31 May
2020

FIM Sustainable Timber & Energy LP
Annual Report & Financial Statements

Since 1857
Gresham House
Specialist asset management

FIM Sustainable Timber & Energy LP
Accounts as at 31 May 2020

The Manager presents its Report on the results of FIM Sustainable Timber & Energy LP for the year ended 31 May 2020

The Manager is pleased with the results of FIM Sustainable Timber and Energy LP (the LP), which recorded a £2.9 million profit after paying a distribution on all Partnership Shares (except for "D" Partnership Shares).

The LP delivered a total return of 17.1% during the year, comprised of a 14.9% increase in net assets and a 2.2% distribution for all share classes except for "D" Partnership Shares. The blended total return including "D" Partnership Shares was 16.7%.

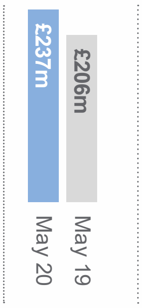
The LP's Net Asset Value has increased by £30.8 million to £237.2 million, or £27.69 per Partnership Share.

For more information visit
https://fimltd.co.uk/client/login

Financial Highlights

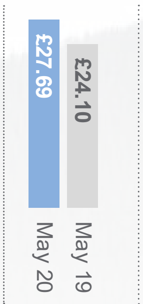
£237.2
+14.9%

Total Net Asset Value (£m)
(as at 31 May 2020)



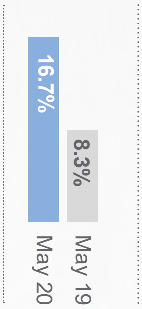
£27.69
+14.9%

Net Asset Value per Share
(as at 31 May 2020)



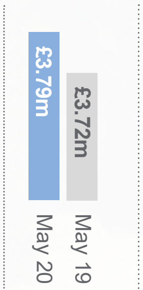
16.7%

Total Return (blended - all share classes)
(for the year to 31 May 2020)



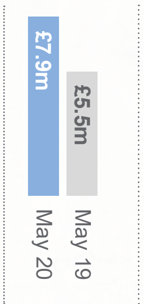
£3.8m

Total Distribution Paid to Limited Partners
(for the year to 31 May 2020)



£7.9m
+44%

Total Turnover
(for the year to 31 May 2020)



Performance highlights

- **The total return on all Partnership Shares except for "D" Partnership Shares in the year was 17.1% (2019: 10.7%), or £4.12 per Partnership Share, comprised of a distribution of £0.53 per Partnership Share (excluding "D" Partnership Shares) and an increase in Net Asset Value (NAV) of £3.59.**
- **The blended total return on all share classes was 16.7% ("D" Partnership Shares do not receive a distribution until 2021).**
- **The NAV of the LP increased by £30.8 million during the year to £237.2 million (2019: £206.4 million).**
- **The NAV per Partnership Share of £27.69 has now exceeded the issue price of the "D" Partnership Shares of £24.70, delivering a gain of 12.1%.**
- **Total turnover for the year amounted to £7.9 million (2019: £5.5 million).**
- **The LP's cash inflows from its renewable energy portfolio were £2.3 million (2019: £1.9 million).**

Manager's Report

Edward Latter
Fund Manager,
FIM Sustainable Timber & Energy LP

The Manager presents its Report on the results of FIM Sustainable Timber & Energy LP for the year ended 31 May 2020.

EXECUTIVE SUMMARY

The Manager is pleased to report a good performance for FIM Sustainable Timber and Energy LP during the year ended 31 May 2020. The LP has delivered a 17.1% total return to Limited Partners (excluding "D" Partnership Shares) inclusive of the 2.2% distribution which was paid as planned. Limited Partners who recently subscribed under the "D" Share Issue received a return of 14.9% during the year, comfortably exceeding the initial cost of investment in the LP. These shares are now eligible to receive planned distributions in future periods.

The LP recorded a trading profit during the year of £2.9 million (2019: £0.4 million) after payment of the distribution. The Manager has allocated this surplus to strategic acquisitions to enhance the portfolio.

The results are encouraging in the context of the global COVID-19 pandemic which has caused significant economic disruption during 2020. A reduction in energy and timber prices during the period, caused by subdued commercial demand due to lockdown restrictions, was mitigated by higher than anticipated wind speeds, solar irradiance and harvesting volumes.

Additionally, investor demand for real assets and a low yield environment has positively impacted the portfolio value.

The LP has demonstrated the resilience of its asset class allocation during a period of extreme volatility in mainstream markets. Whilst there is currently cautious optimism for a gradual recovery from the COVID-19 pandemic, the Manager continues to actively manage the portfolio to protect the long term value of Limited Partners' interests.

The LP is in a strong financial position with no direct debt, a diversified income stream and is fully invested. The Manager believes the future prospects for the LP remain highly positive.

Total Return 2019/20

The total return on all Partnership Shares except for "D" Partnership Shares in the year was 17.1% (2019: 10.7%), or £4.12 per Partnership Share, comprised of the distribution paid of £0.53 per Partnership Share (excluding "D" Partnership Shares) and an increase in Net Asset Value of £3.59:

Beginning NAV Per Share	£24.10	**% of Beginning NAV**
Ending NAV Per Share	£27.69	
Increase in NAV Per Share	£3.59	14.9%
Distribution Per Share	£0.53	2.2%
Total Return Per Share	**£4.12**	**17.1%**

The total return on "D" Partnership Shares was 14.9%, or £3.59 per Partnership Share, as this share class did not receive a distribution in May 2020. "D" Partnership Shares are eligible for distributions from May 2021 at which point they will rank pari passu with other share classes.

Net Asset Value

The NAV of the LP increased by £30.8 million during the year to £237.2 million (2019: £206.4 million).

An internal valuation of the LP's forestry portfolio was conducted as at 31 May 2020, which resulted in an increase of £27.8 million to the revaluation reserve. The remainder of the NAV increase was generated by the surplus on the profit and loss account, which increased by £2.9 million as a result of the years trading operations.

Fund performance

To date all share classes have performed well and in excess of the LP's target return of 7%. The blended internal rate of return (IRR) to 31 May 2020 is 12.3% (2019: 11.7%).

Share Class	Since	IRR
Founder	May to August 2010	13.5%
"A"	August to October 2010	11.9%
"B"	August 2011 to February 2012	11.9%
"C"	February 2014 to November 2014	11.0%
"D"	September 2018 to January 2019	9.0%
All		**12.3%**

The NAV per Partnership Share of £27.69 has now exceeded the issue price of the "D" Partnership Shares of £24.70, providing a total gain of 12.1%, and an IRR of 9.0% from issue.

Returns are stated net of all costs, including fund raising costs, costs of acquiring properties and fund management costs, but prior to any Carried Interest Share, which may become payable to the Special Limited Partner, FIM Executives LP. Currently no distributions have been paid to the Special Limited Partner.

Partnership Shares are expected to qualify for 100% Business Property Relief of Inheritance Tax once held for two years.

LP's strategy

Despite the uncertain global environment and the associated macroeconomic conditions, the Manager remains optimistic about the long term future of the LP. The key fundamentals underpinning this view are:

- the medium to long term outlook for timber prices is positive, due to the emerging increase in global consumption of wood and the finite global supply;
- the value placed on renewable energy investments which will continue to deliver long term, index linked cash flows; and
- the increasing emphasis on the environmental and sustainability credentials of investments.

The business strategy remains to service as much as possible of the planned annual distribution from cash flows generated by the renewable energy assets and rental income, leaving the timber resources to add volume and value for the long term. This will allow the Manager to maximise timber prices and minimise harvesting so that the LP benefits from a continued rise in timber prices.

The Manager continues to believe that a larger fund increases liquidity for investors, provides economies of scale and a more diversified investment portfolio, thus minimising investment risk.

Impact of COVID-19

The principal risks of the COVID-19 pandemic on the performance of the LP relate to timber and energy prices, and corresponding asset values. As the pandemic evolved the Manager noticed a reduction in short term energy prices as the shutdown of commercial industries impacted demand. Timber prices have, however, remained reasonably stable over the period. This is discussed further in the Market Review sections.

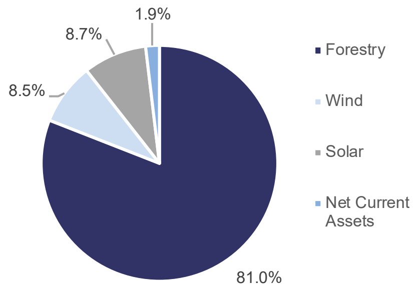
There is currently a degree of uncertainty in relation to the level of demand for UK timber and energy in the coming months.

Based on current market conditions, the Manager expects the LP to manage the current situation in energy and timber prices whilst maintaining the planned distribution policy; however, should market conditions significantly deteriorate, the Manager is clear that selling the LP's timber into a depressed market is not in the long term interests of Limited Partners. This may impact future distribution policy.

The 'key industry' status awarded to UK forestry enabled forest operations, including harvesting, to continue during the peak of the lockdown restrictions. The Manager has robust business continuity arrangements in place to effectively manage the LP. The majority of management activity is currently taking place remotely from employees' home addresses although a phased return to offices is underway on a voluntary basis. All IT systems, banking and finance processes, documentation access and reporting systems are operating normally. The ability for Gresham House staff to undertake forest inspections has also recommenced and the Manager remains in regular contact with the local woodland managers.

Portfolio allocation

The LP is fully invested in a balanced portfolio with the following asset allocation as at 31 May 2020:



Shares in issue

A total of 8,563,495 Partnership Shares are in Issue.

Share Class	No of Shares
Founder	2,588,275
"A"	1,161,952
"B"	1,540,730
"C"	1,873,915
"D"	1,398,623
Total	**8,563,495**

Carbon Offsetting

The total sequestration of carbon dioxide by the forestry portfolio is estimated to be approximately 200,000 tonnes for the year ending 31 May 2020. The total estimated carbon already stored in the LP's forestry portfolio to date is c.4,700,000 tonnes.

The LP's share of output based on the LP's effective ownership of the renewable energy investments was c.66,000MWh during the year ended 31 May 2020, resulting in approximately 9,000 tonnes of carbon being offset through emissions prevention from polluting energy sources. The total carbon offset to date by the LP's wind farms and solar parks is estimated to be 89,000 tonnes.

Overall, the total carbon sequestered or offset per Partnership Share to date is estimated to be 562kg (0.56 tonnes), of with 21kg (0.02 tonnes) of carbon was sequestered or offset per Partnership Share during the year ended 31 May 2020.

For comparison the total carbon emissions sequestered or offset by the LP to date is equivalent to the carbon emissions released from approximately one billion car miles.

PERFORMANCE SUMMARY

A summary of the results from the LP's investments in forestry and renewable energy is presented below.

Forestry portfolio

Forestry revenue for the year amounted to £7.2 million (2019: £4.9 million), of which £6.5 million (2019: £4.8 million) was generated through timber sales (see table).

Timber Sales 2019 and 2020:

	2019	2020
Timber Sales	£4,784,657	£6,501,025
Average Price (£/Tonne)	£57.44	£50.35
Area (Hectares)	223.5	294.7
Tonnes	83,295	128,772
Tonnes/Hectare	373	398
Total Return (£/Hectare)	£21,408	£22,060

The average timber price achieved decreased year on year by 12% or £7.09 per tonne which reflected the market trend in timber prices during the period. However, the total return per hectare increased by a small amount to £22,060 as a result of higher average volumes of 398 tonnes per hectare.

The Manager secured the majority of the harvesting contracts towards the beginning of the period, which proved advantageous as timber prices declined further in the six month period to 31 May 2020.

