

ARC TIME:FUNDS

ANNUAL REPORT 2020

Annual Report and
Financial Statements
for the year to
31 March 2020

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Authorised Corporate Director's report

The Authorised Corporate Director ("ACD") presents its report and the annual report and financial statements of the sub-funds of ARC TIME:Funds for the year to 31 March 2020. This report is available on the Investment Manager's website www.time-investments.com or is available from the Investment Manager on request by emailing: enquiries@time-investments.com.

Statement of authorised status of the scheme

ARC TIME:Funds (the "Company") is an authorised umbrella Open-Ended Investment Company ("OEIC"). The Company was incorporated on 1 April 2019. The Company is authorised by the Financial Conduct Authority ("FCA") as a Non-UCITS Retail Scheme ("NURS"). The Company is structured as an umbrella company comprising of two sub-funds, ARC TIME Freehold Income Authorised Fund (formerly Freehold Income Authorised Fund) ("TIME:Freehold") and ARC TIME UK Infrastructure Income Fund (formerly Defensive Income Securities Fund) ("TIME:UK Infrastructure"), both launched on 1 April 2019.

The Company's principal activity is to carry on the business of an OEIC. In the future, new sub-funds may be established by the ACD from time to time with the agreement of the Depositary and approval from the FCA. The sub-funds are operated separately and the assets and liabilities of each sub-fund are managed in accordance with the investment objective and policy applicable to that sub-fund.

The Investment Manager's annual report and financial statements for TIME:Freehold for the year to 31 March 2020 are set out in detail in its section of this report (see contents page).

The Investment Manager's annual report and financial statements for TIME:UK Infrastructure for the year to 31 March 2020 are set out in detail in its section of this report (see contents page).

The individual sub-fund financial statements are no longer required to be consolidated per the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014.

Full Company details and its key service providers are provided on page 73.

Statement concerning debts of the Company

Investors are not liable for the debts of the Company.

Management of the Company

NatWest Trustee and Depositary Services Limited acts as the Depositary of the Company, with the role of Custodian delegated to The Northern Trust Company. Alpha Real Capital LLP ("Alpha") is the ACD and the Alternative Investment Fund Manager ("AIFM") of the Company. TIME Investments acts as the Investment Manager, Administrator and Transfer Agent of the Company, with Property Manager responsibilities delegated to Freehold Managers Plc for TIME:Freehold.

Changes to the Instrument and Prospectus of ARC TIME:Funds

In the period since publication of the half year report to 30 September 2019 on 29 November 2019 to the date of this annual report the following changes to the Instrument and Prospectus were made.

Changes to the Instrument of ARC TIME:Funds

- For the sub-fund Freehold Income Authorised Fund the prefix 'ARC TIME' was added, with the name changed to ARC TIME Freehold Income Authorised Fund.
- The sub-fund name for Defensive Income Securities Fund was changed to ARC TIME UK Infrastructure Income Fund. As part of this amendment the annual distribution target return of 5% was removed from the Investment Objective.

Changes to the Prospectus of ARC TIME:Funds

Significant changes – effective 60 days after the date of notification:

- For the sub-fund Freehold Income Authorised Fund the prefix 'ARC TIME' was added, with the name changed to ARC TIME Freehold Income Authorised Fund.
- Change of Investment Objective for TIME:Freehold to remove the 5% per annum total return target.
- The sub-fund name for Defensive Income Securities Fund was changed to ARC TIME UK Infrastructure Income Fund. As part of this amendment the annual distribution target return of 5% was removed from the Investment Objective.
- During the period, the investment policy of TIME:UK Infrastructure was further refined and a new comparator benchmark introduced whereby investors should assess performance by comparing the annual yield of TIME:UK Infrastructure against an income yield of 4% per annum.
- The Prospectus noted the inclusion of two new members to the ACD Board, to reflect the two new Independent Non-Executive Directors appointed in accordance with COLL 6.6.25R, appointed from 30 September 2019. Brad Bauman was also removed from the ACD Board from the same date.

There were no notifiable changes in the period.

Dealing suspension, COVID-19 and lifting of the suspension

On 18 March 2020 dealing in TIME:Freehold was temporarily suspended. On 31 July 2020, the fund resumed trading in its shares by accepting subscriptions and redemptions, with the first dealing day being 12 August 2020.

The suspension of TIME:Freehold was directly as a result of the fund's valuer, BNP Paribas, advising that as a result of the emergency caused by the outbreak of the Novel Coronavirus (COVID-19), there was material uncertainty over the value of the property assets of the Fund. Such "material uncertainty" regarding property valuation was applied by all UK real estate valuers to FCA authorised schemes. Consequently, the ACD and the Depositary agreed to suspend the fund.

In accordance with the FCA handbook, the rules allow for suspension of a fund in "exceptional circumstances" and the outbreak of COVID-19 and associated uncertainty regarding valuation are deemed such exceptional circumstances. In particular in this unique situation, our primary concern was that an investor entering or exiting the fund could receive a share price significantly different than its underlying value. This may also impact shareholders who remain invested in the fund. As such the suspension was undertaken with regard to the best interests of all investors in the fund.

The fund did not suspend for liquidity nor performance reasons and without the material uncertainty opinion from the valuer, the fund would have continued to accept dealing instructions and operate as normal. The outbreak of the pandemic virus COVID-19 has had and continues to have a significant adverse effect on global markets.

At the end of May 2020 material uncertainty was removed by the valuer on assets with lease lengths in excess of 80 years (being the majority of the property assets) and in July 2020 the Independent Valuer removed the remaining properties from material uncertainty. Consequently, on 31 July 2020, the fund reopened dealing in its shares.

TIME:UK Infrastructure Income is a long only fund investing in a range of companies listed on the UK stock market. The fund was therefore not immune to the increase in volatility and indiscriminate sell off that occurred across global financial markets in March following the rapid spread of COVID-19. Whilst share prices suffered significant losses the net asset value of many of our major infrastructure holdings remained relatively resilient. Post period end many of these share prices returned to levels around where they were trading pre COVID-19. Importantly the ability of these companies to pay dividends in line with previous guidance broadly remains the same and consequently the fund has continued to pay a relatively attractive income yield of 5.01% over the past year. However, some of our minor real estate holdings have fared less well over this period. There is now a dislocation between the share price and net asset value of some of these companies, to the extent that we feel comfortable holding our positions until

market sentiment improves. With the COVID-19 pandemic situation slowly improving, we hope the recovery will continue but expect volatility to remain at elevated levels.

FCA consultation on open ended property funds

The Financial Conduct Authority (FCA) has proposed a consultation on open-ended property funds <https://www.fca.org.uk/news/press-releases/fca-consults-new-rules-improve-open-ended-property-fund-structures>. The FCA has proposed longer redemption notice periods for daily-dealt funds. The consultation process is open until 3 November 2020. Following the consultation the FCA intends to publish its findings in 2021.

The FCA is proposing that existing funds like TIME:Freehold, which deal monthly, will not fall under the FCA's proposed new rules and accordingly there will be no change to TIME:Freehold's existing monthly redemption arrangements.

Going concern

The ACD has assessed TIME:Freehold to be a going concern. In arriving at this assessment the ACD has taken account of the cash reserves and readily realisable investments of the fund, its undrawn loan facility, its capital commitments, its six monthly distributions and ongoing operating costs and its reasonable expectation of the fund's subscriptions and redemptions, over the period for at least 12 months from the date of this report. The ACD has also considered the marketability of the fund's property assets and their potential performance. The ACD has considered the powers available under the Prospectus (please refer to clauses 15.4, 21, 23, 24 and 25 of the Prospectus for details) that are available to take action to ensure the fund continues as a going concern. These powers are designed to ensure that at any time all investors benefit equally from an orderly management of the underlying portfolio. On this basis, the fund is expected to be able to continue to operate and meet its outgoings as they fall due, for at least the next 12 months from the date of this report.

The ACD has assessed TIME:UK Infrastructure to be a going concern. In arriving at this assessment the ACD has taken account of the listed investment securities it holds and their ability to be realised in the market, the cash reserves of the fund, its dividend receivable and its quarterly distributions, its ongoing operating costs and its reasonable expectations of subscriptions and redemptions over the period for at least 12 months from the date of this report. The ACD has also considered the trading volumes of its investments and their potential performance. The fund has no capital commitments. On this basis, the fund is expected to be able to meet its outgoings as they fall due, for at least the next 12 months from the date of this report.

Authorised Corporate Director's report (continued)

Brexit Risk Assessment

TIME:Freehold has mitigated the cross-border risk of Brexit as the Fund's property is located within the UK. Additionally the fund's cash reserves are only held in pounds sterling. While the cross-border risks of Brexit have been mitigated the fund is still exposed to the effect of a downturn or a recession in the property market or the wider economy caused by any adverse effects of Brexit. This cannot be measured with any certainty. However, it is expected that the property portfolio of the fund would, as long income property, provide greater defensive characteristics to mitigate the effect on the fund of any Brexit related downturn in the property market or in the wider economy, when compared against conventional property funds with shorter lease lengths.

TIME:UK Infrastructure seeks to deliver an income return, from a portfolio of long only UK listed real asset owning securities in the infrastructure, renewable energy, secured lending and real estate sectors. The assets owned are typically less volatile than wider equity markets. Despite this the fund may still be exposed to a downturn in the market or a recession in the wider economy caused by any adverse effects of Brexit. This may result in higher levels of volatility or less liquidity in the marketplace. These potential adverse effects cannot be measured with any degree of certainty.

Remuneration of Alternative Investment Fund Manager ("AIFM")

The provisions of the Alternative Investment Fund Managers Directive ("AIFMD") took effect in full on 22 July 2014. That legislation requires the ACD (the "AIFM"), and its regulated delegates, to establish and maintain remuneration policies for its staff which are consistent with and promote sound and effective risk management. Alpha, as AIFM, has delegated investment management to a subsidiary company, TIME Investments. The Alpha group approach to measuring performance is based on both financial and non-financial performance. Financial performance is viewed by the Executive Committee (who are involved in the day to day operation of the business) in its widest sense and takes into account the specific features of the types of activities carried out and so reflect volatility and cycles and avoids rewarding artificial or exaggerated short term performance. Under the Remuneration Code, the AIFM is classified as a Level Three firm, which allows Alpha to dis-apply many of the technical requirements of the Code and proportionately apply the Code's rules and principles in establishing Alpha's policy.

Alpha Real Capital LLP

28 August 2020

ARC TIME:FUNDS

Statement of Authorised Corporate Director's responsibilities in relation to the financial statements of the Company

The Open-Ended Investment Companies Regulations 2001 and the Financial Conduct Authority Collective Investment Schemes Sourcebook ("the Sourcebook") require the Authorised Corporate Director to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company for the period. The financial statements are prepared on the basis that the Company will continue in operation unless it is inappropriate to assume this. In preparing the financial statements the Authorised Corporate Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014;
- comply with the disclosure requirements of the Prospectus;
- comply with FRS 102 'The Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland' (FRS 102) and follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements; and
- take reasonable steps for the prevention and detection of fraud and other irregularities.

The Authorised Corporate Director is responsible for the management of the Company in accordance with the Prospectus.

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued by and amended by the Financial Conduct Authority. In accordance with the requirements of the Sourcebook, the report and financial statements are approved on behalf of the Partners of Alpha Real Capital LLP, the ACD.

Alpha Real Capital LLP
28 August 2020

Statement of Depositary's responsibilities

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's ("FCA") Collective Investment Scheme Sourcebook, the Investment Funds Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) ("the OEIC Regulations"), as amended, the Financial Services and Market's Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the AIFM are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Scheme documents and the Regulations in relation to the investment and borrowing powers applicable to the Company.

Report of the Depositary to the shareholders of the Company

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through its AIFM:

- has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company; and
- has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited
28 August 2020

Independent auditor's report to the shareholders of ARC TIME:Funds

Opinion

We have audited the financial statements of ARC TIME:Funds ("the Company") and sub-funds, ARC TIME Freehold Income Authorised Fund (formerly Freehold Income Authorised Fund) ("TIME: Freehold") and ARC TIME UK Infrastructure Income Fund (formerly Defensive Income Securities Fund) ("TIME: UK Infrastructure") for the year ended 31 March 2020 which comprise the sub-fund's Statement of Total Return, Statement of Change in Net Assets Attributable to Shareholders, Balance Sheet, Statement of Cash Flows and related notes including the Distribution Table and summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice "Financial Statements of Authorised Funds" issued by the Investment Association (the "Statement of Recommended Practice for Authorised Funds"), the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

In our opinion, the financial statements:

- give a true and fair view of the state of Company's affairs as at 31 March 2020 and of the net revenue and the net capital gain of the scheme property of the Company for the year then ended; and
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice, Statement of Recommended Practice for Authorised Funds, the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

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

Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements of ARC TIME UK Infrastructure Income Fund

In forming our opinion on TIME:UK Infrastructure's financial statements, which is not modified, we draw your attention to the Authorised Corporate Directors' view on the impact of COVID-19 as disclosed on page 2, and the consideration in the going concern basis of preparation on page 63 and post balance sheet events on page 71.

