Ordinary	100%	Development of building projects
[illegible]	[illegible]	Ordinary	100%	Development of building projects
[illegible]	[illegible]	Ordinary	100%	Construction of domestic buildings Buying and selling of own real estate
[illegible]	[illegible]	Ordinary	100%	Construction of domestic buildings
[illegible]	[illegible]	Ordinary	100%	Construction of domestic buildings Buying and selling of own real estate

Notes to the financial statements for the year ended 30 June 2023

Name	Country of incorporation	Class of shares	Holding	Principal activity
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy project development and management services
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Holding company
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Energy generation
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	93%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Supply of fertiliser
		Ordinary	100%	Energy generation

Notes to the financial statements for the year ended 30 June 2023

Name	Country of incorporation	Class of shares	Holding	Principal activity
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Dormant company
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Fibre network production

Notes to the financial statements for the year ended 30 June 2023

Name	Country of incorporation	Class of shares	Holding	Principal activity
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Fibre network production
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Holding company
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Asset leasing company
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Holding company
		Ordinary	100%	Energy generation
		Ordinary	100%	Construction of domestic buildings
		Ordinary	100%	Construction of domestic buildings
		Ordinary	100%	Construction of domestic buildings
		Ordinary	100%	Construction of domestic buildings
		Ordinary	100%	Holding company
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation
		Ordinary	100%	Energy generation

Notes to the financial statements for the year ended 30 June 2023

Name	Country of incorporation	Class of shares	Holding	Principal activity
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible] (previously One Ashford [illegible]	[illegible]	Ordinary	100%	Provision of healthcare services
[illegible]	[illegible]	Ordinary	100%	Provision of healthcare services
[illegible] Limited (previously One Healthcare [illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Care services for a retirement village
[illegible]	[illegible]	Ordinary	100%	Retirement village development
[illegible]	[illegible]	Ordinary	100%	Retirement village development
[illegible] Limited	[illegible]	Ordinary	100%	Care services for a retirement village
[illegible]	[illegible]	Ordinary	100%	Retirement village development
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Retirement village development
[illegible]	[illegible]	Ordinary	100%	Retirement village development

Notes to the financial statements for the year ended 30 June 2023

Name	Country of incorporation	Class of shares	Holding	Principal activity
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Retirement village development
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Construction of domestic buildings
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Supply of biomass fuel
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Dormant company
[illegible]	[illegible]	Ordinary	100%	Holding company

Notes to the financial statements for the year ended 30 June 2023

Name	Country of incorporation	Class of shares	Holding	Principal activity
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	NA	50%	Dormant LLP
[illegible]	[illegible]	NA	50%	Dormant LLP
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	90%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation
[illegible]	France	Ordinary	100%	Energy generation

Notes to the financial statements for the year ended 30 June 2023

Name	Country of incorporation	Class of shares	Holding	Principal activity
[illegible]	[illegible]	Ordinary	90%	Holding company
[illegible]	[illegible]	Ordinary	100%	Fibre network production
[illegible]	[illegible]	Ordinary	100%	Retirement village operator
[illegible]	[illegible]	Ordinary	100%	Service charge administrator
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Holding company
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation
[illegible]	[illegible]	Ordinary	100%	Energy generation

Incorporated/Acquired after year end	Date
[illegible]	17/11/2023
[illegible]	05/12/2023

Subsidiaries exempt from audit by virtue of s480 of the Companies Act 2006
* Subsidiaries exempt from audit by virtue of s479A of the Companies Act 2006

Notes to the financial statements for the year ended 30 June 2023

Dissolved or sold during the year and up until signing	**Date**
Dx Ordnal Energy Recovery Limited	13/09/2022
Comm21 Ltd	15/09/2022
Darlington Point Holdco Pty Limited	08/07/2022
Darlington Point Solar Farm Pty Limited	08/07/2022
Darlington Point Substation Pty Limited	08/07/2022
Dulacca WF Holdco PTY Ltd	24/10/2023
Dulacca Energy Project Holdco Co PTY Ltd	24/10/2023
Dulacca Energy Project Co PTY Ltd	24/10/2023
Dulacca Energy Project FinCo PTY Ltd	24/10/2023

except for those set out below

- ul. Grzybowska 2/29, 00-131, Warsaw, Poland

  Pinsent Masons LLP, Capital Square, 58 Morrison Street, Edinburgh, Scotland, EH3 8BP