Two contracts that were due to be harvested were deferred due to not achieving acceptable prices; these were replaced with two contracts in alternative forests where localised demand enabled superior prices to be achieved through off-market negotiation.

£0.5 million in timber compensation was received to enable the construction of a power line along the boundary of Clanmore Forest, which represented a significant (c.20%) premium to the market value of the timber.

Wind farm leases on forestry land generated rental income of £0.6 million during the year (2019: £0.5 million) from two operational wind farms, Penmanshiel and Craignane, and two wind farms that remain in construction, Cowans Law and Kirtleton South.

Forestry expenditure (recorded within Operating Costs) was £2.3 million (2019: £2.0 million). Replanting was implemented as required, maintaining the value in the forestry portfolio. Replanting is undertaken with improved Sitka spruce where appropriate to enhance production and value over the next rotation.

Renewable energy portfolio

The LP's cash inflows from its renewable energy portfolio were £2.3 million (2019: £1.9 million), slightly below budget of £2.4 million, and comprised the following:

Currency: £m	2019 Actual	2020 Budget	2020 Actual
Gresham House Solar Distribution LLP	1.0	1.1	1.2
Gresham House Wind Energy 1 plc*	0.7	1.2	1.0
FIM Wind Energy LP	0.2	0.1	0.1
Total	**1.9**	**2.4**	**2.3**

** Assets previously owned in various entities*

A summary of the 2019/20 output is shown below:

	2019/20 Output (MWh)		
	Budget	Actual	Variance %
Wind farms	108,567	113,140	4.2
Solar parks	36,688	40,329	9.9
Total	**145,255**	**153,469**	**5.6**

Harburnhead wind farm (50% of which is owned by FIM Wind Energy LP) recorded the following output during the period:

	2019/20 Output (MWh)		
	Budget	Actual	Variance %
Harburnhead	139,000	146,134	5.1

Overall the energy generation from both the wind and solar assets has been better than expected. Production figures are the latest full year output figures from (a) the five wind farms in which the LP holds interests: Mynydd Portref, Wathegar, Torrance, Harburnhead, Wathegar 2, and (b) the eight solar parks (listed on page 9).

Power prices have been negatively impacted by the sharp reduction in electricity demand across the UK during H1 2020 (see Market Review Section).

Where possible action was taken by the Manager to fix power prices. Higher than expected output mitigated the revenue impact of lower power prices to a large extent, and generated close to budgeted income.

All eight solar parks held within Gresham House Solar Distribution LLP exceeded budgeted output in the twelve-month period due to good spring and summer weather resulting in higher irradiance.

FINANCIAL RESULTS 2019/20

Income Statement

Turnover

Total turnover increased by 44% to £7.9 million (2019: £5.5 million) due to an increase in timber harvesting.

Turnover comprised the following:

Currency: £m	2019	2020
Forestry operations	4.9	7.2
Other Income (e.g. wind farm rents)	0.6	0.7
Total Turnover	**5.5**	**7.9**

The Manager agreed timber prices at the beginning of the period to secure timber income for the LP. Several contracts outperformed budgeted revenue.

Other operating income

Wind farm rents are steadily increasing year on year as progress continues to be made in the construction of two wind farms, albeit slower than expected (see page 8).

There has been a notable increase in the level of serious enquiries from wind farm developers looking to lease the LP's land under option for lease agreements during the period.

The Manager is constantly reviewing the terms of these arrangements to ensure that the LP's share of future profits from potential wind farm development is maximised.

Operating costs

Operating costs were £2.3 million (2019: £2.0 million) which was within budget. This relates to restocking, maintenance and management costs across the forestry portfolio.

Administrative expenses

Administrative expenses were £1.2 million during the year, in line with the previous year (2019: £1.2 million).This included the Gresham House Annual Management Fee of £0.7 million (2019: £0.6 million).

Income from investments

Renewable energy cash inflows increased by £0.3 million to £2.3 million despite falling energy prices. This was a result of the Manager locking in favourable energy prices in Summer 2019 and energy production (output) being above expected levels.

Profit for the year before revaluation

Profit for the year before revaluation was £6.7 million (2019: £4.1 million) which, after the payment of the distribution of £3.8 million (2019: £3.7 million), generated a retained profit of £2.9 million (2019: profit of £0.4 million).

Balance Sheet
The LP's NAV increased by 14.9% to £27.69 per Partnership Share (2019: 8.3% increase to £24.10). This was due to a revaluation surplus of £27.8 million (2019: £12.8 million) and profits increasing the Profit and Loss Reserves.

On a like for like basis the forestry portfolio value increased by 18.2% (£28.4 million). The renewable investment valuations were negatively impacted by reduced power prices (decrease of £0.5 million). However, an extension to the lifespan of the newly acquired Wathegar 2 wind farm offset the impact of this on the valuation of Gresham House Wind Energy 1 plc.

Increase in Net Assets:	Amount £m
Change in value of the forest portfolio	32.9
Less new acquisitions	(4.3)
Less capital expenditure	(0.2)
Net increase in value of forest portfolio from 1 June 2019	**28.4**
Decrease in value of solar investments	(1.0)
Increase in value of wind investments	0.5
Total Revaluation Surplus	**27.9**
Movement in Profit and Loss Reserve	**2.9**
Increase in Net Assets	**30.8**

Gearing and bank debt
The LP has the ability to employ gearing to a maximum of 20% of the NAV calculated at the time the gearing is put in place.

The 20% limit includes direct debt (bank loans) and indirect debt or the value of equity invested by the LP in renewable energy projects or any Special Purpose Vehicle (SPV).

On this basis, gearing was 9.9% of net assets at the year end (2019: 9.7%) which represented indirect debt, as all direct debt has been repaid.

Based on the current NAV the LP has the ability to utilise up to £47.4 million of debt and remain within the LP's permitted gearing levels. The remaining gearing available is c.£24 million, which has not been drawn down to date.

Statement of cash flows
Cash outflows from operating activities and investments (before the payment of the distribution) in the year amounted to £0.6 million (2019: £9.9 million inflows). See table below.

BUDGET 2020/2021

The budget for 2020/21 has been prepared on the basis of the existing forestry and renewables portfolio as at 31 May 2020.

The LP is budgeting to generate a turnover of £8.0 million (2020: £7.9 million) comprised as follows:

- Forestry operations £7.3 million (2020: £7.2 million); and
- Rental income (including wind farm rents, option payments and sporting rents) £0.7 million (2020: £0.7 million).

The Manager has already secured acceptable terms for c.65% of the 2020/21 planned harvesting contract income.

Operating profit is budgeted to be £3.7 million (2020: £4.4 million).

The LP is budgeting to receive cash inflows of £2.0 million from its investment in renewable energy assets (2020: £2.3 million), a reduction from the previous year to conservatively adjust for the current lower power prices should they be sustained.

This will result in a budgeted profit for the year of £5.8 million (2020: £6.7 million).

The budgeted distribution payable on all Partnership Shares, including "D" Partnership Shares, in May 2021 amounts to £4.7 million (2020: £3.8 million) such that a surplus of £1.1 million (2020: surplus of £2.9 million) is budgeted to be retained in the Profit and Loss reserves (subject to CPI movements).

The surplus has been set to be deliberately lower than was achieved in the previous year so that harvesting can be minimised until timber prices improve.

LP's budget cash flow
Cash outflows from operating activities, investments and the payment of the distribution in 2020/2021 are budgeted to be £3.7 million (2020: cash outflow of £4.4 million) as shown in the table below.

The planned distribution of £4.7 million is payable on all Partnership Shares in May 2021, budgeted at a rate of c.£0.55 per Partnership Share which assumes a CPI rate of 2%. The Manager aims to increase the previous years distribution by CPI + 1%, therefore the amount payable will be dependent on the prevailing rate of CPI. In the event that CPI is closer to 1% during the period, this distribution (if paid as planned) would be set at £0.54 per share.

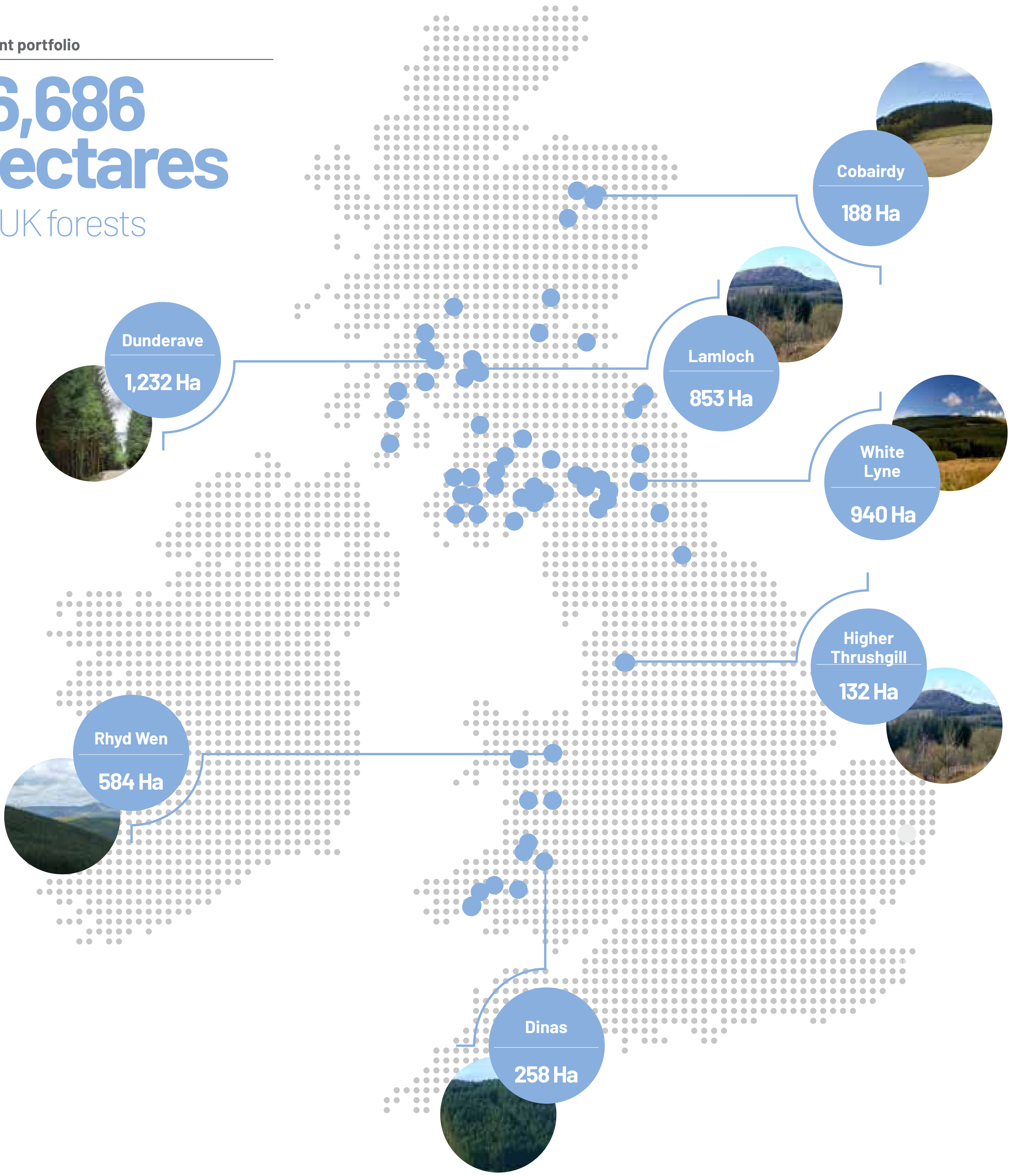
Statement of Cash Flows (£m)	2021 Budget	2020 Actual	2019 Actual
Net cash flows from operating activities	3.7	4.5	2.0
Purchase of forest properties and disposals	(4.4)	(4.3)	(20.1)
Capital expenditure on the forestry portfolio	(0.3)	(0.2)	(0.3)
Investment in renewable energy assets	-	(2.9)	(7.3)
Issue of new shares, net of expenses	-	-	33.8
Net interest	-	-	(0.1)
Distributions from renewable energy assets	2.0	2.3	1.9
Cash flows from operating activities and investments	**1.0**	**(0.6)**	**9.9**
Distribution paid	(4.7)	(3.8)	(3.7)
Net increase/(decrease) in Cash	**(3.6)**	**(4.4)**	**6.2**
Opening Cash	**4.8**	**9.2**	**3.0**
Closing Cash	**1.1**	**4.8**	**9.2**

Forest portfolio

Current portfolio

16,686 hectares

67 UK forests



Forest portfolio
As at 31 May 2020, the forest portfolio (including the wind farm leases) was valued by the Manager at £192.0 million (2019: £159.1 million), and comprised 81.0% of the LP's net assets (2019: 77.1%).