During March 2020, a global pandemic was declared from the outbreak of COVID-19, the impact of which is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the Fund and the wider economy.

Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements of ARC TIME Freehold Income Authorised Fund

In forming our opinion on TIME:Freehold's financial statements, which is not modified, we draw your attention to the material uncertainty which existed at the year-end on the property valuations of £236,279,033 as disclosed in the Authorised Corporate Director's report on page 2, the 'Key sources of estimation uncertainty' note 4(i) on page 38, the 'risk management policies' note 5a on page 38 and page 39, the investment properties note 13 on page 44 and 45 and post balance sheet events note 24 on page 48.

The outbreak of COVID-19 created access restrictions and impacted global financial markets, which led to the property valuations as at the year-end having a material uncertainty due to a lack of comparable data to base valuations on.

Since the year end, the material uncertainty clause has been removed from all property valuations in the Fund's portfolio. However, the lifting of material uncertainty post year-end due to the valuer's ability to inspect an active market is not considered to have removed the material uncertainty that did exist on the property valuations at the year-end, the material uncertainty at the year-end was due to the valuer's inability to access properties and an inactive market.

Conclusions relating to going concern

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 Authorised Corporate Director use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Authorised Corporate Director's has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company'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 Authorised Corporate Director 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

Independent auditor's report (continued)

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.

Opinions on other matters prescribed by the Collective Investment Schemes Sourcebook

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

- the information given in the Report of the Authorised Corporate Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Authorised Corporate Director has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of each of the sub-funds and its environment obtained in the course of the audit, we have not identified material misstatements in the Authorised Corporate Director's report.

We have nothing to report in respect of the following matters in relation to which the Collective Investment Schemes Sourcebook 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
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Authorised Corporate Director

As explained more fully in the Statement of Authorised Corporate Director's responsibilities set out on page 5, the Authorised Corporate Director 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 Authorised Corporate Director

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 Authorised Corporate Director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of the audit report

This report is made solely to the Company's members as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes Sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the members of the Company those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and its members as a body for our audit work, for this report, or for the opinions we have formed.

Stephen Eames (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes MK9 1FF

28 August 2020

The financial statements are published at: www.time-investments.com. The maintenance and integrity of the website is the responsibility of the Investment Manager under its delegation from the Authorised Corporate Director. The work carried out by the independent auditors does not involve consideration of these matters, and accordingly, the independent auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Visitors to the website need to be aware that legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

ARC TIME FREEHOLD INCOME AUTHORISED FUND

(formerly Freehold Income Authorised Fund)

("TIME:Freehold" or the "Fund")

A sub-fund of ARC TIME:Funds

Background to ground rents and TIME:Freehold

A 'ground rent' is created when a freeholder sells a long leasehold interest (typically for 125 or 999 years) over land and buildings. The freeholder charges an annual ground rent to the leaseholder. TIME:Freehold owns a portfolio of approximately 64,200 ground rents each paying an average annual rent of £141. The property portfolio was independently valued by BNP Paribas Real Estate UK as at 31 March 2020 at £236.3 million.

Ground rent payments have proven to be reliable across all market conditions during the last 27 years. This is because non-payment carries the potential penalty of the leaseholder forfeiting its interest in the property.

As illustrated below, the vast majority of the Fund's assets have more than a hundred years left on the lease. The long lease lengths ensure that the Fund carries much lower risk of incurring letting costs or refurbishment costs in contrast to funds with properties let on short leases. Whereas the erosion of lease lengths over time in commercial property funds can reduce the value of their properties, in the case of the Fund, shortening leases may increase the reversionary value of the portfolio and may increase the likelihood that the lessee will pay a premium to extend the lease.

Ground rent income makes up the majority of the Fund's revenue. In addition, the Fund receives premiums from granting the extension of leases. Where leaseholders wish to make alternations to their property, they may be required to pay a premium to the Fund.

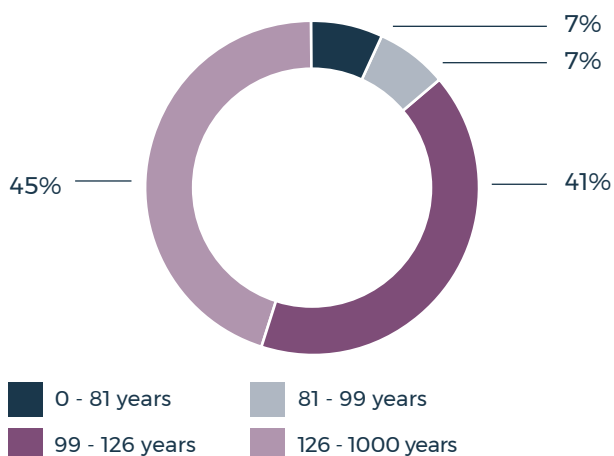
Of the Fund's leases, 87% by rental value allow for periodic rent reviews linked to Retail Price Index ("RPI"), property values or fixed uplifts.

The value of ground rents is influenced by the outstanding term of the lease with both current rental income and future rental growth prospects. Capital appreciation can be achieved from both rental growth and from shortening lease terms which in turn increase the prospect of the Fund receiving extension payments.

The Fund can also benefit from capital payments when tenants exercise rights (provided by the Leasehold Reform, Housing and Urban Development Act 1993) to acquire the underlying freehold interest from the Fund.

The Government is currently consulting on potential changes to the ground rent market. More information on this can be found in the Investment Manager's Report.

TIME:Freehold – lease term profile as at 31 March 2020 by ground rent income split by lease years remaining



Source: TIME Investments, as at 31 March 2020

GROUND RENT

WESTFIELD

CAMDEN



Westfield is built to the highest of standards. The block has a private gym and indoor swimming pool complex which is only for the use of residents, with apartments frequently sold for prices in excess of £1 million.

Description

154 residential and 1 commercial unit.

Location

Well located in the cosmopolitan borough of Camden, within close proximity to Primrose Hill and Hampstead.

GROUND RENT

CENTENARY PLAZA

BIRMINGHAM



This is one of Birmingham's most prestigious developments boasting a 24 hour concierge service, a gymnasium and conference facilities.

Description

387 residential units and 1 commercial unit.

Location

Centenary Plaza is located in the heart of Birmingham's city centre within walking distance of New Street train station.

Investment Manager's report

Investment Objective and Investment Policy of TIME:Freehold

Investment Objective

The aim of TIME:Freehold is to acquire freehold ground rents which offer a consistent income stream and capital growth prospects.

Your capital is at risk and there is no guarantee that the investment objective will be achieved.

It is intended that the Fund will be a PAIF at all times, and as such, its investment objective is to carry on the Property Investment Business and to manage cash raised for investment in the Property Investment Business.

Investment Policy

In accordance with the investment objective of TIME:Freehold, capital will be invested through acquiring freehold ground rents. Such property will only be held directly by the Fund, unless via interim holding vehicles for the sole purpose of satisfying the Landlord and Tenant Act 1987 or to permit completion of an acquisition of property. It is intended that no interim holding vehicles shall be retained by the Fund for a duration of more than 24 months.

In addition, principally to protect the liquidity of the Fund, the Fund shall also invest and maintain an ongoing portfolio of cash and near cash instruments, together with holdings in other collective investment schemes (regulated and unregulated), which have substantially similar investment objectives to those of the Fund. The Fund may invest in the other sub-funds of the Company. The Fund may also invest in equities (listed or unlisted), money market instruments and related debt securities. The Fund may also utilise derivatives for investment purposes or for efficient portfolio management.

TIME:Freehold summary

ARC TIME Freehold Income Authorised Fund (formerly Freehold Income Authorised Fund) offers investors a choice of income shares, which pay a six monthly income distribution (in November and May) and accumulation shares, for which income is automatically reinvested, thereby enhancing the value of those shares. Shares may be either in a net share class (subject to withholding tax on income distributions where applicable) or a gross share class (for exempt or ISA eligible investors who are not subject to withholding tax on income distributions).

Shares in the Fund are, and are expected to continue to be, widely available. The intended categories of investors are retail investors (typically where such retail investor has sought financial advice before investing in the Fund), offshore investors, ISA eligible investors and institutional investors. Each share class has the same rights on wind-up.

Each share class has the same voting rights. For more information about voting rights please refer to Section 39 of the Company's Prospectus, which is available on the Investment Manager's website www.time-investments.com/freehold or is available from the Investment Manager on request by emailing enquiries@time-investments.com.

The dilution levy, which is permitted within the terms of the Prospectus, is an additional charge made by the Fund on new subscriptions to protect existing shareholders from potential dilution of returns. The Fund had, since 12 June 2019, imposed a dilution levy of 5% on new subscriptions into the Fund. The dilution levy also applies to top-ups made to existing holdings. The dilution levy is retained by the Fund for the benefit of existing shareholders and helps to offset the acquisition costs associated with the Fund making new acquisitions. Since the suspension in dealing of the Fund has been lifted, the dilution levy has been reduced to 0%.

Existing investments are not affected by the dilution levy. Accumulated distributions within the accumulation share classes are not affected by the dilution levy because no new shares are issued upon the distribution of income.

It is important to emphasise that this does not affect redemptions, which continue to be available on normal terms at every dealing day.

The Investment Manager shall continue to monitor the ongoing requirement for the dilution levy at each dealing day, and the rate of dilution levy may therefore be subject to change.

Investors can participate in the Fund through its twelve share classes. Their characteristics are set out below.

GROUND RENT

WILLOW GRANGE HERTFORDSHIRE



Willow Grange is an exclusive gated, converted property development.

Description

139 residential flats and houses

Location

Situated in the heart of the highly sought after Nascot Wood area and a short walk from Watford Town Centre with its many restaurants, bars and shops.

GROUND RENT

OCEANIQUE RUSTINGTON



The Oceanique property consists of four newly built attractive buildings surrounded by landscaped gardens.

Description

46 residential units

Location

Situated in the thriving town of Rustington situated on the south coast, the property is well located just off the picturesque seafront within walking distance of two train stations.

Investment Manager's report (continued)

A - D Share Classes			
These share classes are open to all investors (except ISA Investors). These four share classes are Retail Distribution Review (RDR) compliant, with no commission payable to Financial Advisers.			
ACCUMULATION		INCOME	
Class A Gross Accumulation Shares	Class B Net Accumulation Shares	Class C Gross Income Shares	Class D Net Income Shares
This share class is for Exempt Investors only. Income distributions will automatically be reinvested without deducting withholding tax.	Shares in respect of which net income is automatically reinvested net of withholding tax where applicable.	This share class is for Exempt Investors only. Income distributions will be paid without deducting withholding tax.	Shares in respect of which net income is distributed net of withholding tax where applicable.
Initial fee: Up to 1% of subscription amount Minimum subscription: £5,000	Initial fee: Up to 1% of subscription amount Minimum subscription: £5,000	Initial fee: Up to 1% of subscription amount Minimum subscription: £5,000	Initial fee: Up to 1% of subscription amount Minimum subscription: £5,000

ISA Share Classes	
These share classes are only open to ISA eligible investors. These share classes are RDR compliant, with no commission payable to Financial Advisers.	
ACCUMULATION	INCOME
Class ISA Gross Accumulation Shares	Class ISA Gross Income Shares
This share class is for eligible UK tax resident adults and Junior ISAs only. Income distributions will automatically be reinvested without deducting withholding tax.	This share class is for eligible UK tax resident adults and Junior ISAs only. Income distributions will be paid without deducting withholding tax.
Initial fee: Up to 1% of subscription amount Minimum subscription: £1,000	Initial fee: Up to 1% of subscription amount Minimum subscription: £1,000

E - H Share Classes			
New applications for the following four share classes are only open to non-UK Financial Advisers with non-UK Investors. Financial Advisers may be eligible for Initial and Trail Commission.			
ACCUMULATION		INCOME	
Class E Gross Accumulation Shares	Class F Net Accumulation Shares	Class G Gross Income Shares	Class H Net Income Shares
This share class is for Exempt Investors only. Income distributions will automatically be reinvested without deducting withholding tax.	Shares in respect of which net income is automatically reinvested net of withholding tax where applicable.	This share class is for Exempt Investors only. Income distributions will be paid without deducting withholding tax.	Shares in respect of which net income is distributed net of withholding tax where applicable.
Initial fee: Up to 3% of subscription amount Minimum subscription: £5,000	Initial fee: Up to 3% of subscription amount Minimum subscription: £5,000	Initial fee: Up to 3% of subscription amount Minimum subscription: £5,000	Initial fee: Up to 3% of subscription amount Minimum subscription: £5,000

GROUND RENT

WARREN HOUSE

WEST KENSINGTON, LONDON



This exciting development has high-speed lifts, 24 hour concierge and security, underground parking set behind electronic gates and a residents only gym.