  1 West Regent Street, Glasgow, G2 1AP

- 22 rue Alphonse de Neuville, 75017 Paris, France

  6th Floor, 2 Grand Canal Square, Dublin 2, D02 A342, Ireland

- The Carriage House, Station Works, Station Road, Claverdon, Warwickshire, United Kingdom, CV35 8PE

  Zone Industrielle de Courtine 115 Rue Du Mourelet 84000 Avignon, France

  13 Salisbury Place, London, England, W1H 1FJ

- The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington 19801, United States

  4th Floor Saltire Court, 20 Castle Terrace, Edinburgh, Scotland, EH1 2EN

  Apollo House, Mercury Park Wycombe Lane, Wooburn Green, High Wycombe, England, HP10 0HH

  Level 33, 101 Collins Street, Melbourne, Victoria, 3000, Australia

  Beaufort Court, Egg Farm Lane, Kings Langley, Hertfordshire, WD4 8LR

  Broadwalk House, 5 Appold Street, London, United Kingdom, EC2A 2AG

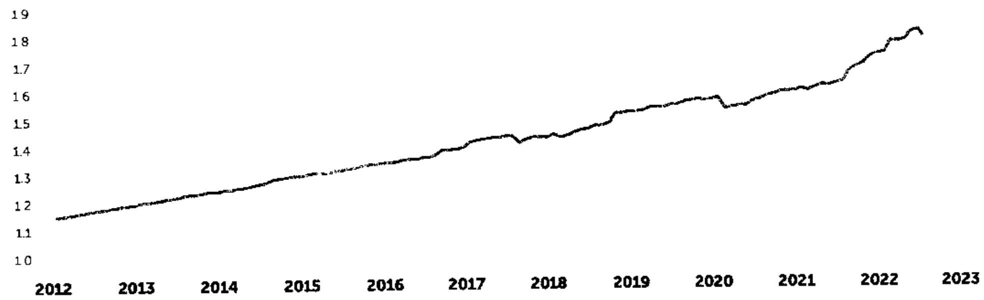
The directors believe that the carrying value of the investments is supported by their underlying net assets

5 |

Fern's share price has performed in line with targets

Fern Trading Limited is an unlisted company. Every month, our Board of Directors agrees a price at which it will be willing to issue new shares. The share price is unaudited.

Share price growth since inception: Fern Trading Limited



Performance is calculated based on the sale price for Fern's shares at 2 June each year. The share price is not subject to audit by Ernst & Young LLP.

Annual discrete performance

Financial Year	Discrete share price performance
June 2022-23	**3.10%**
June 2021-22	**9.91%**
June 2020-21	**4.87%**
June 2019-20	**0.33%**
June 2018-19	**6.23%**
June 2017-18	**1.05%**
June 2016-17	**5.54%**
June 2015-16	**3.83%**
June 2014-15	**3.98%**
June 2013-14	**3.72%**
June 2012-13	**3.97%**
June 2011-12	**1.02%**

Source: Octopus Investments Limited, 2 June 2022

6 | COMPANY INFORMATION

Directors and advisers

Directors

PS Latham
K[illegible] Willey
PG Barlow
T Arthur

SM Grant (appointed 1 January 2023)

Company secretary

Octopus Company Secretarial Services Limited

Company number

12601636

Registered office

6th Floor, 33 Holborn,
London, England EC1N 2HT

Independent auditors

Ernst & Young LLP
Bedford House,
16 Bedford Street,
Belfast BT2 7DT

Forward-looking statements

This Annual Report contains certain forward-looking statements related to the Company's future business [illegible] knowledge and expectations of management and are subject to assumptions, risks and uncertainties, some of which are related to factors that are beyond the control of the Company. Accordingly, no assurance can be given that any particular expectation will be met and forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Past performance cannot be relied on as a guide to future performance. Nothing in this Annual Report should be [illegible]