The value of the forest portfolio (including wind farm leases) has increased by 18.2% on a like for like basis (i.e. excluding properties that were acquired during the year).

There were three forest acquisitions during the year at a total cost of £4.3 million. The properties comprise a range of age classes and geographic locations and are primarily stocked with Sitka spruce crops. A summary of the properties added to the portfolio during the year is as follows:

Location	Weighted Average Age	Area (ha)
Machynlleth, Mid Wales	32	144
Huntly, East Scotland	18	189
Tarbert, West Scotland	28	85
		418

Post balance sheet acquisitions
Since the year end a further forest property adjoining one of the LP's existing holdings in South Scotland has been acquired. In addition, 92.7 hectares of freehold land currently occupied by the LP under a long leasehold agreement has been acquired following negotiations with the freeholder. Converting a leasehold interest to a freehold forest is expected to generate synergistic value above and beyond the cost of acquiring the freehold title.

Location	Weighted Average Age	Area (ha)
Thornhill, South Scotland	17	102
Helensburgh, Central Scotland	n/a	93
		195

The total purchase cost of the post balance sheet acquisitions amounted to £2.3 million which has been funded from the cash surplus held by the LP.

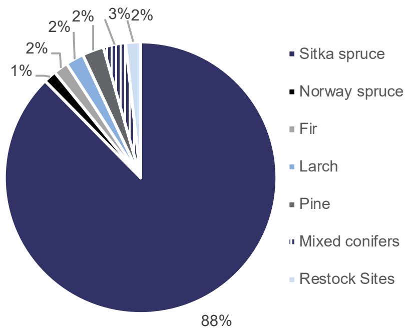
All five of the acquisitions made during the year and post balance sheet have been sourced by the Manager in off market transactions. Three of these adjoin forests already owned by the LP, in line with the Manager's acquisition strategy to enhance the size and scale of existing LP forests where possible to generate economies of scale and create potential synergies.

The forest portfolio (including the post balance sheet acquisitions) now consists of 16,686 hectares across 67 properties, of which 12,402 hectares is either stocked with commercial crop or has recently been harvested and is due for restocking.

The portfolio continues to provide geographic diversification across Scotland, North England and Wales, and comprises a high yield class, large scale and well-located commercial forestry portfolio of significant scale.

The commercial crop area consists of 88% Sitka spruce (the UK's most productive species), and 2% of land which has recently been harvested and is due for restocking. The balance comprises secondary commercial conifer species.

The total portfolio now includes 12,184 hectares of commercial conifer species, of which 6,950 hectares is over 30 years of age (2019: 7,100 hectares), and some 2,021 hectares over 40 years (2019: 1,990 hectares).



This mature crop provides the LP with significant flexibility to generate revenue from timber harvesting as required, with felled areas being replanted with stock from genetically improved sources. The weighted average age of the commercial crop remains at 26 years, distributed as per the chart below.

Wind farm leases
Value: £10.6 million (2019: £10.7 million)

The LP benefits from five wind farm leases.

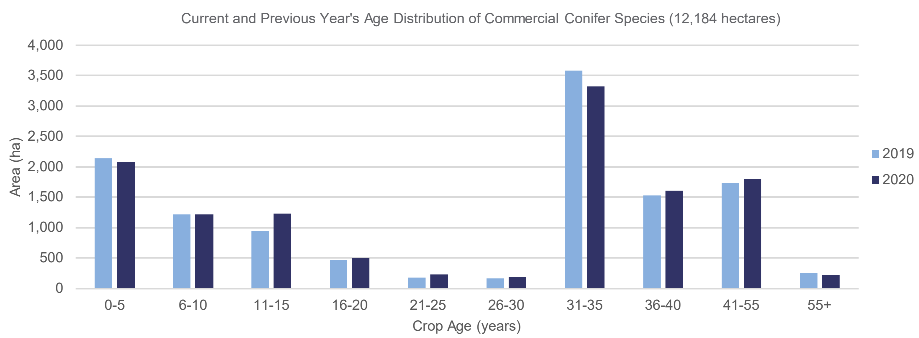
Two operational wind farms on Craignane and Penmanshiel are budgeted to produce a combined annual rental income for the LP of £0.3 million next year.

Sneddons Law, part of which is being built on the LP's forest Cowans Law, has experienced delays in construction. During the year the developer lost an appeal in relation to a water supply issue and has now resolved to comply with the decision; it is hoped that progress can now be made. Base rent of £0.1 million continues to be paid, but once operational, the rent will increase to £0.2 million per annum. This is now expected in 2022.

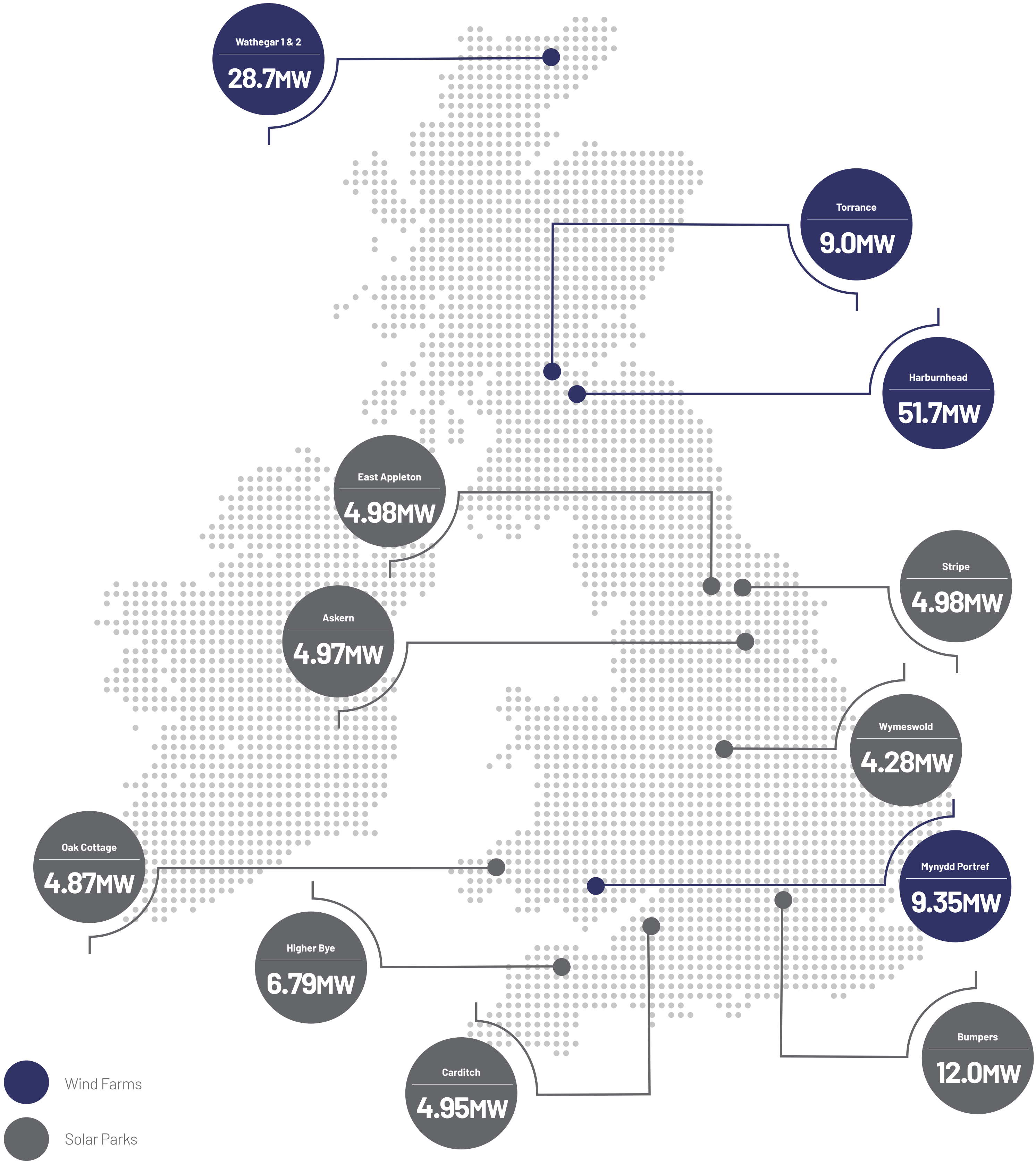
Solway Bank Wind Farm which benefits the LP's forest Kirtleton South has been delayed as a result of Senvion (the turbine manufacturer) going into administration. The new turbines, supplied by Vestas, are forecast to be erected in Autumn 2020 with energy generation planned to commence within a year. Access rent will continue to be paid to the LP which amounts to £0.1 million per annum.

The Energy Consents Unit confirmed in December 2019 that an extension to Tangy Wind Farm had been consented. The developer is working towards a GRID connection date of April 2023. Once constructed, the LP is forecast to receive rental income of at least £0.1 million.

When fully operational, rental income from these five wind farm leases is estimated to be £0.7 million per annum (RPI linked).



Renewables portfolio



Renewable energy portfolio
As at 31 May 2020, investments in renewable energy generating assets totalled £40.7 million (2019: £38.4 million), 17.2% of the LP's net assets (2019: 18.6%).

The LP's share of output based on the LP's effective ownership of the renewable energy investments was c.66,000MWh, enough to supply over c.17,000 homes and resulting in approximately 9,000 tonnes of carbon being offset through emissions prevention from polluting energy sources.

The following investments were valued by the Manager at their respective year ends:

- FIM Wind Energy LP at 31 March 2020; and
- Gresham House Wind Energy 1 plc at 31 May 2020

Gresham House Solar Distribution LLP was valued externally by Jones Lang Lasalle as at 5 April 2020.

Wind farms
The LP has total wind farm investments valued at £20.0 million (2019: £16.6 million) in two wind farm holding entities, 8% of the LP's net assets.

Gresham House Wind Energy 1 plc (formerly FIM Windfarms 2 LP)
Interest 40.2%: value £18.7 million (2019: £15.2 million)

The re-organisation of FIM Windfarms 2 LP to a Public Limited Company, Gresham House Wind Energy 1 plc (GHWE), completed on 26 June 2019, with the LP's investment (equity and loans) converted into shares. FIM Windfarms 2 LP was valued by Jones Lang LaSalle at 31 May 2019 in order to transfer the assets into GHWE based on an independent valuation.