Description

234 residential leasehold units

59 Social Housing units leased to Notting Hill Ownership Limited

Location

This exclusive and prestigious address is situated moments from a 24-hour Tesco Superstore and close to the amenities in West Kensington and Kensington High Street.

Superb transport links are provided into central London via the A4/M4 and Kensington Olympia Station (National Rail and District Line) and Earls Court Underground Station (Piccadilly, Circle and District lines) are also nearby.

GROUND RENT

LOCKES WHARF

DOCKLANDS, LONDON



The development boasts very good leisure facilities, including a heated swimming pool, spa, gym and pool tables.

Description

321 residential units

Location

With spectacular views over the Thames to Greenwich Palace and the Royal Naval College, this modern property is very convenient for Canary Wharf and all its amenities and transport links.

Investment Manager's report (continued)

S and T Share Classes	
These share classes are only open to offshore (non-UK) professional or institutional investors. Financial Advisers may be eligible for Initial and Trail Commission.	
ACCUMULATION	INCOME
Class S Net Accumulation Shares	Class T Net Income Shares
Shares in respect of which income is automatically reinvested net of withholding tax where applicable.	Shares in respect of which net income is distributed net of withholding tax where applicable.
Initial fee: Up to 7% of subscription amount	Initial fee: Up to 7% of subscription amount
Minimum subscription: £5,000,000	Minimum subscription: £5,000,000

Freehold Income Authorised Feeder Trust ("FIAFT"), the feeder trust

FIAFT, a sub-fund of ARC TIME:Feeder Trusts is an FCA Authorised Unit Trust, was established in April 2013 as a dedicated feeder trust. It is generally intended for investors who are unable to access TIME:Freehold directly as a result of administrative issues which govern a PAIF or for bodies corporate where their holding in the Fund would exceed 10% of NAV. FIAFT's sole investment is in the Fund's B, D, F, H, S and T Share Classes.

A separate Prospectus and Application Form are available on the Investment Manager's website www.time-investments.com/freehold or are available on request by emailing enquiries@time-investments.com.

Dealing in TIME:Freehold

The dealing day for the issue of shares in TIME:Freehold and units in FIAFT is 10am on the 12th day (or the next business day if the 12th day falls on a weekend or public holiday) of each month. In addition, a second dealing day of the 26th of each month (or the next business day) is offered for the ISA share classes.

The cut off point for receipt of subscriptions for non-ISA share classes is 10am on the business day two days prior to each dealing day being the 12th of each month (or the next business day). The cut off point for receipt of subscriptions for ISA Share Classes is 10am on the business day two days prior to a relevant dealing day being the 12th and 26th of each month (or the next business day). Settlement is due by 5pm on the third business day after the relevant dealing day.

Notices for the redemption of A-H and ISA Shares are required to be delivered no later than 10am five business days prior to the relevant dealing day. Share Classes S and T which are available to institutional investors only, require six months' notice of redemption prior to the relevant dealing day. Once such notice is received by the Administrator, the redemption will be processed, to the extent possible, on the first dealing day being the 12th of each month (or the next business day) after six months has expired. Further details on the value of shares in the Fund can be found on the website www.time-investments.com/freehold or by calling the Investment Manager on 0345 600 1213 or by email at enquiries@time-investments.com.

Investment returns* to 31 March 2020:

	Total return	Compounded annual total return
12 months	5.23%	5.23%
3 years	24.42%	7.55%
5 years	49.85%	8.43%
10 years	111.64%	7.79%

* Representative for a Class A Gross Accumulation shareholder or a Class C Gross Income shareholder with distributions reinvested.

NB. The historical performance prior to 3 April 2013 is based upon the bid price of accumulation units for TIME:Freehold's predecessor, The Freehold Income Trust.

Performance review

TIME:Freehold's total return for the year to 31 March 2020 was £15.3 million. This represents a total return for the year of 5.23% (for a Class A Gross Accumulation shareholder). This includes an income distribution for the year of 4.58% of which 2.16% was distributed as income in November 2019 and 2.42% distributed in May 2020.

The Fund has provided investors with over 27 years of consistently positive, inflation beating returns*.

* TIME:Freehold has been operating since 3 April 2013 following its conversion from The Freehold Income Trust. Performance information prior to 3 April 2013, included in this report, is in relation to The Freehold Income Trust.

Investment Manager's report (continued)

Financial highlights

	31 March 2020	31 March 2019
Investment property	£236.3 million	£231.4 million
Total return for the year*	5.23%	8.53%
Income yield for the year ended* (based upon the net asset value of Class A Gross Accumulation shares at 1 April 2019 and 1 April 2018)	4.58%	4.65%
Capital return for the year	0.65%	3.88%
Gross annual ground rent income	£9.0 million	£9.0 million
Approximate number of ground rents	64,200	65,300

* Representative for a Class A Gross Accumulation shareholder or a Class C Gross Income shareholder with distributions reinvested.

Property investment review

As at 31 March 2020, TIME:Freehold's portfolio consisted of approximately 64,200 freehold interests in residential properties producing a total annual ground rent income of £9.0 million. The component of the portfolio with inflation mitigating leases through uplifts linked to RPI, house price growth or fixed uplifts is 87% by rental value.

The Fund's investment properties were valued by BNP Paribas Real Estate UK at £236.3 million as at 31 March 2020.

Key characteristics of the portfolio

Property type	No. of units	Value %	Average rent per annum £
Flats	45,688	92.9	176
Houses	14,035	6.1	55
Other	4,493	1.0	53
Total Portfolio	64,216	100.0	141

Source: TIME Investments, as at 31 March 2020

Geographical split

Region	Rental value %
South East	31.3
London	29.9
North West	14.1
Midlands	11.7
South West	7.6
North East	2.8
Wales	2.6
Total	100.0

Source: TIME Investments, as at 31 March 2020

The Ministry of Housing, Communities and Local Government announced plans in their July 2017 consultation paper to review unfair practices in the residential leasehold market. Although the focus of the consultation paper is on new residential leaseholds, the

timing of any changes and the outcome of any legislative changes in the residential leasehold market and on the value of the portfolio owned by TIME:Freehold is uncertain. See Outlook section on page 18 for more information.

The Fund has maintained a prudent approach and has not historically acquired residential leasehold property with ground rents which were believed to be initially set too high or had aggressive review mechanisms. At the same time the Competition and Market Authority is investigating the practices undertaken by parties who may have conducted unfair or anti-competitive practices in relation to the sale of residential leases. However the Fund is not expected to be affected.

The Fund has no properties where the ground rent doubles every 10 or 15 years or less in its portfolio.

Accordingly we believe the Fund's returns may not be significantly impacted relative to other residential ground rent portfolios in the context of the Government's consultation on proposals to amend leasehold legislation to address unfair practices in the residential leasehold market.

TIME:Freehold has the following profile of rental uplifts:

Rental Uplift Profile	Annual Rent £m	Value £m	Value %
Fixed Step (non-doubling)	2.3	71.4	30.2
RPI	2.4	69.4	29.4
Doubling Steps	1.1	36.6	15.5
Capital	1.9	34.1	14.4
No Uplifts	1.3	24.8	10.5
Total as at 31 March 2020	9.0	236.3	100.0

Source: TIME Investments, as at 31 March 2020

The Fund has around 4.6% of its net assets in leasehold houses and has undertaken a programme to offer for sale the ground rent of its houses to its leasehold house owners. During the year the ground rents of 821 houses were sold to the leasehold owners for a total of £15 million. The Fund has no exposure to aggressive ground rent reviews which double every 10 to 15 years or less. The "doubblers" which represent 15.5% of the portfolio are typically 20 years (1.1%), 25 years (12.1%) and 33 years (2.3%).

Investment Manager's report (continued)

Liquidity management

During the year TIME:Freehold has maintained a strong liquidity position. As at 31 March 2020 the Fund had cash and liquid investments of £60 million.

The Fund also has access to a loan facility with the Royal Bank of Scotland. The loan facility expires on 28 October 2023, and enables the Fund to borrow £25 million, enhancing its liquidity position. The current loan facility has not been drawn to date and is available for the Fund to draw on should it require access to additional funding.

In accordance with the rules for a NURS, the Fund is limited to borrowings of a maximum of 10% of NAV.

The Investment Manager seeks to hold higher levels of cash and assets with enhanced liquidity attributes to seek to ensure that the Fund continues to offer the same level of monthly liquidity to its shareholders. The Investment Manager's strategy of investing in assets with enhanced liquidity attributes shall be applied where shareholder returns require protection from holding too much cash. At the year end, 55.2% of this additional liquidity buffer was held in cash with cash holdings of £33.7 million.

As at 31 March 2020 the investment in TIME:UK Infrastructure was valued at £27.3 million. The securities, being listed, can however be sold within a short period of time to provide liquidity if required. TIME:UK Infrastructure seeks to deliver consistent income with long term capital growth through a diversified portfolio of shares in UK listed real asset owning companies, such as infrastructure, renewable energy and property companies. The stocks selected are believed to deliver a consistent income with a degree of inflation protection but with a lower level of price volatility than the markets as a whole. Since the year end the Fund has redeemed £3 million of this holding.

The Fund also invests in a property fund, with a similar investment objective to its own, TIME:Commercial Long Income, a sub-fund of ARC TIME:Funds II. At 31 March 2020 the investment in TIME:Commercial Long Income was valued at £30.7 million. TIME:Commercial Long Income delivered a return of 4.10%, including 3.41% of income for the year.

The Fund has invested in TIME:Commercial Long Income for a longer term investment horizon. Ordinarily TIME:Commercial Long Income provides daily liquidity for subscriptions and redemptions. However at the date of these financial statements it is suspended due to material uncertainty over the valuation of its property portfolio.

The Fund had, since 12 June 2019, imposed a dilution levy of 5% on new subscriptions into the Fund which is considered necessary to protect existing investors against the costs associated with acquiring further new portfolios of ground rents or investing in associated property funds. Since the suspension in dealing of the Fund has been lifted, the dilution levy has been reduced to 0%.

The Investment Manager shall continue to monitor the level of dilution and the ongoing requirement for the dilution levy at each dealing day.

Government's consultation on "Tackling unfair practices in the leasehold market"

Following on from the Government's consultation on "Tackling unfair practices in the leasehold market" which ran from July 2017 to September 2017 and its subsequent response paper which was issued in December 2017; the Government asked the Law Commission to consider further measures that could assist existing leaseholders of houses and to prioritise enfranchisement solutions, focusing on making it quicker, easier and cheaper to enfranchise.

The Law Commission issued a paper in July 2018 which set out a number of potential solutions followed by a detailed consultation paper in September 2018 which detailed proposals for a new coherent and streamlined enfranchisement regime for leaseholders of houses and flats.

In January 2020, the Law Commission published its report on valuation in enfranchisement ("Report on options to reduce the price payable"), which it followed in July 2020 with its final recommendations to the Government for leasehold reform. The main focus of the reports was to suggest methods of making enfranchisement quicker, easier and cheaper, saving leaseholders of houses and flats money, whilst ensuring sufficient compensation is paid to landlords to reflect their legitimate property interests.

The independent valuer of TIME:Freehold, BNP Paribas Real Estate UK, has, within the valuation of the property portfolio at 31 March 2020 considered the prevailing market conditions, the Government's response to its own consultation on "Tackling unfair practices in the leasehold market" and the subsequent review and recommendations to the Government by the Law Commission (and continues to do so at each monthly valuation point going forwards).

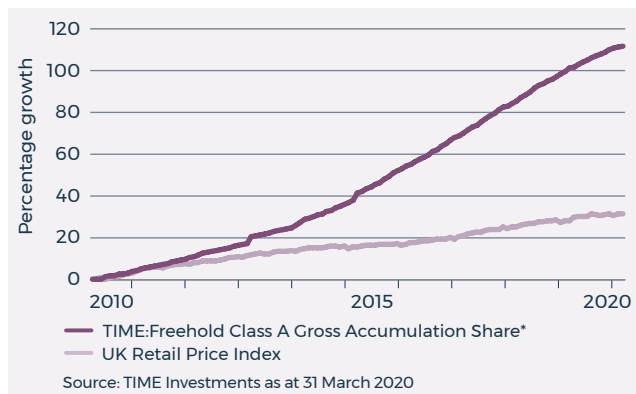
We therefore await the proposals for any legislative changes within the residential market. In the short term, until there is more clarity on any proposed reforms to the residential leasehold market, the Fund is not expected to acquire residential ground rent properties, unless contractually committed to do so (at 31 March 2020 the value of property exchanged but not completed is £0.08 million).