GHWE has an interest in four operating wind farms, detailed in table 1 below.

An investment of £2.9 million was made by the LP into GHWE during the year to acquire "A" Ordinary Shares.

This formed part of a c.£19 million fund raise which was used to acquire a 66% shareholding in Wathegar 2 in December 2019.

This enabled the LP to increase its allocation to renewables closer to the target of 20%, in line with the LP's objectives. As at 31 May 2020, the LP owns 18,007,575 shares (40.2%) of GHWE.

During the year the Manager of GHWE applied for and received a 15 year life extension to Wathegar 2 wind farm. This had a positive impact on the asset valuation such that the portfolio value did not materially decrease as a result of the drop in power prices during the year.

FIM Wind Energy LP
Interest 5.5%: value £1.4 million (2019: £1.4 million)

FIM Wind Energy LP has a 50% interest in LDV Harburnhead Holdings Limited, which owns LDV Harburnhead Limited and operates the Harburnhead Wind Farm (see table 2 below). The LP holds a 5.45% interest in Harburnhead Wind Farm and invested via FIM Wind Energy LP alongside two Local Authority Pension Funds and individual investors.

Solar Parks
Gresham House Solar Distribution LLP (SDLLP)
Interest 40.6%: Value £20.6 million

The LP has total solar park investments valued at £20.6 million (2019: £21.8 million) through a 40.6% holding in SDLLP.

The assets within the portfolio have good geographic spread and are performing well.

During the year SDLLP acquired the 12MW Bumpers Farm solar park in Buckinghamshire for £6.9 million which became fully operational in March 2020.

All sites are fitted with top tier manufacturer solar panels and equipment with appropriate warranties and have long term operation and maintenance agreements in place.

Seven of the projects benefit from Renewables Obligation Certificates (ROCs) for 20 years from their accreditation date and most have between four and five years operational history. A summary of the solar parks held by SDLLP is shown below.

Solar park	Size (MW)	Annual output (MWh)
Carditch	4.95	4,662
Wymeswold	4.28	3,821
Stripe	4.98	4,681
East Appleton	4.98	4,683
Askern	4.97	4,587
Higher Bye	6.79	6,601
Oak Cottage	4.87	4,654
Bumpers Farm	12.00	11,608
Total	**47.82**	**45,297**

During the year Limited Partners of the LP were invited to vote directly in relation to the following proposed Resolutions for SDLLP in accordance with the agreed conflict of interest policy established following the transfer of LP assets into SDLLP:

- Resolution 1: To approve the issue of "E" Shares to expand the portfolio.
- Resolution 2: To invest Members' unused capital into operating assets.
- Resolution 3: Deferral of the set Termination Dates by 4 years.
- Resolution 4: Amend the fees charged by the Manger in relation to unsubsidised assets.

All four Resolutions were approved by Investor Special Consent. 34% of the LP's Members voted.

The Manager of SDLLP has since stated that in the best interest of its Members the issue of "E" Shares is to be postponed until there is an improvement in market conditions. The remaining Resolutions have been implemented.

Table 1 Gresham House Wind Energy 1 plc (formerly FIM Windfarms 2 LP)

Site	Location	Turbines	Capacity
Mynydd Portref	South Wales	11 x Gamesa 0.85MW	9.35MW
Wathegar	North Scotland	5 x Senvion 2.05MW	10.25MW
Wathegar 2	North Scotland	9 x Senvion 2.05MW	18.45MW
Torrance	Central Scotland	3 x Siemens 3.00MW	9.00MW
Total			**47.05MW**

Table 2 FIM Wind Energy LP

Site	Location	Turbines	Capacity
Harburnhead	East Scotland	22 x Enercon 2.35MW	51.7MW

Market Review and Outlook

FORESTRY

Gresham House UK Timber Index to March 2020

Despite the COVID-19 pandemic disrupting markets Gresham House (GH) has seen timber prices remain resilient and strong demand returning to the market in recent weeks. The long term trend of improving prices continues and timber prices over the 10 years to 31 March 2020, as measured by the GH UK Timber Price Index, increased at an annualised rate of 8.6%. This significantly exceeded UK inflation (CPI), which averaged 2% per annum over the same period.

Whilst the index shows that prices fell 16.7% over the year and 6.3% over the six months to March 2020, through targeted marketing GH saw standing prices stabilise at a level which maintains a clear upward trajectory over the medium term.

The fall in prices was from a high peak in March 2019 when prices were driven by a combination of strong demand and a shortage of standing timber sales. This shortage was in part due to the lower output and high proportion of Larch from the public forest estate in Wales. The imbalance saw standing timber prices move ahead of and out of touch with the end-product prices in Q1 2019 and inevitably they have since dropped back. This fall was exacerbated by a reduction in demand for homegrown timber during 2019, caused by spruce bark beetle damage in Central Europe. Damage increased in line with the high levels of distressed timber caused by wind damage and drought. An abundance of timber products resulted in the UK processing sector losing market share to cheap European imports.

However, GH considers that the fundamentals of demand and supply are such that prices will increase in real terms over the coming years.

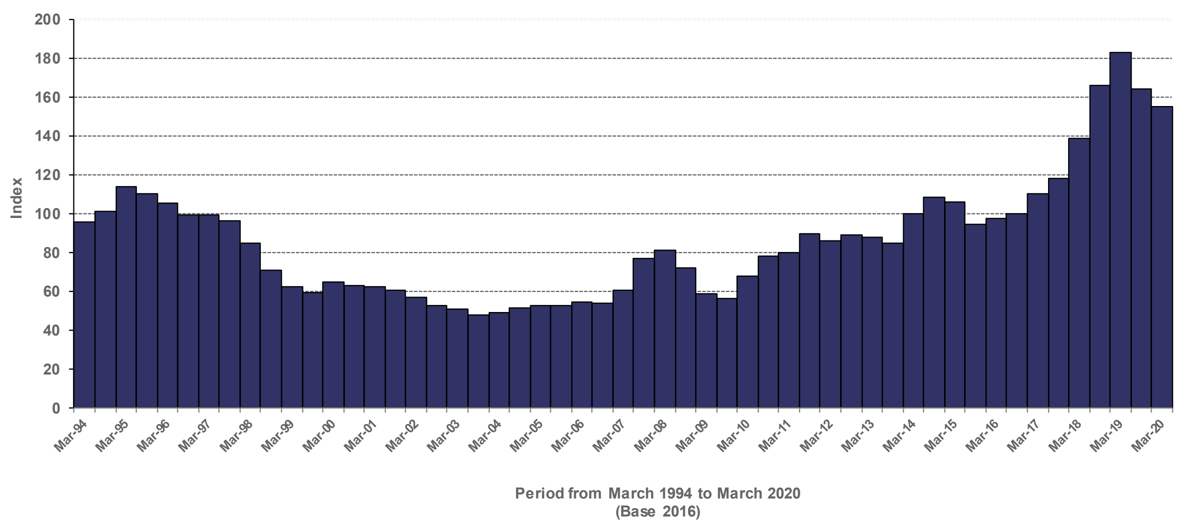
Higher timber prices feed through to both higher revenues and forest capital values.

The GH UK Timber Index uses statistics published by the Forestry Commission (FC). It comprises an equal weighting of the Coniferous Standing Sales Price Index (CSSPI), being the average price of standing conifer timber sales, and the Softwood Sawlog Price Index (SSPI), being the average price of all softwood sawlogs sold on the FC estate.

Global supply and demand

Over the next 30 years, GH expects global timber consumption to rise by 3.1% per annum driven by urbanisation, decarbonisation and increased housebuilding. Globally, the vast majority of countries have set significant targets to reduce carbon emissions towards net zero by 2050. Timber will play a critical part in this transformation. The dual effect of urbanisation and decarbonisation will be more new homes and cleaner low carbon intensity buildings being built from timber.

Gresham House Forestry Timber Price Index
(Nominal, including the effect of inflation)



Source: Forestry Commission, National Audit Office

Wood will increasingly replace high carbon intensive steel and concrete.

Rising demand for timber is set against a constrained supply fixed by the long term growth rate of the trees and limited land area. This supply demand imbalance will result in increased timber prices over the medium to long term. Commercial forestry remains an excellent diversifying investment, uncorrelated to other asset classes, offering inflation protection and is underpinned by real income from timber sales and biological growth.

UK Timber Market Review and Outlook

GH saw demand and prices stabilise and start to improve during Q1 2020 although this was disrupted by the COVID-19 pandemic in late March. Initially demand for timber dropped off significantly as many processors closed amid confusion in interpreting government guidelines. However, it was not long before forestry was recognised as a key industry with timber products essential to continue supply of pallets, packaging, biomass fuel and face masks.

Lockdown restrictions further created a change in consumer behaviour resulting in exceptional demand for timber from home improvements, fencing and landscaping. With the construction sector steadily recovering, the net result was that by June 2020 GH saw demand for UK timber returning to normal and through careful placement of timber sales we saw minimal impact on prices during the pandemic.

High levels of felling in Central Europe due to bark beetle damage subdued the demand for homegrown timber in the UK during 2019. In 2020, a historically mild winter in Europe has been followed up by a very dry spring stressing timber crops and exacerbating the bark beetle issue. However, EU timber has substantially increased its market share in China and exports are up 29% in Q1 2020 compared with Q1 2019. Notably, exports to China are up 48% in Sweden and the area notified for felling there has normalised. This reduction in pressure has combined with concerns from sawn timber importers over committing to large shipments amid market volatility, allowing UK sawmills to expand market share.

The UK roundwood market remains protected from the oversupply of timber in Europe as high transport costs and plant health restrictions make the UK less attractive to European importers. Furthermore, the climate models for the UK and Ireland show improving conditions for growing Sitka spruce, which along with improving yield, results in healthy trees which are much less susceptible to pest damage.

The UK still imports c.81% of its wood and wood products and the current government message of "build back greener", coupled with a target of Net Zero CO_2 emissions by 2050 will likely see increasing timber consumption in the UK.

Silvicultural limitations on harvesting volume set against a weaker currency all point towards a robust UK timber market for the foreseeable future. In the event of GBP strengthening this will almost certainly coincide with an increase in housebuilding and this additional demand for timber will likely neutralise the negative impact of reducing relative imported timber prices.

Continued investment in UK mills and processing facilities is increasing the timber production capacity and unlocking value added end products. Kronospan (a board manufacturer) are nearing completion of a £200 million investment programme into value adding lines, raw material storage and automation. They also have plans to invest in a new OSB line at their plant in Chirk in Wales, which would see roundwood requirements increase substantially.

With two MDF lines, a particleboard line and a sawmill, the plant at Chirk is already a key part of the UK forest industry taking timber from Wales and also substantial volumes from Scotland via rail. Glennon Brothers have now completed their £14 million investment into a new log sorting line at their Windymains sawmill in Scotland as part of ongoing investment; roundwood capacity has increased by around 20% with potential to increase further. Glennon Brothers are also planning a £7 million investment into their Alexanders Timber Design business in Scotland with a view to tripling production of their timber frame housing kits.

Summary

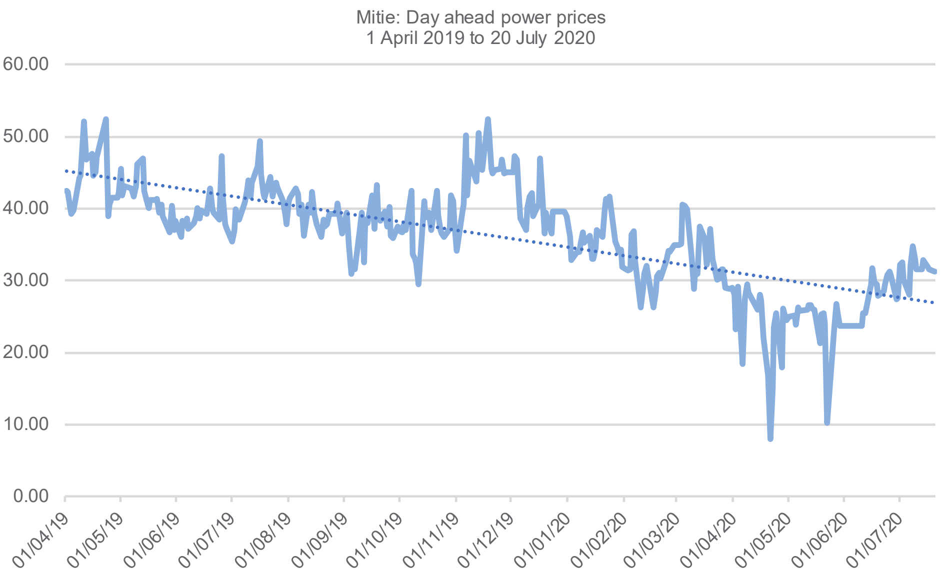
Despite the COVID-19 pandemic headwinds the market for UK homegrown timber remains resilient and this is backed up by the continuing investment in processing capacity. Improving demand for timber products globally is allowing the UK market to weather the storm of bark beetle damaged timber in Europe. As we move into winter 2020 the continued positive trajectory of UK timber prices will be dependent on construction activity continuing to recover. With the government message of "build, build, build" this looks likely and with clear opportunities for the increasing consumption of timber in the UK, the longer term outlook remains exceptionally good.

RENEWABLE ENERGY

Electricity prices have remained volatile over the year as can be seen by the graph below. 2019 was unusual in that prices did not follow the typical annual cycle of increasing on the approach to winter, so the Winter 2019 season started at unusually low levels. This position worsened as prices drifted down on the approach to Summer 2020. It should be noted that forward prices for Winter 2020 are now trading around the £46/MWh mark, some of the losses due to COVID-19 have recovered as lockdown has been eased and demand has picked up. The key drivers behind these changes are:

- COVID-19: The resulting lockdown and closure of many businesses from March 2020 caused by the COVID-19 pandemic has significantly reduced demand and hence reduced prices in the short term.

- Oil prices: Oil prices remain volatile, driven by global oil production, foreign exchange fluctuations, geopolitical concerns and a reduction in global oil demand. On 21 April 2020, the global oil price went negative for the first time ever with its lowest price recorded at -$40.32. This has largely been due to the lower demand as a result of severe restrictions implemented globally on travel, work and businesses as a result of COVID-19. Consequently, fewer people are using their cars, fewer planes are flying and fewer offices are open and require heating, all of which largely rely on oil. At the same time we have seen a huge drop in demand, there has been an oversupply of oil to the market and lack of storage, resulting in traders being forced to sell these orders at record lows to avoid significant holding costs. Since then, oil prices have rebounded due to indications that US demand will improve, and non-OPEC producers Russia and Norway may cut output further.



Source: Mitie Day Ahead Prices

Source: ICE

- Gas prices: Gas prices have been lower than anticipated reflecting the milder winter. As we start Summer 2020 gas consumption is low and global supply remains strong, pushing prices lower.

- Coal: By mid-June 2020 the UK hit its longest consecutive run (two months) without any coal generation since the industrial revolution. During this time, renewable energy was the largest source of domestically produced electricity contributing 37% with gas at 32% and nuclear at 22%, the remainder was imported from Europe. Coal's contribution to the energy mix has been falling as plants are taken offline, with all coal fired plant closures due to complete by 2025.

- Weather: Power prices in the run up to Winter 2019 did not rise as is typically seen due to the market feeling comfortable that there was ample gas supply and no concerns of a cold winter were anticipated. As the season continued, a mild winter was experienced and February and March 2020 saw unusually high wind speeds (predominantly due to storm Ciara and storm Denis), resulting in oversupply of power to the grid, all putting downward pressure on power prices.

- Carbon: During the period to 31 March 2020, carbon prices fell from c.€27 to c.€15 per tonne of carbon dioxide equivalent as can be seen from the graph on page 13. It peaked at c.€30 in July 2019 and its lowest price was €15.30 in March 2020 at a time when much of Europe was already in lockdown and just ahead of the UK starting its lockdown. At the time of writing (Aug 2020) it is currently trading around €25 per tonne.

  This sharp increase from the lows of March 2020 can be explained by strong demand for carbon allowances, relating to new European proposals on climate change targets and subsequent changes to the EU ETS market in the next 12-18 months. Although the UK officially left the European Union on 31 January 2020, the UK will remain in the EU ETS until December 2020 when it is expected that it will be able to link to the EU scheme.

Looking forward, the Manager believes the following will continue to have an impact on power prices:

- COVID-19 will continue to have an impact on wholesale power prices in the short term as the full force of the lockdown on the economy as a whole impacts demand for oil, gas and electricity. The Manager envisages a quick reversal of the low demand seen when the lockdown restrictions are fully lifted, and all businesses can return to normal. Forward prices are currently above £46/MWh for Winter 2020, which is in line with levels prior to the pandemic and has been helped by the recent increase in carbon prices.

- Inflation is expected to fall during 2020 but return to normal levels by mid-2021. Long term electricity forecasts continue to predict real price increases out to 2050.

- Gas supply will drive electricity prices. At the time of writing the UK has an oversupply of gas and this is likely to suppress prices in the short term.

- Unseasonal weather patterns will continue to have a huge influence on power prices.

- European coal plant closures have been brought forward in many European countries (France, Ireland, Germany, the Netherlands, Spain and Italy) which should help increase power prices in the short term.

- Decarbonisation policies should continue to put pressure on carbon prices and increase them, as has happened during June 2020.

- Onshore wind and solar can once again bid for a Contract for Difference and there is a vibrant market for Corporate Power Purchase Agreements emerging in the UK, both of which should support the further deployment of subsidy free wind and solar projects, allowing the UK and Europe to reach its decarbonisation targets.

- Geopolitical tensions across the Middle East, China and trade wars with the US will all add pressure to oil prices.

Over the long term, the Manager believes that an increase in electrification in everything from transport to heating may be underestimated in current power price forecasts, which along with other positive fundamentals, should help lift power prices higher.

The majority of the LPs underlying renewable assets are underpinned by subsidies (Renewable Obligation Certificates (ROCs)), so whilst projects are impacted by volatile power prices, revenue is supported by inflation backed subsidies which are greater than 50% of the income, providing substantial downside protection in these uncertain times.

BUSINESS STRATEGY

Investment objectives

The Investment Objectives of the LP are to invest 80% of the LP's assets in sustainable UK commercial forestry and 20% in renewable energy generating assets (onshore wind farms and ground mounted solar parks), to achieve a balance between income and capital growth, with gearing to be restricted to a maximum of 20% of net assets.

Portfolio management

The Manager continues to follow the strategy of limiting harvesting and managing expenditure on the forest estate whilst maintaining an operating surplus. When the surplus is combined with cash receipts from renewable energy investments and rental income from wind farm leases, the net profit is sufficient to meet the planned distributions to Limited Partners.

With a positive medium to long term outlook for timber prices, harvesting of the LP's timber resource will continue to be minimised, subject to operational requirements. The Manager will continue to actively manage the portfolio in order to add value as appropriate.

The Manager will keep a loan facility in place to take advantage of any potential investment opportunities that meet the LP's investment criteria.

The Manager considers that renewable energy assets continue to add flexibility and diversification to the LP's income streams and will seek appropriate opportunities to invest, up to the maximum of 20% allowed under the LP's Investment Objectives.

Distributions payable to Limited Partners are largely underwritten by the income received from the renewable energy investments and rental income allowing the Manager to tactically manage timber harvesting.

Management services

In order to maximise the performance of the LP on behalf of investors, the Manager services the LP by:

- "Buying right" as a result of its experience in the market place, with the ability to originate attractive investment opportunities on and off market for both the forestry and renewable energy portfolios;
- Providing independent advice on timber and electricity sales to maximise returns to the LP;
- Actively managing the LP to enhance returns, ensuring the timely and cost effective management of the assets and tight cost and budgetary control;
- Providing detailed analysis of opportunities to enhance value of the assets through higher and better use in the forestry portfolio and lease extensions within the renewable energy portfolio; and
- Minimising risk by maintaining a well managed forestry portfolio with diversified geographic locations and age classes, whilst maintaining suitable insurance to cover fire, wind blow and public liability risks.

Distributions

The LP plans to pay a distribution of £0.53 per Partnership Share, adjusted by the 12 month movement in CPI plus 1%, on all Limited Partnership Shares in May 2021. There is no guarantee that distributions will be made in full. The level of distribution will depend on the trading performance during the period and the financial position of the LP.

The Manager aims to adjust distributions each year by CPI plus 1%. The policy is designed so that Limited Partners will receive a real annual increase in their distribution payment.

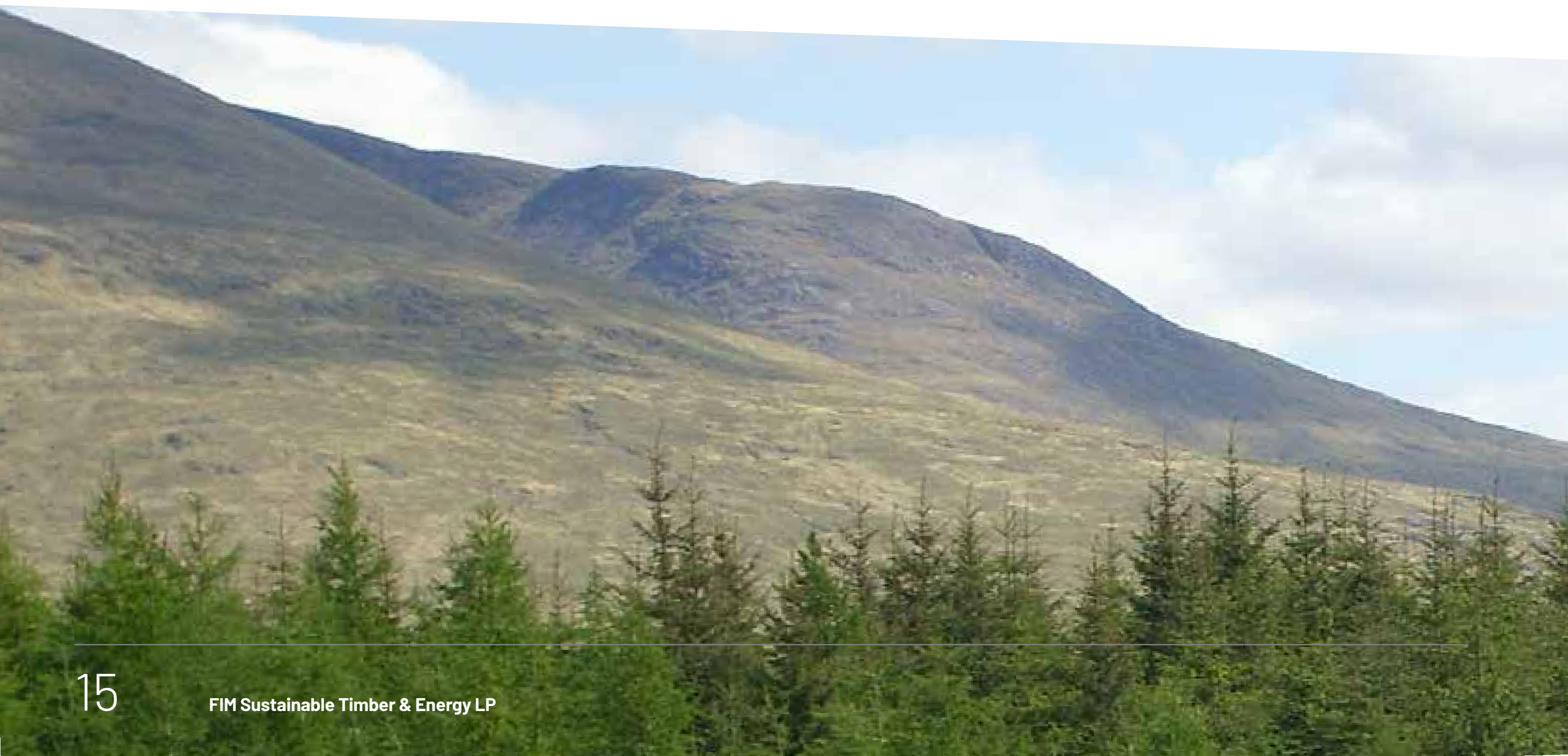
LP Duration

The First Termination Date is 31 May 2028. There is a right for Limited Partners to vote to extend this by one five year period, subject to 75% by value of those voting being in favour of continuing the LP at the AGM following the year ended 31 May 2027.