Investment Manager's report (continued)

Outlook

Due to the longevity and relatively secure nature of freehold ground rents the Investment Manager expects TIME:Freehold to continue to target consistent returns to its shareholders as it has successfully done over the last 27 years. Approximately 87% by rental value of the Fund's freehold ground rents have a form of inflation protection through periodic uplifts linked to RPI, property values or fixed uplifts. The stability of historic returns can be demonstrated by the graph below, showing the returns from the last 10 years by comparison with RPI. Over this period the Fund achieved an average total return of 7.79% per annum.

TIME:Freehold vs RPI



*TIME:Freehold has been operating since 3 April 2013 following its conversion from The Freehold Income Trust. Performance information prior to 3 April 2013, included in this report, is in relation to The Freehold Income Trust.

Since the Fund was launched it has been managed with downside risk to the fore. Liquidity management has remained robust throughout the last four years of uncertainty caused by both the Brexit vote and the crisis caused by COVID-19 and the subsequent volatility in the market. The Fund is well placed in liquidity terms holding around 20% of its net asset value in cash and liquid investments. The Fund also has a £25 million revolving credit facility from RBS, principally for acquisitions and liquidity management purposes. The facility is undrawn, further strengthening liquidity within the Fund. We feel that the Fund is well positioned, despite the current headwinds and therefore we do not anticipate making significant changes to the way it is managed. The dilution levy, which was previously been applied at a rate of 5% to subscriptions into the Fund, was reduced to 0% on the lifting of the suspension in dealing on 31 July 2020. This levy and the rate that is applied will be reviewed at each future dealing day, once the suspension is lifted and so this may only be a temporary reduction.

The robustness of freehold ground rents has been the key to producing positive returns in each of the last 27 years, unlike traditional short leased commercial or residential property. The Fund has had another successful year with a total return of 5.23% for the year to 31 March 2020.

Throughout the period since COVID-19 lockdown, the Fund has continued to deliver a secure income and with some capital growth from its portfolio of 64,200 ground rents. During the four months to 31 July 2020, the Fund's performance increased by 1.57% with a total return for the 12 months ended 31 July 2020 of 4.95%.

Over the last ten years or so the Fund has significantly outperformed its target return, as the UK ground rent investment market opened up to a wider, more institutional investor base. During this period, many housebuilders altered the structure of their ground rents towards the drivers required by those institutional investors, namely higher ground rents, more frequent rental uplifts and a greater weighting towards RPI uplifting or "doubling" ground rents. Many of these changes have subsequently been seen to be potentially onerous on the tenants and the Government launched several consultations to protect leaseholders' interests further.

During this ten year period, the Fund has not been acquiring ground rents in significant quantities as we felt concerned about how onerous this new type of ground rent was on the tenant. However, as a result of the increased interest in a limited pool of ground rents, the Fund's portfolio of mainly historic ground rents have benefited from additional capital growth over this period. The Fund's portfolio has the advantage of lower rental payments averaging £141 per annum and longer review cycles, typically averaging a minimum of 25 years between review, making the lease terms far less unfair on the tenants than the newer type of ground rent leases, and hence sustainable over the long term.

Reflecting a world where interest rates have continued to fall to very low levels, the rate of return of the fund has also reduced over time and was 4.95% in the 12 months to 31 July 2020, slightly below the historic target. As the current environment of low interest rates and returns is expected to continue for some time, FCA approval has been granted to amend the fund's investment objective to remove the total return target, whilst enabling the Fund to continue to primarily invest in freehold ground rents which can deliver a consistent income stream.

Going forward, the Fund's total return is expected to deliver in excess of 4% per annum. In the current market, where interest rates and bond yields are at historic lows, and even traditionally reliable dividend paying equities have reduced or been stopped altogether, we believe that the Fund can continue to offer reliable income returns and the prospect of an element of capital return.

The Fund has a strong platform to build on its long track record of consistent returns from its large, well-diversified portfolio of freehold ground rents. The Fund will continue to be managed in accordance with its Investment Objective and will pay its distributions in the normal manner every six months.

Nigel Ashfield for TIME Investments
Investment Manager

28 August 2020

Net Asset Value per share, Performance Record, Ongoing Charge

Net Asset Value

31 March 2020	Net Asset Value	Net Asset Value per share	Number of shares in issue
	£'000	£	
Class A Gross Accumulation	38,334	7.4911	5,117,208.03
Class B Net Accumulation	57,312	7.0657	8,111,264.06
Class C Gross Income	26,326	2.2542	11,678,897.70
Class D Net Income	57,600	2.2454	25,652,509.86
Class E Gross Accumulation	11,735	7.3465	1,597,294.37
Class F Net Accumulation	35,455	6.9332	5,113,782.39
Class G Gross Income	4,046	2.2167	1,825,448.59
Class H Net Income	57,272	2.2081	25,937,023.00
Class ISA Gross Accumulation	11,827	7.4911	1,578,846.02
Class ISA Gross Income	11,909	2.2542	5,283,219.83
	311,816		
Less: Distribution paid in cash to income share class investors post year end	(3,171)		
Less: Investment valuation difference from 14 April 2020 valuation point	(1,388)		
	307,257		

TIME:Freehold was launched on 3 April 2013. The tables show the net asset value per share at the end of the relevant accounting period.

31 March 2019	Net Asset Value	Net Asset Value per share	Number of shares in issue
	£'000	£	
Class A Gross Accumulation	37,366	7.1185	5,249,086.39
Class B Net Accumulation	69,247	6.7651	10,235,864.62
Class C Gross Income	27,684	2.2389	12,365,130.88
Class D Net Income	33,541	2.2307	15,036,209.40
Class E Gross Accumulation	12,700	6.9990	1,814,526.91
Class F Net Accumulation	46,253	6.6554	6,949,751.92
Class G Gross Income	4,435	2.2075	2,009,149.72
Class H Net Income	55,868	2.1994	25,400,954.95
Class ISA Gross Accumulation	12,325	7.1181	1,731,450.32
Class ISA Gross Income	13,168	2.2389	5,881,529.05
	312,587		
Less: Distribution paid in cash to income share class investors post year end	(2,732)		
Add: Equalisation post period adjustments	84		
Less: Investment valuation difference from 12 April 2019 valuation point	(978)		
	308,961		

Share Classes A-H were launched on 3 April 2013, the ISA Share Classes were launched on 1 January 2014 and Share Classes S and T were launched on 14 September 2016.

Currently there are no shares issued in the S and T Share Classes.

Net Asset Value per share, Performance Record, Ongoing Charge (continued)

Performance Record

Class A Gross Accumulation	31 March 2020	31 March 2019	31 March 2018
CHANGE IN NET ASSETS PER SHARE			
Opening net asset value per share	7.1185	6.5591	6.0206
Return before operating charges*	0.4853	0.6637	0.6342
Operating charges	(0.1127)	(0.1043)	(0.0957)
Return after operating charges*	0.3726	0.5594	0.5385
Closing net asset value per share	7.4911	7.1185	6.5591
Retained distributions on accumulation shares	0.3159	0.2844	0.2601
*Returns are stated after direct transaction costs of:	0.0088	0.0028	0.0159
PERFORMANCE			
Return after charges	5.23%	8.53%	8.94%
OTHER INFORMATION			
Closing net asset value (£'000)	38,334	37,366	29,815
Closing number of shares	5,117,208.03	5,249,086.39	4,545,537.12
Operating charges	1.54%	1.52%	1.51%
Performance fee	-	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest share price	7.4911	7.1185	6.5591
Lowest share price	7.1443	6.6205	6.0749
Class B Net Accumulation			
CHANGE IN NET ASSETS PER SHARE			
Opening net asset value per share	6.7651	6.2789	5.8055
Return before operating charges*	0.4073	0.5857	0.5649
Operating charges	(0.1067)	(0.0995)	(0.0915)
Return after operating charges*	0.3006	0.4862	0.4734
Closing net asset value per share	7.0657	6.7651	6.2789
Retained distributions on accumulation shares	0.2503	0.2260	0.2076
*Returns are stated after direct transaction costs of:	0.0088	0.0027	0.0152
PERFORMANCE			
Return after charges	4.44%	7.74%	8.15%
OTHER INFORMATION			
Closing net asset value (£'000)	57,312	69,247	53,562
Closing number of shares	8,111,264.06	10,235,864.62	8,530,508.87
Operating charges	1.54%	1.52%	1.51%
Performance fee	-	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest share price	7.0657	6.7651	6.2789
Lowest share price	6.7861	6.3343	5.8546

Share Classes A-H were launched on 3 April 2013, the ISA Share Classes were launched on 1 January 2014 and Share Classes S and T were launched on 14 September 2016. Please refer to notes 13 and 14 for details of the types of transactions costs.

Amounts are shown in Sterling (£) unless otherwise stated.

Net Asset Value per share, Performance Record, Ongoing Charge (continued)

Performance Record (continued)

Class C Gross Income	31 March 2020	31 March 2019	31 March 2018
CHANGE IN NET ASSETS PER SHARE			
Opening net asset value per share	2.2389	2.1534	2.0627
Return before operating charges*	0.1479	0.2109	0.2105
Operating charges	(0.0343)	(0.0331)	(0.0317)
Return after operating charges*	0.1136	0.1778	0.1788
Distributions on income shares	(0.0983)	(0.0923)	(0.0881)
Closing net asset value per share	2.2542	2.2389	2.1534
*Returns are stated after direct transaction costs of:	0.0027	0.0009	0.0053
PERFORMANCE			
Return after charges	5.07%	8.26%	8.67%
OTHER INFORMATION			
Closing net asset value (£'000)	26,326	27,684	27,876
Closing number of shares	11,678,897.70	12,365,130.88	12,945,056.48
Operating charges	1.54%	1.52%	1.51%
Performance fee	-	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest share price	2.2542	2.2389	2.1534
Lowest share price	2.1960	2.1267	2.0369

Class D Net Income	31 March 2020	31 March 2019	31 March 2018
CHANGE IN NET ASSETS PER SHARE			
Opening net asset value per share	2.2307	2.1453	2.0548
Return before operating charges*	0.1307	0.1949	0.1950
Operating charges	(0.0342)	(0.0330)	(0.0317)
Return after operating charges*	0.0965	0.1619	0.1633
Distributions on income shares	(0.0818)	(0.0765)	(0.0728)
Closing net asset value per share	2.2454	2.2307	2.1453
*Returns are stated after direct transaction costs of:	0.0027	0.0009	0.0053
PERFORMANCE			
Return after charges	4.33%	7.55%	7.95%
OTHER INFORMATION			
Closing net asset value (£'000)	57,600	33,541	59,712
Closing number of shares	25,652,509.86	15,036,209.40	27,833,516.48
Operating charges	1.54%	1.52%	1.51%
Performance fee	-	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest share price	2.2454	2.2307	2.1453
Lowest share price	2.1948	2.1256	2.0357

Share Classes A-H were launched on 3 April 2013, the ISA Share Classes were launched on 1 January 2014 and Share Classes S and T were launched on 14 September 2016. Please refer to notes 13 and 14 for details of the types of transactions costs.

Amounts are shown in Sterling (£) unless otherwise stated.

Net Asset Value per share, Performance Record, Ongoing Charge (continued)

Performance Record (continued)

Class E Gross Accumulation	31 March 2020	31 March 2019	31 March 2018
CHANGE IN NET ASSETS PER SHARE			
Opening net asset value per share	6.9990	6.4666	5.9513
Return before operating charges*	0.4783	0.6520	0.6252
Operating charges	(0.1308)	(0.1196)	(0.1099)
Return after operating charges*	0.3475	0.5324	0.5153
Closing net asset value per share	7.3465	6.9990	6.4666
Retained distributions on accumulation shares	0.3107	0.2803	0.2571
*Returns are stated after direct transaction costs of:	0.0087	0.0027	0.0156
PERFORMANCE			
Return after charges	4.96%	8.23%	8.66%
OTHER INFORMATION			
Closing net asset value (£'000)	11,735	12,700	12,589
Closing number of shares	1,597,294.37	1,814,526.91	1,946,827.59
Operating charges	1.82%	1.77%	1.76%
Performance fee	-	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest share price	7.3465	6.9990	6.4666
Lowest share price	7.0234	6.5257	6.0036
Class F Net Accumulation			
CHANGE IN NET ASSETS PER SHARE			
Opening net asset value per share	6.6554	6.1936	5.7418
Return before operating charges*	0.4016	0.5759	0.5576
Operating charges	(0.1238)	(0.1141)	(0.1058)
Return after operating charges*	0.2778	0.4618	0.4518
Closing net asset value per share	6.9332	6.6554	6.1936
Retained distributions on accumulation shares	0.2462	0.2232	0.2053
*Returns are stated after direct transaction costs of:	0.0082	0.0026	0.0151
PERFORMANCE			
Return after charges	4.17%	7.46%	7.87%
OTHER INFORMATION			
Closing net asset value (£'000)	35,455	46,253	48,352
Closing number of shares	5,113,782.39	6,949,751.92	7,806,736.62
Operating charges	1.82%	1.77%	1.76%
Performance fee	-	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest share price	6.9332	6.6554	6.1936
Lowest share price	6.6750	6.2469	5.7890

Share Classes A-H were launched on 3 April 2013, the ISA Share Classes were launched on 1 January 2014 and Share Classes S and T were launched on 14 September 2016. Please refer to notes 13 and 14 for details of the types of transactions costs.

Amounts are shown in Sterling (£) unless otherwise stated.

Net Asset Value per share, Performance Record, Ongoing Charge (continued)

Performance Record (continued)

Class G Gross Income	31 March 2020	31 March 2019	31 March 2018
CHANGE IN NET ASSETS PER SHARE			
Opening net asset value per share	2.2075	2.1289	2.0447
Return before operating charges*	0.1460	0.2080	0.2081
Operating charges	(0.0399)	(0.0381)	(0.0365)
Return after operating charges*	0.1061	0.1699	0.1716
Distributions on income shares	(0.0969)	(0.0913)	(0.0874)
Closing net asset value per share	2.2167	2.2075	2.1289
*Returns are stated after direct transaction costs of:	0.0026	0.0009	0.0052
PERFORMANCE			
Return after charges	4.81%	7.98%	8.39%
OTHER INFORMATION			
Closing net asset value (£'000)	4,046	4,435	4,367
Closing number of shares	1,825,448.59	2,009,149.72	2,051,185.46
Operating charges	1.82%	1.77%	1.76%
Performance fee	-	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest share price	2.2167	2.2075	2.1289
Lowest share price	2.1647	2.1020	2.0185

Class H Net Income	31 March 2020	31 March 2019	31 March 2018
CHANGE IN NET ASSETS PER SHARE			
Opening net asset value per share	2.1994	2.1210	2.0369
Return before operating charges*	0.1291	0.1922	0.1929
Operating charges	(0.0398)	(0.0381)	(0.0367)
Return after operating charges*	0.0893	0.1541	0.1562
Distributions on income shares	(0.0806)	(0.0757)	(0.0721)
Closing net asset value per share	2.2081	2.1994	2.1210
*Returns are stated after direct transaction costs of:	0.0026	0.0009	0.0052
PERFORMANCE			
Return after charges	4.06%	7.27%	7.67%
OTHER INFORMATION			
Closing net asset value (£'000)	57,272	55,868	47,441
Closing number of shares	25,937,023.00	25,400,954.95	22,366,998.33
Operating charges	1.82%	1.77%	1.76%
Performance fee	-	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest share price	2.2083	2.1994	2.1210
Lowest share price	2.1636	2.1010	2.0175

Share Classes A-H were launched on 3 April 2013, the ISA Share Classes were launched on 1 January 2014 and Share Classes S and T were launched on 14 September 2016. Please refer to notes 13 and 14 for details of the types of transactions costs.

Amounts are shown in Sterling (£) unless otherwise stated.

Net Asset Value per share, Performance Record, Ongoing Charge (continued)

Performance Record (continued)

Class ISA Accumulation	31 March 2020	31 March 2019	31 March 2018
CHANGE IN NET ASSETS PER SHARE			
Opening net asset value per share	7.1181	6.5591	6.0206
Return before operating charges*	0.4857	0.6628	0.6341
Operating charges	(0.1127)	(0.1038)	(0.0956)
Return after operating charges*	0.3730	0.5590	0.5385
Closing net asset value per share	7.4911	7.1181	6.5591
Retained distributions on accumulation shares	0.3159	0.2844	0.2601
*Returns are stated after direct transaction costs of:	0.0088	0.0028	0.0159
PERFORMANCE			
Return after charges	5.24%	8.52%	8.94%
OTHER INFORMATION			
Closing net asset value (£'000)	11,827	12,325	10,697
Closing number of shares	1,578,846.02	1,731,450.32	1,630,903.79
Operating charges	1.54%	1.52%	1.51%
Performance fee	-	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest share price	7.4911	7.1181	6.5591
Lowest share price	7.1443	6.6205	6.0749

Class ISA Income	31 March 2020	31 March 2019	31 March 2018
CHANGE IN NET ASSETS PER SHARE			
Opening net asset value per share	2.2389	2.1534	2.0627
Return before operating charges*	0.1479	0.2111	0.2105
Operating charges	(0.0343)	(0.0333)	(0.0317)
Return after operating charges*	0.1136	0.1778	0.1788
Distributions on income shares	(0.0983)	(0.0923)	(0.0881)
Closing net asset value per share	2.2542	2.2389	2.1534
*Returns are stated after direct transaction costs of:	0.0027	0.0009	0.0053
PERFORMANCE			
Return after charges	5.07%	8.26%	8.67%
OTHER INFORMATION			
Closing net asset value (£'000)	11,909	13,168	11,675
Closing number of shares	5,283,219.83	5,881,529.05	5,421,739.96
Operating charges	1.54%	1.52%	1.51%
Performance fee	-	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest share price	2.2542	2.2389	2.1534
Lowest share price	2.1960	2.1267	2.0369

Share Classes A-H were launched on 3 April 2013, the ISA Share Classes were launched on 1 January 2014 and Share Classes S and T were launched on 14 September 2016. Please refer to notes 13 and 14 for details of the types of transactions costs.

Amounts are shown in Sterling (£) unless otherwise stated.

Net Asset Value per share, Performance Record, Ongoing Charge (continued)

Ongoing Charge (OC)

Share class	31 March 2020 (%)	31 March 2019 (%)
Class A - D and ISA Shares	1.68	1.69
Class E - H Shares	1.94	1.96
Class S - T Shares	1.93	1.95

The Ongoing Charge (OC) represents the total annualised expenses of TIME:Freehold, excluding transaction costs, interest and other finance costs and property related expenses expressed as a percentage of the average net assets during the accounting period.

The OC stated for 31 March 2020 is based on the NAV as at 31 December 2019 and 31 March 2019 is based on the NAV as at 31 December 2018 in line with what is stated in the Key Investor Information Document at the respective dates.

Risk warning

Shareholders should be aware that there are risks inherent in the holding of investments.

Shareholders should be aware that the price of shares and the income from them can fall as well as rise and shareholders may not receive back the full amount invested.

Past performance is not a guide to future performance.

An investment in an open-ended investment company should be regarded as a medium to long term investment.

By the nature of real property and the time and other factors involved in arranging sales and realising the proceeds there from, it should be appreciated that the underlying assets are primarily relatively illiquid assets when compared with other asset classes such as listed equities or bonds. Whilst the ACD will pursue a cautious liquidity policy, the Fund is intended for investors who can accept the risks associated with making potentially illiquid investments in real property.

Following the Referendum held on 23 June 2016 concerning the UK's membership of the EU, a decision was taken to exit. We are now in a period of uncertainty in relation to many factors that impact the property investment and letting markets. Since the Referendum date it has not been possible to gauge the effect of this decision by reference to transactions in the market place.

The probability of the valuer's opinion of value exactly coinciding with the price achieved, were there to be a sale, has reduced.

TIME:Freehold has mitigated the cross-border risk of Brexit as the Fund's property is located within the UK. Additionally the Fund's cash reserves are only held in pounds sterling. While the cross-border risks of Brexit have been mitigated the Fund is still exposed to the effect of a downturn or a recession in the property market or the wider economy caused by any adverse effects of Brexit. This cannot be measured with any certainty. However, it is expected that the property portfolio of the Fund would, as long income property, provide greater defensive characteristics to mitigate the effect on the Fund of any

Brexit related downturn in the property market or in the wider economy, when compared against conventional property funds with shorter lease lengths.

Following on from the Government's consultation on "Tackling unfair practices in the leasehold market" which ran from July 2017 to September 2017 and its subsequent response paper which was issued in December 2017; the Government asked the Law Commission to consider further measures that could assist existing leaseholders of houses and to prioritise enfranchisement solutions, focusing on making it quicker, easier and cheaper to enfranchise.

The Law Commission issued a paper in July 2018 which set out a number of potential solutions followed by a detailed consultation paper in September 2018 which detailed proposals for a new coherent and streamlined enfranchisement regime for leaseholders of houses and flats.

In January 2020, the Law Commission published its report on valuation in enfranchisement ("Report on options to reduce the price payable"), which it followed in July 2020 with its final recommendation to the Government for leasehold reform. The main focus of the reports was to suggest methods of making enfranchisement quicker, easier and cheaper, saving leaseholders of houses and flats money, whilst ensuring sufficient compensation is paid to landlords to reflect their legitimate property interests.

The independent valuer of the Fund, BNP Paribas Real Estate UK, has, within the valuation of the property portfolio at 31 March 2020 considered the prevailing market conditions, the Government's response to its own consultation on "Tackling unfair practices in the leasehold market" and the subsequent review and recommendations to the Government by the Law Commission (and continues to do so at each monthly valuation point going forwards).

We therefore await the proposals for any legislative changes within the residential leasehold market. In the short term, until there is more clarity on any proposed reforms to the residential leasehold market, the Fund is not expected to acquire residential ground rent properties, unless contractually committed to do so (at 31 March 2020 the value of property exchanged but not completed is £0.08 million).

Net Asset Value per share, Performance Record, Ongoing Charge (continued)

Dealing suspension, COVID-19 and lifting of the suspension

On 18 March 2020 dealing in TIME:Freehold was temporarily suspended. On 31 July 2020, the Fund resumed trading in its shares by accepting subscriptions and redemptions, with the first dealing day being 12 August 2020.

The suspension of TIME:Freehold was directly as a result of the Fund's valuer, BNP Paribas, advising that as a result of the emergency caused by the outbreak of the Novel Coronavirus (COVID-19), there was material uncertainty over the value of the property assets of the Fund. Such "material uncertainty" regarding property valuation was applied by all UK real estate valuers to FCA authorised schemes. Consequently, the ACD and the Depositary agreed to suspend the Fund.

In accordance with the FCA handbook, the rules allow for suspension of a fund in "exceptional circumstances" and the outbreak of COVID-19 and associated uncertainty regarding valuation are deemed such exceptional circumstances. In particular in this unique situation, our primary concern was that an investor entering or exiting the Fund could receive a share price significantly different than its underlying value. This may also impact shareholders who remain invested in the Fund. As such the suspension was undertaken with regard to the best interests of all investors in the Fund.

The Fund did not suspend for liquidity nor performance reasons and without the material uncertainty opinion from the valuer, the Fund would have continued to accept dealing instructions and operate as normal. The outbreak of the pandemic virus COVID-19 has had and continues to have a significant adverse effect on global markets.

At the end of May 2020 material uncertainty was removed by the valuer on assets with lease lengths in excess of 80 years (being the majority of the property assets) and in July 2020 the Independent Valuer removed the remaining properties from material uncertainty. Consequently, on 31 July 2020, the Fund reopened dealing in its shares with subscriptions and redemptions accepted in the normal manner.

FCA consultation on open ended property funds

The Financial Conduct Authority (FCA) has proposed a consultation on open-ended property funds <https://www.fca.org.uk/news/press-releases/fca-consults-new-rules-improve-open-ended-property-fund-structures>. The FCA has proposed longer redemption notice periods for daily-dealt funds. The consultation process is open until 3 November 2020. Following the consultation the FCA intends to publish its findings in 2021.