The Final Termination Date is 31 May 2033, when it is currently planned that the LP will be wound up. The Manager will consider options to allow Limited Partners to maintain their IHT relief post the eventual Termination Date.

Forest certification

The LP continues with the policy of certifying all forests to Forest Stewardship Council (FSC) standards at the time harvesting commences. Certification schemes provide a way of defining sustainable forest management, as well as third party independent verification that a timber source meets the definition of sustainability. These schemes include a mechanism for tracing products from the certified source forest to end use, providing evidence that it is both legal and sustainable.



All timber harvested, together with the restocking and management of the forests thereafter will continue to be in accordance with the UK Woodland Assurance Standard (UKWAS) to ensure FSC Certification of these forests.

Pest and disease
Pest and disease tend to have their greatest impact on slow growing or less vigorous trees. The Manager mitigates the risk in the following ways:

- By avoiding growing spruce on sites where it will be drought stressed, and by focussing on Sitka spruce which are grown on relatively short rotations of 35-40 years as compared to other species such as larch of 50-60 years and pine of 75+ years, providing an element of in-built protection;
- Diversification within a portfolio, both in geographic locations and variable age classes in the crop help to minimise risk as disease tends to impact trees in specific locations and affect specific ages; and
- There is an industry wide active programme of genetically improving Sitka spruce. Such plants are now used routinely in the LP's restocking and new afforestation. This makes it feasible to breed in resistance to disease, should one appear which would have an economic impact on the productivity of Sitka spruce.

ADMINISTRATION

Ongoing Charges Figure
The Ongoing Charges Figure (OCF) for the year ended 31 May 2020 was 0.50% (2019: 0.60%). This has reduced due to the management fee being increased by RPI whereas the NAV has increased substantially in excess of RPI.

The OCF includes all recurring expenditure incurred by the LP, including management charges, recurring fees arising from renewable energy leases, legal and professional fees arising at the LP level, General Partner fees and other recurring overheads (audit, depositary services etc). This is calculated as a percentage of the average of the opening and closing NAV of the LP.

The OCF excludes any non-recurring expenditure including promotion fees due to the Manager in relation to the fund raising, transaction fees due on the acquisition and disposal of investments and one off fees to the Manager arising from renewable energy options and leases.

Advisory Committee
The Advisory Committee is made up of four members who are either Limited Partners or representatives of Limited Partners of the LP.

There was no requirement for the Manager to consult with the Advisory Committee during the year. The Manager will continue to consult the Advisory Committee on issues as required in the management of the LP.

Under the terms of the Limited Partnership Agreement, the Manager is not able to continue with a course of action should the Advisory Committee not waive any potential conflict of interest associated with it.

Liquidity
During the year 44,712 Partnership Shares were sold. This represented 0.52% of the total in issue at the year end.

The weighted average purchase price was £26.73 per Limited Partnership Share, a 10.9% premium to the opening NAV of £24.10.

Issuance of New Limited Partnership Shares in the LP
There was no change in the number of Limited Partnership Shares during the year.

In accordance with clause 8 of the Limited Partnership Agreement, Limited Partners who were members of a trust that contributed a property to the LP at formation, and who are still Limited Partners in the LP as at the date a wind farm lease commences at that property, shall receive Limited Partnership Shares in the LP equivalent to 40% of the net present value of the total estimated cash flow from this lease applying a discount rate of 10%.

The total value of such Limited Partnership Shares will be allocated amongst the Limited Partners in the proportions they previously owned the wind farm property as members of the trust. The Manager will calculate the number of Limited Partnership Shares to be allocated once the lease is entered into and the rental income arising thereunder is established. Limited Partners who were members of FIM Timber Growth Fund II, which contributed Cowans Law to the LP, shall receive Limited Partnership Shares once the wind farm is fully operational, which is now expected to be in 2022. The estimated number of shares to be issued is 25,643, an insignificant dilution of c.0.3%.

This does not apply in the case of Craignane and Kirtleton South, as these properties were acquired after the formation of the LP.

Valuations
The LP's portfolio was valued as at 31 May 2020 on the following basis:

- Forest portfolio (including wind farm leases) was valued internally by the Manager on a market value basis in accordance with the Royal Institution of Chartered Surveyors - Global Valuation Standards. Market value is defined as:

  "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

The following investments were valued by the Manager at their respective year ends:

- FIM Wind Energy LP at 31 March 2020; and
- Gresham House Wind Energy 1 plc at 31 May 2020

Gresham House Solar Distribution LLP was valued externally by Jones Lang Lasalle as at 5 April 2020.

The LP's portfolio is subject to an Independent Valuation every three years. The next Independent Valuation will be carried out on 31 May 2021. In the intervening period the Manager has provided an internal valuation as at 31 May 2020.

Incorporation of FIM Windfarms 2 LP
On 26 June 2019, the Manager transferred the assets of FIM Windfarms 2 LP into GHWE. The LP's revised percentage ownership of GHWE at that time was 57.5%.

The purpose of the transfer was to incorporate FIM Windfarms 2 LP's wind farm assets in order to enable a fund raising to occur and thus increase the size of the company to diversify the risk of owning just three wind farm assets. A successful fund raising concluded in November 2019 and the LP's revised percentage ownership of GHWE is 40.2% as at 31 May 2020.

As a result of the transfer, the LP will now receive dividends instead of distributions. Total dividends of £0.9m were paid by GHWE to the LP during the year.

Carried interest
Carried Interest represents a performance fee due to the Manager which is currently valued at £5.6 million (2019: £4.3 million). It is not included on the Balance Sheet as a long-term liability, as no decision has been taken to confirm the timing of this payment and/or terminate the LP. As soon as that decision is taken, the Carried Interest will crystallise, and the Manager will record the liability in the Balance Sheet. Until that time, the Manager will continue to disclose to Limited Partners its potential value annually.

Report and Financial Statements
The results from the LP's investments in FIM Solar Distribution LLP, Gresham House Wind Energy 1 plc (formerly FIM Windfarms 2 LP) and FIM Wind Energy LP are not consolidated as the LP does not have management control over these entities.

Taxation and National Insurance Contributions (NICs)
The Manager issued Taxable Income Statements for the Tax Year 2019/20 to Limited Partners on 19 June 2020 providing details to be included on Limited Partners' tax returns for 2019/20.

The Taxable Income Statements are based on taxable income arising in the year ended 31 May 2019. Taxable income arose on the forest portfolio from rental income derived from the wind farm leases and sporting rents. The LP also received a small amount of taxable interest.

The LP has received minimal taxable income since 2012/13 in respect of the renewable energy portfolio, however as capital allowances are now insufficient to extinguish all taxable profits in relation to these assets, the benefit of retaining the assets in a Limited Partnership structure is now limited. Therefore, the LP's holding in FIM Windfarms 2 LP has been transferred into a plc company structure. In consequence, all future distributions from the former FIM Windfarms 2 LP assets will appear as dividends on Limited Partners Taxable Income Statements.

Alternative Investment Fund Managers Directive (AIFMD)
The LP is classified as an Alternative Investment Fund (AIF) under AIFMD. The main implication of this classification is that the LP has appointed IQ-EQ Depositary Company (UK) Limited (IQ-EQ) as its provider of depositary services. IQ-EQ provides independent governance, oversight and cash monitoring services to the LP as required by AIFMD.

The Manager is authorised and regulated by the Financial Conduct Authority and has appropriate authorisations in place to operate the LP.

Annual General Meeting (AGM)
This year's AGM is to be held on 30 September 2020 via video/audio conferencing. A Notice is attached.

Change of LP's Registered Name
Notification is given to Limited Partners that the LP's registered name will shortly change to "Gresham House Sustainable Timber and Energy LP".

In May 2018, Gresham House Holdings Limited, a subsidiary of Gresham House plc, acquired 100% of FIM Services Limited (the LP's original manager and operator). Under a Deed of Novation dated 1 January 2019 the management of the LP transferred from FIM Services Limited to Gresham House Asset Management Limited. The Manager intends to update the registered business name of the LP to reflect the change of the LP's Manager.

Gresham House website access
Limited Partners are able to obtain details of their holdings in the LP including a valuation via a secure section of Gresham House's website. If you have already registered to use the website, you can access your valuation at:
https://www.fimltd.co.uk/client/login

If you have not already registered to use the website, please follow this link to complete the registration process:
https://www.fimltd.co.uk/client/register

If you would like to receive an annual Partnership Shareholding Statement by post, please contact us on 01451 844655 or admin@greshamhouse.com.

Client satisfaction
The Manager is committed to ensuring the needs and expectations of clients are met at all times and would therefore welcome any suggestions to improve our service delivery.

E.C. Latter

Signed by Edward Latter
Investment Director

On behalf of Gresham House Asset Management Limited, Manager

28 August 2020

Environmental, Social and Governance

Meeting our Sustainable Investment commitments within our Forestry and New Energy strategy

Gresham House has a clear commitment to sustainable investment as an integral part of its business mission. The purpose of this section is to set out the manner in which the commitments we have made at a group level to integrate ESG considerations throughout our business will be implemented within our Forestry and New Energy investment strategies:

- We take steps to consult and understand the views, concerns and ambitions of our stakeholders in seeking sustainable outcomes from the investments we are involved in.

  We recognise that as stewards of the countryside we have responsibilities in being a good neighbour in conservation matters, landscape visual amenity, and provision of recreational access where safe to do so, while avoiding negative impacts on local communities wherever possible.

- We undertake good practice public consultation where new plantations involve change of land use and keep local communities informed of felling plans and other significant operational activities. We integrate Environmental, Governance, Social and Economic benefit considerations into our selection, evaluation, governance and management processes across the lifecycle of each investment.

- We drive rigour and consistency by applying our sustainable investment framework and system, including clearly defined processes and expert tools and methods.

  We have a clear understanding of the sensitivities, issues and opportunities to be managed across the investments in our portfolio and have a process to profile and prioritise these at the stages of the investment lifecycle where they are most relevant. Our sustainable investment framework (see next page) is used to structure our processes for completeness and consistency.