The FCA is proposing that existing funds like TIME:Freehold, which deal monthly, will not fall under the FCA's proposed new rules and accordingly there will be no change to TIME:Freehold's existing monthly redemption arrangements

Portfolio Statement

As at 31 March 2020

Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %
E17	10,079	3.28%	NI1	570	0.19%	WS10	327	0.11%	TN23	222	0.07%
B1	5,409	1.76%	ME4	569	0.19%	SS1	326	0.11%	TA24	221	0.07%
SW18	4,037	1.31%	AL5	569	0.19%	RM17	323	0.11%	BL6	220	0.07%
E14	3,865	1.26%	HA1	561	0.18%	KT4	319	0.10%	W3	220	0.07%
W2	3,397	1.11%	IG1	559	0.18%	S40	318	0.10%	WA3	219	0.07%
CF10	3,069	1.00%	SO15	557	0.18%	BN16	317	0.10%	RG4	218	0.07%
N1	2,751	0.90%	PL2	555	0.18%	WS11	316	0.10%	SM4	218	0.07%
SW6	2,487	0.81%	SL1	554	0.18%	N16	316	0.10%	LE3	217	0.07%
SO50	2,332	0.76%	WA14	551	0.18%	MK5	315	0.10%	SE3	217	0.07%
M50	2,147	0.70%	WD18	548	0.18%	MK40	314	0.10%	SE7	215	0.07%
RG21	2,079	0.68%	EX2	543	0.18%	RH19	314	0.10%	BL4	215	0.07%
SW15	1,894	0.62%	BR3	542	0.18%	M19	313	0.10%	B97	212	0.07%
NW3	1,850	0.60%	SE15	537	0.17%	PR4	313	0.10%	BD10	211	0.07%
WD17	1,796	0.58%	E4	530	0.17%	ME14	312	0.10%	EC1V	211	0.07%
W14	1,665	0.54%	EN2	527	0.17%	RG45	311	0.10%	M27	210	0.07%
WV10	1,665	0.54%	N9	527	0.17%	NW1	311	0.10%	B535	210	0.07%
BS2	1,628	0.53%	CM7	523	0.17%	CH1	309	0.10%	RG14	209	0.07%
DY13	1,461	0.48%	EN9	523	0.17%	WN7	309	0.10%	LL28	208	0.07%
EN10	1,452	0.47%	WA9	518	0.17%	EN8	308	0.10%	GU12	208	0.07%
BS23	1,417	0.46%	SE18	516	0.17%	OX11	307	0.10%	M16	207	0.07%
ME1	1,415	0.46%	CM14	512	0.17%	NW6	307	0.10%	SW4	207	0.07%
SW16	1,413	0.46%	DA1	511	0.17%	NE7	307	0.10%	CV12	206	0.07%
SO14	1,410	0.46%	N21	510	0.17%	N7	307	0.10%	RG30	205	0.07%
GU15	1,404	0.46%	LN5	508	0.17%	BD16	303	0.10%	NN16	204	0.07%
SN2	1,402	0.46%	TW3	498	0.16%	E6	302	0.10%	WV14	204	0.07%
CRO	1,386	0.45%	PO16	490	0.16%	M22	300	0.10%	WA13	204	0.07%
WD4	1,346	0.44%	BR5	486	0.16%	DE65	297	0.10%	RH1	202	0.07%
IP3	1,333	0.43%	SN15	485	0.16%	M40	291	0.09%	GU34	200	0.06%
HP3	1,331	0.43%	OL12	483	0.16%	SE14	291	0.09%	TW11	200	0.06%
CM1	1,294	0.42%	ME10	471	0.15%	SK14	290	0.09%	B64	199	0.06%
EN1	1,275	0.42%	CT9	465	0.15%	CH5	290	0.09%	L18	198	0.06%
IG11	1,230	0.40%	CV9	464	0.15%	TV20	288	0.09%	TW9	197	0.06%
NI7	1,221	0.40%	PE1	463	0.15%	CV21	287	0.09%	KT10	196	0.06%
RM16	1,180	0.38%	BH8	460	0.15%	NG5	284	0.09%	SE22	194	0.06%
SA12	1,152	0.38%	RC1	459	0.15%	WS2	283	0.09%	BH4	194	0.06%
CM23	1,121	0.36%	GU22	452	0.15%	BT19	283	0.09%	RM7	192	0.06%
ME8	1,121	0.36%	M8	449	0.15%	W6	282	0.09%	SW1W	192	0.06%
CO1	1,095	0.36%	UB7	446	0.15%	WA6	280	0.09%	TW18	192	0.06%
BS16	1,093	0.36%	WR11	438	0.14%	RG17	278	0.09%	ST15	192	0.06%
SL3	1,089	0.35%	OX16	436	0.14%	N12	278	0.09%	SG18	189	0.06%
PL4	1,066	0.35%	WA15	433	0.14%	S1	276	0.09%	L12	189	0.06%
SE10	1,056	0.34%	N5	430	0.14%	BS39	274	0.09%	RH15	188	0.06%
DE14	1,055	0.34%	NR4	430	0.14%	IG7	274	0.09%	B66	187	0.06%
RM1	1,045	0.34%	BS8	425	0.14%	BL9	274	0.09%	BH7	187	0.06%
E1	1,045	0.34%	CM11	425	0.14%	WN2	274	0.09%	DA7	185	0.06%
SE8	1,013	0.33%	ME15	425	0.14%	SW2	273	0.09%	E5	184	0.06%
EN3	992	0.32%	RH10	424	0.14%	E9	270	0.09%	DA16	183	0.06%
HP21	989	0.32%	BH5	423	0.14%	BS20	270	0.09%	EC1R	183	0.06%
SG12	969	0.32%	WA8	422	0.14%	WH	269	0.09%	GL20	182	0.06%
CV1	954	0.31%	WD6	420	0.14%	CT19	266	0.09%	BD17	181	0.06%
BN23	952	0.31%	SM5	413	0.13%	SN3	264	0.09%	NE16	179	0.06%
CM2	921	0.30%	GU35	409	0.13%	HP9	263	0.09%	CV31	177	0.06%
PR7	902	0.29%	ME20	409	0.13%	SK16	263	0.09%	M34	177	0.06%
ME16	895	0.29%	TQ1	409	0.13%	KT12	259	0.08%	HP12	177	0.06%
CV37	894	0.29%	DY5	407	0.13%	OX26	259	0.08%	SM1	177	0.06%
EN11	894	0.29%	LE1	405	0.13%	M26	257	0.08%	OL4	176	0.06%
SO16	886	0.29%	LU2	401	0.13%	CF14	253	0.08%	PR6	175	0.06%
TA6	881	0.29%	CV6	401	0.13%	M44	252	0.08%	PO21	175	0.06%
SE11	874	0.28%	RM10	400	0.13%	TF4	252	0.08%	CH43	175	0.06%
SE16	835	0.27%	NW4	397	0.13%	PL5	252	0.08%	LN2	174	0.06%
L3	829	0.27%	TW7	397	0.13%	UB3	251	0.08%	S33	172	0.06%
SM6	824	0.27%	BS5	396	0.13%	TF2	251	0.08%	TS20	172	0.06%
M1	792	0.26%	DA8	390	0.13%	CB1	251	0.08%	NC7	172	0.06%
CH2	784	0.26%	WD23	386	0.13%	BH2	250	0.08%	SK22	171	0.06%
DA9	783	0.25%	NW7	382	0.12%	NP20	250	0.08%	RM11	170	0.06%
SO22	780	0.25%	AL7	380	0.12%	SY3	249	0.08%	KT2	169	0.06%
SE1	775	0.25%	NW2	379	0.12%	HP23	249	0.08%	NG3	169	0.05%
NR1	775	0.25%	MK10	377	0.12%	HX3	248	0.08%	SL2	166	0.05%
HP20	764	0.25%	BL8	375	0.12%	KT19	248	0.08%	TN1	166	0.05%
E3	750	0.24%	SO53	374	0.12%	SW12	248	0.08%	UB8	165	0.05%
CW1	748	0.24%	E15	370	0.12%	B33	248	0.08%	SL7	164	0.05%
SM2	746	0.24%	ST1	365	0.12%	DE72	246	0.08%	WD3	163	0.05%
GU1	744	0.24%	NE29	364	0.12%	BH1	246	0.08%	B24	162	0.05%
DE24	738	0.24%	SE9	363	0.12%	SK9	243	0.08%	BT23	161	0.05%
B23	718	0.23%	DY4	361	0.12%	SG13	243	0.08%	CV22	161	0.05%
GU11	710	0.23%	IM8	361	0.12%	EN5	242	0.08%	WV4	161	0.05%
HP13	704	0.23%	M4	361	0.12%	IG3	241	0.08%	PO12	157	0.05%
S6	692	0.23%	CM8	357	0.12%	SE13	241	0.08%	DA17	157	0.05%
RH6	688	0.22%	BN21	352	0.11%	ST5	240	0.08%	L8	157	0.05%
BD1	675	0.22%	WF8	350	0.11%	IP5	240	0.08%	HA5	156	0.05%
NW8	675	0.22%	TF7	348	0.11%	LE10	238	0.08%	M28	154	0.05%
UB6	662	0.22%	WT1	347	0.11%	E2	238	0.08%	OL15	153	0.05%
CB2	655	0.21%	TA2	344	0.11%	WN3	238	0.08%	OL2	153	0.05%
BS3	651	0.21%	BL1	343	0.11%	BH6	237	0.08%	WA11	153	0.05%
CM20	644	0.21%	B35	343	0.11%	N5	236	0.08%	ST11	152	0.05%
PO1	628	0.20%	MK9	342	0.11%	BS24	234	0.08%	RM2	151	0.05%
SE5	622	0.20%	BI1	341	0.11%	W7	233	0.08%	SS15	151	0.05%
CR2	617	0.20%	CL5	340	0.11%	WN1	233	0.08%	SL6	148	0.05%
RM18	615	0.20%	B91	337	0.11%	SC4	232	0.08%	OL10	147	0.05%
CR4	615	0.20%	SE6	335	0.11%	DA11	229	0.07%	CM13	147	0.05%
IP2	609	0.20%	B65	334	0.11%	B71	229	0.07%	CW8	146	0.05%
M20	605	0.20%	MK42	333	0.11%	SG8	229	0.07%	CO10	146	0.05%
TN24	596	0.19%	SL9	332	0.11%	BT21	225	0.07%	SO40	145	0.05%
CV34	596	0.19%	W4	332	0.11%	IG9	224	0.07%	SW8	144	0.05%
KT16	592	0.19%	TW16	330	0.11%	BH10	223	0.07%	AL2	144	0.05%

Portfolio Statement (continued)