- We ensure our team understands the imperative for effective ESG management and is empowered and equipped to carry this out through management support and training.

  Our forestry team has significant specialist expertise, including professional qualifications from the Institute of Chartered Foresters (ICF), spanning both sustainable forestry practices and sustainable investment. We undertake regular relevant CPD to keep knowledge and outlook up to date and will continue to invest in developing our expertise and good practice in sustainable forestry asset management.

- Our new energy team has significant expertise across the renewable energy investment cycle, spanning pre-construction requirements, construction phase, operation and wider marketplace impacts, including regulation, legislation and policy change. We will continue to invest in developing our understanding, expertise and good practice in sustainable energy asset selection and management.

- We conduct regular monitoring of ESG risks, opportunities and performance in our investments and over time will prepare comparative data analysis for reporting to our investors.

We will re-assess our ESG risk, opportunity and performance profiling periodically and will report this to the Gresham House Sustainable Investment Committee for analysis and action as necessary.

We actively monitor and assess key data related to forestry and sustainable energy generation and the wider sustainability performance of the assets we manage. In turn, we use these to review our contribution to sustainable development, particularly meeting the challenge of climate change and relevant Sustainable Development Goals.

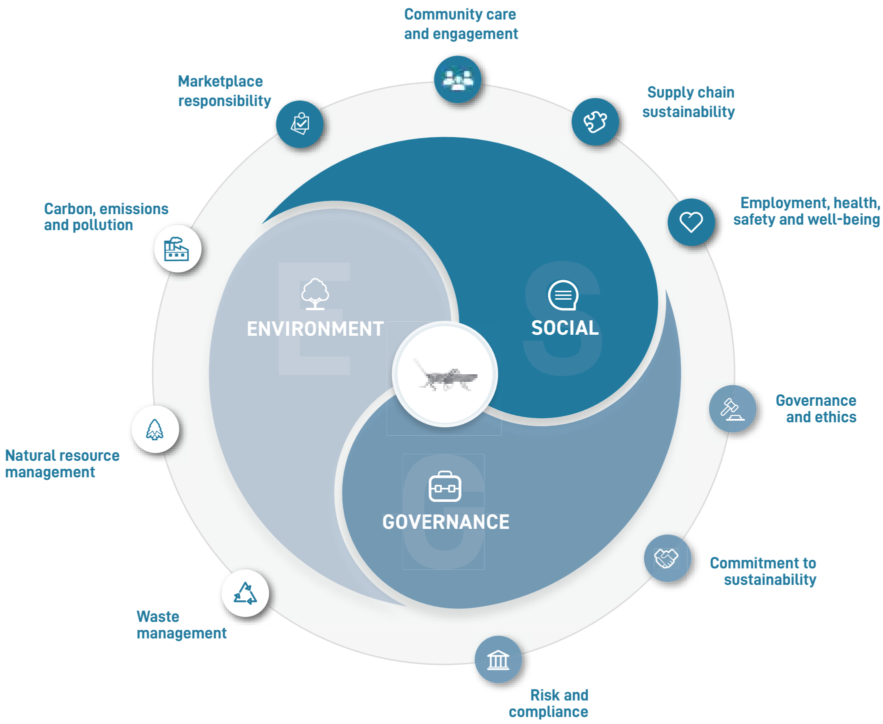
- Our certified sites are independently assessed by FSC appointed auditors and in addition we conduct our own in-house auditing against agreed standards and management objectives.

As signatories to the PRI we will complete comprehensive annual reporting within its required framework and use this to guide our own internal assessment of our performance and to drive our results upwards.

Gresham House has been awarded the highest rating possible, A+, for its Strategy and Governance, a reflection of the robust and transparent approach that has been adopted by the company. New Energy was assessed alongside Infrastructure which also received the highest score of A+. Forestry was not assessed this year as it is not appraised within the current framework.

We will continue to provide and promote renewable energy investments as a sound and accessible sustainable investment options to a wide range of investors.

Gresham House supports the UN's Sustainable Development Goals and we believe the LP contributes to the following UN Sustainable Development Goals



Report of the General Partner and Audited Financial Statements for the year ended 31 May 2020 for FIM Sustainable Timber & Energy LP

GENERAL PARTNER

The General Partner presents the Report and Financial Statements of FIM Sustainable Timber & Energy LP (the LP) for the year ended 31 May 2020.

The General Partner is FIM Forest Funds General Partner Limited, a wholly owned subsidiary of Gresham House Asset Management Limited.

Principal activity

The principal activity of the LP is the ownership of commercial woodlands for the production of timber and ownership of renewable energy assets for production of electricity.

Results for the year

The results for the year are shown on page 24.

The General Partner is pleased with the year's performance, providing a total return to all Limited Partners, except "D" Partnership Shares, of 17.1% for the twelve months from 1 June 2019 to 31 May 2020.

Statement of General Partner's responsibilities

The General Partner is responsible for preparing this Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the General Partner to prepare accounts for each financial period which give a true and fair view of the state of affairs of the LP and of the results of the LP for that period. In preparing those accounts the General Partner is required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; prepare the accounts on the going concern basis unless it is inappropriate to presume that the LP will continue in business.

The General Partner is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the LP and to enable it to ensure that the accounts comply with the Companies Act 2006, as modified by SI 2008/569. It is also responsible for safeguarding the assets of the LP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

So far as the General Partner is aware, there is no relevant audit information (information needed by the LP's auditors in connection with preparing their report) of which the LP's auditors are unaware.

Finally, the General Partner has taken all the steps that it ought to have taken as a General Partner in order to make itself aware of any relevant audit information and to establish that the LP's auditors are aware of that information.

Signed by Stephen Beck
28 August 2020

On behalf of FIM Forest Funds General Partner Limited, General Partner

INDEPENDENT AUDITOR'S REPORT

Opinion
We have audited the financial statements of FIM Sustainable Timber & Energy LP (the LP) for the year ended 31 May 2020, which comprise the Income Statement, Statement of Comprehensive Income, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)).

In our opinion the financial statements:

- give a true and fair view of the state of the LP's affairs as at 31 May 2020 and of its results 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, as modified by SI 2008/569.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the LP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of: whether the accounting policies are appropriate to the LP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the General Partner; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the General Partner to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on Financial Statements
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the General Partner's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the General Partner has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the LP's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The General Partner is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 Report of the General Partner for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the General Partner has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the LP and its environment obtained in the course of the audit, we have not identified material misstatements in the Manager's Report and the General Partner's' Report.

We have nothing to report in respect of the following matters where 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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Partners' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the General Partner

As explained more fully in the Statement of General Partner's Responsibilities set out on page 1, the General Partner is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the General Partner determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the General Partner is responsible for assessing the LP'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 General Partner either intends to liquidate the LP or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LP's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Partner.
- Conclude on the appropriateness of the General Partner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the LP's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LP to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the LP to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the LP audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of Our Report

This report is made solely to the LP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as modified by SI 2008/569. Our audit work has been undertaken so that we might state to the LP'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 LP and the LP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Original Signed

Robert Kirtland
Senior Statutory Auditor

For and on behalf of:
Critchleys Audit LLP, Statutory Auditor
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

Date: 28 August 2020

Income Statement

	Notes	2020 (£)	2019 (£)
Turnover	2a	7,176,415	4,884,736
Other operating income		726,270	618,551
Total turnover		**7,902,685**	**5,503,287**
Operating costs		(2,287,868)	(2,030,677)
Administrative expenses		(1,201,193)	(1,207,199)
General Partner's share		(1,000)	(1,000)
Operating profit before depreciation		**4,412,624**	**2,264,411**
Depreciation		-	-
Operating profit after depreciation		**4,412,624**	**2,264,411**
Interest receivable		35,248	119,168
Interest payable		-	(159,969)
Income from Investments		2,265,497	1,902,736
Profit for the year before revaluation	3	**6,713,369**	**4,126,346**
Unrealised surplus on revaluation of Investments	4	27,840,356	12,793,123
Profit for the year after revaluation		**34,553,725**	**16,919,469**
Number of shares	7	8,563,495	8,563,495
Profit before revaluation per share		£0.78	£0.48
Statement of Comprehensive Income			
Profit for the year after revaluation		34,553,725	16,919,469
Unrealised surplus on revaluation of Tangible Assets	4	-	-
Total comprehensive income for the financial year		34,553,725	16,919,469

Balance Sheet

	Notes	2020 (£)	2019 (£)
Fixed Assets			
Investments	4	232,696,948	197,463,582
		232,696,948	197,463,582
Current Assets			
Debtors	5	1,031,920	1,117,591
Cash at bank		4,778,116	9,208,208
		5,810,036	10,325,799
Creditors: amounts falling due within one year	6	(1,350,978)	(1,389,717)
Net current assets		4,459,058	8,936,082
Total assets less liabilities and net assets attributable to Partners		**237,156,006**	**206,399,664**
Represented by			
Limited Partners' capital	7	122,424,272	122,454,272
Revaluation reserve	7	104,423,355	76,582,999
Profit and loss account	7	10,278,379	7,362,393
Limited Partners' funds		**237,156,006**	**206,399,664**
Total Limited Partnership Shares	7	8,543,495	8,563,495
Net Asset Value per Limited Partnership Share		£27.69	£24.10

These financial statements were approved by the General Partner and authorised for issue on 28 August 2020 and are signed on its behalf by:

Stephen Beck
On behalf of FIM Forest Funds General Partner Limited, General Partner

Statement of Cash Flows

	Notes	2020 (£)	2019 (£)
Cash flows from operating activities			
Operating profit after depreciation		4,412,624	2,264,411
(Increase)/decrease in debtors		85,671	(514,090)
Increase/(decrease) in creditors		(38,741)	220,806
Depreciation		-	-
Net cash flow from operating activities		**4,459,554**	**1,971,127**
Cash flows from investing activities			
Purchase of forestry properties	4	(4,483,317)	(20,497,922)
Interest in FIM Windfarms 2 LP	4	-	(3,144,361)
Disposal of part of a forest property	4	-	106,621
Purchase of renewable energy assets	4	(2,909,692)	(4,164,476)
Net cash flow from investing activities		**(7,393,009)**	**(27,700,138)**
Cash flows from financing activities			
Interest received		35,248	119,168
Interest paid		-	(159,969)
Partnership shares issued	7	-	33,815,712
Bank loan drawdown		-	11,202,067
Bank loan repayment		-	(11,202,067)
Distributions received from investments		2,265,497	1,902,736
Distributions to Limited Partners	7	(3,797,382)	(3,725,733)
Net cash flow from financing activities		**(1,496,637)**	**31,951,914**
Net increase/(decrease) in cash		**(4,430,092)**	**6,222,903**
Cash at the start of the year		9,208,208	2,985,305
Cash at the end of the year		4,778,116	9,208,208

Notes to the Financial Statements

1. Basis of Preparation

These financial statements have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102 and Companies Act 2006.

The financial statements are presented in Sterling.

Going Concern

After reviewing the LP's forecast and projections, the General Partner has a reasonable expectation that the LP has adequate resources to continue in operational existence for the foreseeable future. The LP therefore continues to adopt the going concern basis in preparing its financial statements.

2. Principal Accounting Policies

a. Turnover

Turnover represents amounts receivable by the LP, net of value added tax. In respect of the ownership of commercial woodlands and the sale of commercial timber income is recognised when the timber is harvested, and the relevant invoice raised.

b. General Partner's Share

The General Partner's share for the LP has been charged in the accounts at £1,000 for the year, as set out in the Limited Partnership Agreement.

c. Income from Investments

From 2018 onwards all profits are recognised only when distributions are received as no control is exercised over these entities.

d. Valuation of Investments

Forest Properties

Forest properties were internally valued at 31 May 2020 on the basis of their open market valuation on that date. The valuation is in accordance with the Royal Institution of Chartered Surveyors Global Valuation Standards.

Included in the value of forest properties are values attributed to wind farm leases entered into and these are valued from the date of commissioning based on the forecast rental income discounted at an appropriate discount rate.

Onshore Wind Farms

Four onshore wind farms owned by Gresham House Wind Energy 1 plc were internally valued by the Manager as 31 May 2020. The onshore wind farms are valued on the basis of open market evidence to ascertain the appropriate discount rate. Each wind farm is valued using a Net Present Value (NPV) model using this discount rate.

The LP has a 40.2% holding in Gresham House Wind Energy 1 plc (formerly FIM Windfarms 2 LP). These results have not been consolidated into these financial statements as the LP has no management rights over Gresham House Wind Energy 1 plc.

The Harburnhead wind farm, 50% of which is owned by FIM Wind Energy LP, was internally valued by the Manager at 31 March 2020 and included in the financial statements. The LP has a 5.5% holding in FIM Wind Energy LP. These results have not been consolidated into these financial statements as the LP has no management rights over FIM Wind Energy LP.

Notes to the Financial Statements continued

Solar Parks

The investment in Gresham House Solar Distribution LLP was valued externally by Jones Lang Lasalle as at 5 April 2020. The LP has a 40.6% holding in Gresham House Solar Distribution LLP. These results have not been consolidated into these financial statements as the LP has no management rights over Gresham House Solar Distribution LLP.

3. Profit for the Year

Profit for the year is stated after charging:

	2020 (£)	2019 (£)
Auditors' remuneration – audit services	10,500	11,700

4. Investments

	Forest Properties (£)	Onshore Wind Farms (£)	Solar Parks (£)	Total (£)
As at 1 June 2019	159,108,000	16,595,396	21,760,186	197,463,582
Additions	4,483,317	2,909,692	-	7,393,009
Disposals	-	-	-	-
Revaluation	28,408,683	584,316	(1,152,642)	27,840,357
As at 31 May 2020	**192,000,000**	**20,089,400**	**20,607,544**	**232,696,948**

Forest Properties

All forest properties were internally valued at 31 May 2020, as detailed in Note 2 to the accounts.

Onshore Wind Farms

Onshore wind farms represent the value of the investments in Gresham House Wind Energy 1 plc and FIM Wind Energy LP. Gresham House Wind Energy 1 plc was incorporated on 26 June 2019 at which point the assets of FIM Windfarms 2 LP were transferred into this entity based on an external valuation. This was revalued internally by Gresham House as at 31 May 2020. FIM Wind Energy LP was internally valued by the Manager as at 31 March 2020.

Solar Parks

Solar Parks represent the value of the investment in Gresham House Solar Distribution LLP and was internally valued by the Manager at 5 April 2020.

5. Debtors

	2020 (£)	2019 (£)
Trade debtors	381,899	683,558
Sundry Debtors	92,723	7,753
Accrued income	429,931	285,202
Prepayments	90,244	132,958
VAT	37,123	8,120
	1,031,920	**1,117,591**

6. Creditors: amounts falling due within one year

	2020 (£)	2019 (£)
Trade creditors	1,153,945	1,014,277
Deposits and down-payments	-	281,321
Accruals and deferred income	121,491	43,166
Timber harvesting fees	8,621	5,963
Distributions to Limited Partners unpaid at year end	66,921	44,990
Other creditors	-	-
	1,350,978	**1,389,717**

7. Statement of Changes in Capital

	Limited Partners (£)	Special Limited Partner (£)	Revaluation Reserve (£)	Profit & Loss Account (£)	Total (£)
As at 1 June 2018	**88,638,460**	**100**	**63,789,876**	**6,961,780**	**159,390,216**
New Shares Issued	33,815,712	-	-	-	33,815,712
Revaluation	-	-	12,793,123	-	12,793,123
Profit for the year	-	-	-	4,126,346	4,126,346
Distribution	-	-	-	(3,725,733)	(3,725,733)
As at 1 June 2019	**122,454,172**	**100**	**76,582,999**	**7,362,393**	**206,399,664**
New Shares Issued	-	-	-	-	-
Revaluation	-	-	27,840,356	-	27,840,356
Profit for the year	-	-	-	6,713,368	6,713,368
Distribution	-	-	-	(3,797,382)	(3,797,382
As at 31 May 2020	**122,454,172**	**100**	**104,423,355**	**10,278,379**	**237,156,006**

	2020 No.	2019 No.
Founder Limited Partnership Shares	2,588,275	2,588,275
"A" Additional Limited Partnership Shares	1,161,952	1,161,952
"B" Additional Limited Partnership Shares	1,540,730	1,540,730
"C" Additional Limited Partnership Shares	1,873,915	1,873,915
"D" Additional Limited Partnership Shares	1,398,623	1,398,623
Total Limited Partnership Shares allotted	8,563,495	8,563,495

Notes to the Financial Statements continued

8. Related Parties

Controlling Entity
The immediate controlling party is Gresham House plc due to its ownership of the General Partner, FIM Forest Funds General Partner Limited.

Related Party Transactions

Gresham House Asset Management Limited

Gresham House Asset Management Limited is the Manager of the LP. The accounts include the following amounts paid to Gresham House Asset Management Limited.

	2020 (£)	2019 (£)
Recurring fees		
Management charges	788,665	659,163
Timber marketing fees	130,025	90,890
Wind farm rent	27,745	51,803
Sundry	-	-
Total recurring fees	**946,435**	**801,856**
Non-recurring fees		
Timber marketing - timber compensation	36,919	-
Wind farm option fees	6,374	2,374
Promotion fee on fund raising	(38,634)	690,920
Acquisition fees	79,800	377,296
Other	28,524	12,772
Total non-recurring fees	**112,983**	**1,083,362**
	1,059,418	**1,885,218**
	1,059,418	**1,885,218**

Amounts due to Gresham House Asset Management Limited were £225,004 at 31 May 2020 (2019: £237,126).

FIM Forest Funds General Partner Limited
FIM Forest Funds General Partner Limited is the General Partner of FIM Sustainable Timber and Energy LP. A General Partner fee of £1,000 per annum is due to the General Partner by the LP.

FIM Executives Limited Partnership
FIM Executives Limited Partnership is the Special Limited Partner of FIM Sustainable Timber and Energy LP.

9. Post balance Sheet Events

The LP acquired two properties after the year end for a total consideration of £2.35 million.

The LP's Management Team

Please do not hesitate to contact a member of the Team if you wish to discuss your investment or provide any feedback on this report.

Oliver Hughes
Fund Director

Olly Hughes has been Managing Director and Investment Committee member of the Forestry division of Gresham House since January 2019. He is responsible for managing the growth and development of Gresham House's forestry activities including acquisitions, fund and private client management and forestry asset management.

Olly has over 20 years of investment experience and has also obtained the Investment Management Certificate from the CFA Society in the UK.

Tel No: 01451 843905
Email: o.hughes@greshamhouse.com

Edward Latter
Fund Manager

Ed joined FIM Services (now part of the Gresham House Group) in 2012. He manages Gresham House Forest Fund I LP and FIM Sustainable Timber and Energy LP, and is primarily responsible for implementing the fund's strategy, operational oversight and investor reporting. His role also involves the valuation of UK forestry assets.

Ed is a Chartered Surveyor and a RICS Registered Valuer. He has 11 years of experience and holds a postgraduate diploma (PG Dip) in Financial Strategy from Saïd Business School, University of Oxford. He also obtained the Investment Management Certificate.

Tel: 01451 843090
Email:e.latter@greshamhouse.com

Stephen Beck
Divisional Finance Director

Stephen Beck joined Gresham House in May 2018 following the acquisition of FIM Services Ltd. He was Chief Financial Officer and Compliance Officer at FIM Services Ltd since 2013.

Stephen worked at E.ON from 2000, where he held a variety of financial and commercial roles, ranging from leading large finance teams, developing power station projects, M&A transactions and working with HM Government delivering low carbon solutions. He has 24 years of industry experience and is a law graduate and Barrister and was called to the Bar in 1996.

Tel: 01451 843097
Email: s.beck@greshamhouse.com

Wayne Cranstone
New Energy Investment Director

Wayne has 24 years of technical, commercial, stakeholder and general management experience in the energy sector. Before joining FIM Services Ltd, where he served as COO prior to their acquisition, Wayne was Onshore Wind Development and Construction Director for RWE Innogy.

Wayne is a Chartered Engineer and has a PhD in Engineering from the University of Sheffield. He has overseen the construction of 17 wind farms (~400MW) and the sale of 12 wind farms (~200MW) over the past 12 years.

Tel: 01451 843900
Email: w.cranstone@greshamhouse.com

Joshua Phillips
Investment Associate

Josh is an Investment Associate focusing on forestry acquisitions and the fund management of FIM Sustainable Timber & Energy LP. He holds a BA (Hons) from Reading University, is an ACA chartered accountant and is currently studying towards the Investment Management Certificate.

Previously, Josh was awarded a place on PricewaterhouseCoopers' prestigious Flying Start degree programme before joining the firm full time as a Senior Associate, specialising in financial services. He then moved onto Hazlewoods LLP to focus on mergers and acquisitions concentrating on corporate due diligence.

Tel: 01451 843092
Email:j.phillips@greshamhouse.com

Adam McLean
Asset Manager

Adam joined Gresham House in April 2019 as part of the Forestry asset management team.

He assists with all aspects of operational management across several forest portfolios and has varied experience of large scale forest management and of timber harvesting and marketing.

After achieving a first class BA (Hons) in History from the University of Nottingham, Adam went on to gain an MSc in Forestry from the University of Aberdeen and has since worked for seven years in commercial forestry, mainly on the west coast of Scotland.

Tel: 01738 631949
Email:a.mclean@greshamhouse.com

Krystyna Slota
Senior Finance Manager

Krystyna is a Finance Manager and is responsible for preparing accounts, and day to day finance matters for FIM Sustainable Timber and Energy LP and a portfolio of renewable energy entities. She also manages the year-end audit process and VAT matters. Krystyna joined FIM Services Ltd in October 2015 as a Finance Assistant and soon progressed to Finance Manager. She has an HND in Business Management and is ACCA part-qualified.

Tel: 01451 843915
Email: k.slota@greshamhouse.com

Victoria Larkin
Fund Administrator

Victoria is an Executive Administration Manager responsible for several FIM and Gresham House Funds. She is the lead on the development of the Group database and other IT projects. She joined FIM in November 2004.

Tel: 01451 843083
Email: v.larkin@greshamhouse.com

Partnership Information

Limited Partnership Number: SL007703

Manager and Operator
Gresham House Asset Management Limited
Glebe Barn
Great Barrington
Burford
Oxon
OX18 4US

General Partner
FIM Forest Funds General Partner Limited
Glebe Barn
Great Barrington
Burford
Oxon
OX18 4US

Solicitors
Brodies LLP
15 Atholl Crescent
Edinburgh
EH3 8HA

Auditors & Tax Advisors
Critchleys Audit LLP
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

Principal Bankers
Clydesdale Bank plc
5 Northgate Street
Gloucester
GL1 2AH

Depositary Services
IQ EQ Depositary Company (UK) Limited
2 London Bridge
London
SE1 9RA

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Gresham House
Specialist asset management