As at 31 March 2020

Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %
E8	143	0.05%	PR25	96	0.03%	TQ13	63	0.02%	KT13	36	0.01%
OX28	143	0.05%	SW17	96	0.03%	RM3	63	0.02%	CB9	35	0.01%
SY16	141	0.05%	PO15	96	0.03%	CV5	63	0.02%	ST13	35	0.01%
WN5	141	0.05%	LL1	95	0.03%	WIT	63	0.02%	OL8	35	0.01%
WA4	140	0.05%	L24	95	0.03%	TS14	62	0.02%	WA7	35	0.01%
CW12	139	0.05%	RG42	95	0.03%	M12	62	0.02%	WA5	34	0.01%
B31	138	0.04%	GU47	95	0.03%	CW2	62	0.02%	NN10	34	0.01%
NR3	138	0.04%	M46	94	0.03%	M25	62	0.02%	OX2	34	0.01%
CR3	138	0.04%	LS7	93	0.03%	DY10	62	0.02%	BH23	34	0.01%
BL3	137	0.04%	TS5	92	0.03%	RH11	61	0.02%	WV2	34	0.01%
NE9	137	0.04%	GL51	92	0.03%	B30	61	0.02%	GU31	34	0.01%
L40	137	0.04%	BL0	91	0.03%	BS15	60	0.02%	RG41	34	0.01%
TF3	136	0.04%	GL52	91	0.03%	SK15	60	0.02%	HP6	33	0.01%
SK5	135	0.04%	MK4	90	0.03%	RG12	60	0.02%	N18	33	0.01%
M33	134	0.04%	SC6	90	0.03%	CT4	59	0.02%	KT1	33	0.01%
NN11	134	0.04%	BB12	90	0.03%	HX6	58	0.02%	TS12	33	0.01%
HP11	134	0.04%	SN6	90	0.03%	SO30	58	0.02%	OL13	32	0.01%
S9	134	0.04%	NW10	90	0.03%	L32	57	0.02%	M24	32	0.01%
SN25	133	0.04%	OL16	90	0.03%	SS6	57	0.02%	M31	32	0.01%
TQ7	133	0.04%	W10	90	0.03%	SE24	56	0.02%	M11	31	0.01%
CM17	133	0.04%	CM9	90	0.03%	SG14	55	0.02%	TW1	31	0.01%
GU20	132	0.04%	SC2	88	0.03%	BT28	55	0.02%	SL5	30	0.01%
L26	131	0.04%	BR1	88	0.03%	BS7	54	0.02%	BT4	30	0.01%
PR2	130	0.04%	N4	87	0.03%	ME12	54	0.02%	NN18	30	0.01%
HP4	130	0.04%	GU51	87	0.03%	BT38	54	0.02%	SK6	30	0.01%
RM6	129	0.04%	TW8	87	0.03%	NN15	54	0.02%	ME2	29	0.01%
SO31	129	0.04%	M29	87	0.03%	BR2	54	0.02%	BB7	28	0.01%
BT22	129	0.04%	RM8	86	0.03%	FY3	53	0.02%	S12	28	0.01%
YO16	129	0.04%	PE29	85	0.03%	M23	53	0.02%	BN27	27	0.01%
TA9	129	0.04%	KT7	85	0.03%	WV16	52	0.02%	NR33	27	0.01%
RH16	129	0.04%	LL30	84	0.03%	DE11	52	0.02%	BD22	27	0.01%
RM19	128	0.04%	IP33	84	0.03%	SK8	52	0.02%	B47	26	0.01%
SY1	128	0.04%	TW12	84	0.03%	RH7	52	0.02%	RH14	26	0.01%
PO31	128	0.04%	ME19	84	0.03%	GL56	52	0.02%	CH60	25	0.01%
L17	128	0.04%	WN4	83	0.03%	LE9	52	0.02%	PL15	25	0.01%
KT11	128	0.04%	BN12	83	0.03%	PL3	52	0.02%	BL5	25	0.01%
E12	127	0.04%	LS12	82	0.03%	L35	51	0.02%	L20	25	0.01%
KT17	127	0.04%	OL11	82	0.03%	OL1	51	0.02%	NG9	25	0.01%
RG40	126	0.04%	TW10	82	0.03%	WF4	51	0.02%	B46	25	0.01%
SG5	126	0.04%	CM21	82	0.03%	NN3	50	0.02%	HX1	25	0.01%
SS0	126	0.04%	WS3	81	0.03%	PR26	50	0.02%	DA14	25	0.01%
SR4	126	0.04%	ST16	81	0.03%	L31	50	0.02%	S4	25	0.01%
CH3	125	0.04%	GL4	80	0.03%	GU7	50	0.02%	BB11	24	0.01%
N13	125	0.04%	WA1	80	0.03%	B43	49	0.02%	DN32	24	0.01%
BL2	124	0.04%	LS29	80	0.03%	CT5	49	0.02%	NE25	24	0.01%
SG1	124	0.04%	SW11	79	0.03%	BB4	49	0.02%	NG17	24	0.01%
EX4	124	0.04%	GL7	78	0.03%	EN4	48	0.02%	LU1	23	0.01%
PO37	123	0.04%	TN6	78	0.03%	L2	48	0.02%	W5	23	0.01%
L15	122	0.04%	TF10	78	0.03%	TW17	48	0.02%	HP2	23	0.01%
GU21	121	0.04%	CH46	78	0.03%	CB4	48	0.02%	L55	23	0.01%
RG27	120	0.04%	M45	78	0.03%	BH11	48	0.02%	B96	23	0.01%
LS1	120	0.04%	SE17	77	0.03%	B9	47	0.02%	ST18	23	0.01%
NG2	120	0.04%	DT3	77	0.03%	HP18	47	0.02%	DN8	22	0.01%
RM12	120	0.04%	WR4	77	0.02%	SL4	47	0.02%	MK7	22	0.01%
KT23	119	0.04%	GL1	76	0.02%	RG19	47	0.02%	SK23	22	0.01%
BT9	119	0.04%	HP17	76	0.02%	LE2	46	0.02%	OX14	22	0.01%
BH12	119	0.04%	M15	76	0.02%	PR3	46	0.02%	SK1	21	0.01%
B73	118	0.04%	RM14	76	0.02%	S60	46	0.02%	SS12	21	0.01%
GU10	118	0.04%	BH15	76	0.02%	B77	46	0.02%	SS2	20	0.01%
EX9	118	0.04%	RH12	76	0.02%	CF31	46	0.01%	L30	20	0.01%
DE23	116	0.04%	BH9	74	0.02%	LL13	45	0.01%	LS13	20	0.01%
N8	115	0.04%	SW10	73	0.02%	L1	45	0.01%	L13	19	0.01%
PO19	115	0.04%	SR2	73	0.02%	LL19	45	0.01%	L39	19	0.01%
BS4	115	0.04%	NE31	73	0.02%	WS12	45	0.01%	CW10	19	0.01%
BS11	114	0.04%	B20	73	0.02%	SW19	45	0.01%	B93	19	0.01%
NN4	114	0.04%	GU19	73	0.02%	SK4	45	0.01%	IP4	19	0.01%
CF82	113	0.04%	UB10	72	0.02%	CO3	45	0.01%	E13	19	0.01%
TN2	113	0.04%	CU16	72	0.02%	CM16	45	0.01%	HC2	18	0.01%
WV13	113	0.04%	IP22	72	0.02%	OL7	44	0.01%	S10	18	0.01%
SW9	112	0.04%	SY11	72	0.02%	SK10	44	0.01%	BT16	18	0.01%
ME7	111	0.04%	HG4	72	0.02%	SY2	44	0.01%	S14	18	0.01%
NR6	111	0.04%	LS8	71	0.02%	EX34	44	0.01%	RG9	18	0.01%
IP1	110	0.04%	KT8	70	0.02%	LS25	43	0.01%	DL3	18	0.01%
CT1	110	0.04%	SO51	70	0.02%	RG28	43	0.01%	WV11	18	0.01%
SO17	109	0.04%	B28	70	0.02%	HA4	42	0.01%	KT15	17	0.01%
OL9	109	0.04%	BT40	69	0.02%	CF38	42	0.01%	OX5	17	0.01%
EX16	109	0.04%	IP32	69	0.02%	UB1	40	0.01%	SY12	17	0.01%
E11	107	0.03%	FY5	69	0.02%	M38	40	0.01%	CW11	17	0.01%
SS17	107	0.03%	WN6	68	0.02%	PL14	40	0.01%	BN13	17	0.01%
PR8	105	0.03%	BS32	68	0.02%	M14	39	0.01%	PL12	17	0.01%
KT20	104	0.03%	B90	67	0.02%	SK7	39	0.01%	YO21	16	0.01%
L36	104	0.03%	ST17	67	0.02%	NN17	38	0.01%	L10	16	0.01%
BB9	104	0.03%	B17	66	0.02%	NN8	38	0.01%	WA2	16	0.01%
WS13	101	0.03%	DA15	65	0.02%	B78	38	0.01%	SW5	15	0.00%
SG17	100	0.03%	GU24	65	0.02%	NE17	38	0.01%	MK19	15	0.00%
GU4	100	0.03%	RH20	65	0.02%	M9	37	0.01%	E18	14	0.00%
SA11	99	0.03%	CM6	65	0.02%	L25	37	0.01%	N10	14	0.00%
M21	99	0.03%	IG6	65	0.02%	WS7	37	0.01%	BT7	14	0.00%
L5	99	0.03%	LE7	64	0.02%	B74	37	0.01%	TS25	14	0.00%
DH8	98	0.03%	BH21	64	0.02%	SK11	37	0.01%	M32	14	0.00%
NN13	98	0.03%	E1W	64	0.02%	LE12	37	0.01%	DN31	14	0.00%
S11	98	0.03%	B69	64	0.02%	RG10	36	0.01%	SS9	14	0.00%
PL17	98	0.03%	BA1	64	0.02%	UB4	36	0.01%	OL3	13	0.00%
M3	98	0.03%	OX4	63	0.02%	DL9	36	0.01%	HA8	13	0.00%
NE22	97	0.03%	SM3	63	0.02%	RG2	36	0.01%	B12	12	0.00%

Portfolio Statement (continued)

As at 31 March 2020

Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %
TS10	12	0.00%	BT20	9	0.00%	BH25	7	0.00%	M7	4	0.00%
TS26	12	0.00%	RG22	9	0.00%	PR5	6	0.00%	LS3	4	0.00%
CW7	12	0.00%	RG24	9	0.00%	CA16	6	0.00%	WA16	4	0.00%
BB8	12	0.00%	L23	9	0.00%	MK41	6	0.00%	CO4	4	0.00%
YO10	12	0.00%	CH66	9	0.00%	L6	6	0.00%	NE2	4	0.00%
S26	12	0.00%	HR2	9	0.00%	PE16	6	0.00%	BB2	3	0.00%
BB3	11	0.00%	L7	8	0.00%	SO45	6	0.00%	WA12	3	0.00%
PR9	11	0.00%	S13	8	0.00%	DL5	6	0.00%	BT11	3	0.00%
B63	11	0.00%	TS21	8	0.00%	TS24	6	0.00%	M30	3	0.00%
YO61	11	0.00%	AL9	8	0.00%	S35	6	0.00%	S5	3	0.00%
OL5	11	0.00%	IP30	8	0.00%	M43	5	0.00%	BB1	2	0.00%
L4	11	0.00%	NE24	8	0.00%	WS4	5	0.00%	HG1	2	0.00%
LS2	11	0.00%	NR17	8	0.00%	NE10	5	0.00%	NE26	2	0.00%
DY1	11	0.00%	ST6	8	0.00%	CB8	5	0.00%	SO19	2	0.00%
SK13	11	0.00%	BB5	8	0.00%	YO11	5	0.00%	SK2	2	0.00%
SN5	11	0.00%	LS16	8	0.00%	WS15	5	0.00%	NE66	2	0.00%
S8	11	0.00%	S36	8	0.00%	PO7	5	0.00%	B75	2	0.00%
LS11	10	0.00%	BN43	7	0.00%	RH9	5	0.00%	DY3	2	0.00%
FY1	10	0.00%	PR1	7	0.00%	WV12	5	0.00%	S41	2	0.00%
TS6	10	0.00%	RG31	7	0.00%	TS16	5	0.00%	RC8	2	0.00%
LU7	10	0.00%	DA10	7	0.00%	TA18	5	0.00%	GU17	2	0.00%
WR2	10	0.00%	CW6	7	0.00%	AL4	4	0.00%	NE12	1	0.00%
PE33	10	0.00%	SS14	7	0.00%	SK3	4	0.00%	CW4	1	0.00%
SO18	9	0.00%	DL1	7	0.00%	TS11	4	0.00%	SN1	1	0.00%
M41	9	0.00%	PE7	7	0.00%	DY8	4	0.00%			
PO14	9	0.00%	WV1	7	0.00%	DL16	4	0.00%			
									Total	236,279	76.90%

	Market valuation £'000	Total net assets %
Total value of property (as listed above)	236,279	76.90%
Investments		
ARC TIME UK Infrastructure Income Fund (26,850,569 shares)	27,334	8.90%
ARC TIME Commercial Long Income PAIF (22,413,069 units)	30,668	9.98%
Net other assets	12,976	4.22%
Total Net Assets as at 31 March 2020	307,257	100.00%

Portfolio Statement

As at 31 March 2019

Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %
E17	7,159	2.31%	M8	617	0.20%	KT19	330	0.11%	WN2	231	0.07%
B1	5,206	1.68%	E3	615	0.20%	BL1	329	0.11%	LE3	231	0.07%
W2	3,739	1.21%	TN24	612	0.20%	CT19	329	0.11%	HP23	231	0.07%
CF10	3,328	1.07%	BD1	608	0.20%	BN16	328	0.11%	SK14	230	0.07%
SW18	2,784	0.90%	B65	608	0.20%	BL8	328	0.11%	CB1	230	0.07%
N1	2,751	0.89%	CR4	606	0.20%	B71	327	0.11%	WS2	229	0.07%
E14	2,749	0.89%	L3	606	0.20%	CV6	326	0.11%	TA24	227	0.07%
SO50	2,350	0.76%	GU22	603	0.19%	LE1	326	0.11%	SG13	225	0.07%
SW15	2,043	0.66%	CM14	602	0.19%	WD23	326	0.11%	IC7	225	0.07%
SO14	1,945	0.63%	UB6	600	0.19%	SE13	324	0.10%	BL4	225	0.07%
SW6	1,809	0.58%	NI1	593	0.19%	SE15	324	0.10%	BL9	222	0.07%
RG21	1,667	0.54%	NR4	580	0.19%	M40	321	0.10%	RH15	221	0.07%
M50	1,647	0.53%	SO15	575	0.19%	MK42	319	0.10%	SE3	221	0.07%
ME1	1,560	0.50%	S6	573	0.18%	CHI	318	0.10%	GU12	220	0.07%
WD17	1,484	0.48%	RC1	568	0.18%	SE6	318	0.10%	DA17	218	0.07%
IP3	1,476	0.48%	E4	564	0.18%	LL28	317	0.10%	SW1W	216	0.07%
SW16	1,473	0.48%	M20	563	0.18%	B73	317	0.10%	DA16	214	0.07%
SE10	1,428	0.46%	CT9	557	0.18%	EN8	314	0.10%	BH6	214	0.07%
ME8	1,409	0.45%	BS3	551	0.18%	BN21	314	0.10%	SW12	214	0.07%
NW3	1,383	0.45%	BR3	549	0.18%	LE10	314	0.10%	WA3	212	0.07%
VV10	1,372	0.44%	HA1	545	0.18%	RG30	314	0.10%	BS24	211	0.07%
IG11	1,347	0.43%	ME10	545	0.18%	TW7	313	0.10%	N3	210	0.07%
CR0	1,317	0.42%	SM5	542	0.17%	NE29	312	0.10%	BS20	208	0.07%
SL3	1,313	0.42%	PL2	537	0.17%	SN3	310	0.10%	S1	208	0.07%
HP21	1,309	0.42%	WA14	534	0.17%	NW1	310	0.10%	WS3	206	0.07%
BS2	1,308	0.42%	SE5	530	0.17%	W4	309	0.10%	W3	205	0.07%
CM23	1,268	0.41%	OX16	526	0.17%	NG5	307	0.10%	M26	204	0.07%
SN2	1,251	0.40%	EN2	524	0.17%	M22	306	0.10%	RG4	203	0.07%
GU15	1,245	0.40%	EX2	523	0.17%	B97	304	0.10%	BS35	203	0.07%
EN10	1,241	0.40%	PO16	518	0.17%	MK40	303	0.10%	M16	203	0.07%
BS23	1,221	0.39%	ME15	513	0.17%	DE65	302	0.10%	WN1	202	0.07%
WD4	1,147	0.37%	PO1	511	0.16%	TW16	302	0.10%	BH10	202	0.07%
E1	1,141	0.37%	N5	509	0.16%	SG18	298	0.10%	TW18	201	0.06%
BN23	1,127	0.36%	AL5	503	0.16%	SE26	298	0.10%	NE16	201	0.06%
NI7	1,122	0.36%	N9	501	0.16%	RG45	297	0.10%	M27	201	0.06%
W14	1,094	0.35%	RM10	497	0.16%	CM11	297	0.10%	RG14	200	0.06%
CV1	1,084	0.35%	SL1	495	0.16%	NI2	294	0.09%	B31	200	0.06%
EN1	1,078	0.35%	WD18	492	0.16%	M19	293	0.09%	KT2	199	0.06%
CM1	1,062	0.34%	LU2	492	0.16%	CM8	292	0.09%	BD10	197	0.06%
PL4	1,056	0.34%	TF4	488	0.16%	CH5	290	0.09%	IG9	197	0.06%
DY13	1,056	0.34%	LN5	488	0.16%	DE72	289	0.09%	PO12	197	0.06%
SM2	1,044	0.34%	RM18	477	0.15%	N7	289	0.09%	SE7	196	0.06%
HP3	1,029	0.33%	BR5	473	0.15%	CV21	287	0.09%	IP5	195	0.06%
CM20	1,024	0.33%	IP2	470	0.15%	GL5	286	0.09%	PR4	195	0.06%
SE8	1,018	0.33%	WA9	470	0.15%	IG3	284	0.09%	BT19	189	0.06%
RM16	1,004	0.32%	NW7	467	0.15%	M12	284	0.09%	PE29	189	0.06%
CO1	1,003	0.32%	BT1	446	0.14%	W6	283	0.09%	WN3	188	0.06%
RM1	997	0.32%	MK9	432	0.14%	MK10	280	0.09%	DA11	188	0.06%
SM6	981	0.32%	SN15	425	0.14%	WH	279	0.09%	DA7	188	0.06%
SA12	977	0.32%	NI6	423	0.14%	ME20	278	0.09%	E5	185	0.06%
CB2	973	0.31%	BH8	421	0.14%	WS10	274	0.09%	SK22	185	0.06%
DA9	954	0.31%	AL7	419	0.14%	SG8	273	0.09%	BH2	185	0.06%
ME16	883	0.28%	OL12	411	0.13%	UB3	271	0.09%	HP12	184	0.06%
PR7	867	0.28%	CV9	407	0.13%	SY1	270	0.09%	B7	184	0.06%
BS16	863	0.28%	NW6	407	0.13%	WA6	270	0.09%	SE22	184	0.06%
DE14	857	0.28%	M4	401	0.13%	SW2	267	0.09%	CM17	183	0.06%
SO16	840	0.27%	WA8	401	0.13%	BS39	266	0.09%	TN1	180	0.06%
EN11	837	0.27%	SY3	401	0.13%	ME14	264	0.09%	EC1R	178	0.06%
TA6	834	0.27%	W11	399	0.13%	W7	264	0.09%	M28	177	0.06%
EN3	831	0.27%	TQ1	396	0.13%	BD16	262	0.08%	RH1	176	0.06%
SG12	825	0.27%	CM7	393	0.13%	HP9	262	0.08%	SO31	176	0.06%
SE11	817	0.26%	VV14	390	0.13%	TF3	260	0.08%	TF10	175	0.06%
DY5	805	0.26%	UB7	387	0.12%	EN5	259	0.08%	SO40	174	0.06%
CV34	803	0.26%	ST5	385	0.12%	NP20	256	0.08%	SW17	173	0.06%
CM2	798	0.26%	SE9	381	0.12%	SW4	255	0.08%	L18	173	0.06%
CV37	795	0.26%	SO53	380	0.12%	HX3	254	0.08%	BH4	172	0.06%
ME4	783	0.25%	RH10	378	0.12%	WD6	253	0.08%	LN2	172	0.06%
HP13	770	0.25%	E15	371	0.12%	BL6	253	0.08%	EC1V	167	0.05%
N21	755	0.24%	WA15	370	0.12%	MK5	251	0.08%	WR4	165	0.05%
NR1	746	0.24%	ST1	367	0.12%	CV12	247	0.08%	RG40	164	0.05%
CH2	745	0.24%	DY4	366	0.12%	B91	247	0.08%	BH7	164	0.05%
GU1	744	0.24%	BH5	365	0.12%	TN23	246	0.08%	TW9	164	0.05%
CR2	727	0.23%	WF8	360	0.12%	CH43	246	0.08%	BD17	162	0.05%
TF7	708	0.23%	BS8	357	0.12%	TF2	245	0.08%	UB8	162	0.05%
M1	708	0.23%	CF14	356	0.11%	M34	245	0.08%	GL20	161	0.05%
CW1	708	0.23%	RG17	355	0.11%	E2	243	0.08%	TS20	159	0.05%
RH6	695	0.22%	TW20	355	0.11%	PL5	243	0.08%	SL7	159	0.05%
SO22	690	0.22%	IM8	355	0.11%	NE7	243	0.08%	GU21	158	0.05%
DE24	673	0.22%	WN7	354	0.11%	NG3	242	0.08%	B9	158	0.05%
HP20	667	0.22%	OX26	353	0.11%	E6	241	0.08%	SS15	156	0.05%
DA1	666	0.21%	B33	347	0.11%	SL2	240	0.08%	B24	156	0.05%
IG1	665	0.21%	WDS	346	0.11%	NR3	240	0.08%	KT12	154	0.05%
PE1	665	0.21%	KT4	345	0.11%	B64	240	0.08%	RM11	154	0.05%
SE18	664	0.21%	B35	343	0.11%	NW2	240	0.08%	L12	154	0.05%
SE16	653	0.21%	SS1	342	0.11%	M44	239	0.08%	HP11	154	0.05%
EN9	645	0.21%	RH19	341	0.11%	IP1	237	0.08%	NN4	153	0.05%
DA8	644	0.21%	NW8	341	0.11%	S40	237	0.08%	VV13	153	0.05%
GU11	643	0.21%	NW4	337	0.11%	SK5	236	0.08%	PR6	152	0.05%
TW3	643	0.21%	RM17	335	0.11%	SK16	236	0.08%	WA13	152	0.05%
SE1	642	0.21%	B66	335	0.11%	SK9	236	0.08%	KT10	152	0.05%
B23	640	0.21%	TA2	334	0.11%	BH1	234	0.08%	ST15	151	0.05%
GU35	629	0.20%	BS5	334	0.11%	SM4	234	0.08%	NN16	150	0.05%
WR11	623	0.20%	SL9	334	0.11%	SG4	233	0.08%	SS0	150	0.05%
WS11	620	0.20%	OX11	333	0.11%	SE14	232	0.07%	RM7	148	0.05%
KT16	617	0.20%	E9	331	0.11%	PO21	231	0.07%	SL6	147	0.05%

Portfolio Statement (continued)

As at 31 March 2019

Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %
BT21	146	0.05%	BS11	97	0.03%	WIT	63	0.02%	LL19	37	0.01%
IP22	146	0.05%	SA11	97	0.03%	RG19	63	0.02%	SK10	37	0.01%
S9	146	0.05%	PL17	96	0.03%	NR33	63	0.02%	M23	37	0.01%
TW11	146	0.05%	NE22	94	0.03%	DA15	63	0.02%	SK11	36	0.01%
NN11	146	0.05%	CM21	94	0.03%	NE31	62	0.02%	OX2	36	0.01%
S33	145	0.05%	CT1	92	0.03%	KT8	62	0.02%	NN10	36	0.01%
L8	145	0.05%	WA1	92	0.03%	TN6	62	0.02%	M31	36	0.01%
M33	144	0.05%	WS12	92	0.03%	TQ13	62	0.02%	B47	36	0.01%
SG17	143	0.05%	TS14	91	0.03%	LS12	62	0.02%	N18	36	0.01%
N13	142	0.05%	WS7	90	0.03%	N4	61	0.02%	RG2	35	0.01%
GU10	141	0.05%	B69	90	0.03%	SW10	61	0.02%	LS25	35	0.01%
SM1	141	0.05%	NW10	90	0.03%	GU24	60	0.02%	SW19	35	0.01%
WA4	140	0.05%	TW8	90	0.03%	GU16	60	0.02%	IP4	34	0.01%
SY11	139	0.04%	CU51	90	0.03%	ST17	59	0.02%	M24	34	0.01%
OL4	139	0.04%	BB12	89	0.03%	E1W	58	0.02%	CM16	34	0.01%
RM6	138	0.04%	BH21	89	0.03%	SL4	58	0.02%	WA7	33	0.01%
OL2	137	0.04%	PR25	89	0.03%	CB4	58	0.02%	LS13	33	0.01%
CM9	134	0.04%	PO19	89	0.03%	RH7	58	0.02%	M14	33	0.01%
DH8	133	0.04%	SS17	89	0.03%	SE24	57	0.02%	ST13	32	0.01%
L40	133	0.04%	LL11	89	0.03%	BA1	56	0.02%	DL9	32	0.01%
CW8	133	0.04%	LS1	88	0.03%	FY5	56	0.02%	W5	31	0.01%
RG27	133	0.04%	OL9	88	0.03%	B74	56	0.02%	NN18	31	0.01%
PR2	133	0.04%	DE23	86	0.03%	RG12	56	0.02%	TW1	31	0.01%
E8	132	0.04%	BS7	86	0.03%	ST18	56	0.02%	LS5	31	0.01%
WN5	132	0.04%	M15	86	0.03%	CV5	56	0.02%	SK6	31	0.01%
ST11	131	0.04%	ME19	86	0.03%	B30	56	0.02%	BN27	31	0.01%
CH3	131	0.04%	LS7	86	0.03%	CW2	55	0.02%	BN43	30	0.01%
HA5	131	0.04%	ME7	86	0.03%	BT9	55	0.02%	LU1	30	0.01%
PO15	130	0.04%	DY10	86	0.03%	TS12	55	0.02%	SV2	30	0.01%
RM12	129	0.04%	HP4	84	0.03%	LS8	54	0.02%	DN32	30	0.01%
YO16	129	0.04%	CU4	84	0.03%	BH11	54	0.02%	BH23	30	0.01%
PO37	129	0.04%	CH46	84	0.03%	BS15	54	0.02%	ME2	29	0.01%
IP33	128	0.04%	M45	84	0.03%	SG14	53	0.02%	OL8	29	0.01%
MK4	128	0.04%	W10	84	0.03%	SK15	52	0.02%	NE25	29	0.01%
KT17	128	0.04%	B90	83	0.03%	KT13	51	0.02%	SL5	28	0.01%
RM14	127	0.04%	GU47	83	0.03%	WV2	51	0.02%	DN31	28	0.01%
RG42	126	0.04%	CL4	82	0.03%	RM3	51	0.02%	CH60	27	0.01%
CO10	126	0.04%	LL30	82	0.03%	EN4	51	0.02%	ST6	27	0.01%
L17	125	0.04%	NN15	82	0.03%	KT7	51	0.02%	WV11	26	0.01%
RH16	124	0.04%	SO30	82	0.03%	ME12	51	0.02%	L25	26	0.01%
OL15	124	0.04%	BT22	81	0.03%	IG6	51	0.02%	M25	26	0.01%
NG2	123	0.04%	L5	81	0.03%	WV16	50	0.02%	HP2	26	0.01%
WV4	123	0.04%	BB9	81	0.03%	RH20	50	0.02%	L20	26	0.01%
WA11	122	0.04%	SN6	81	0.03%	L1	50	0.02%	S12	26	0.01%
E12	121	0.04%	TW10	81	0.03%	GL56	49	0.02%	SS12	25	0.01%
RM2	121	0.04%	BLO	81	0.03%	DT3	49	0.02%	OL13	25	0.01%
CR3	121	0.04%	WS13	80	0.03%	DE11	49	0.02%	WA5	25	0.01%
KT23	120	0.04%	SS6	79	0.03%	L2	49	0.02%	NG17	25	0.01%
L15	120	0.04%	OX4	79	0.03%	OL7	48	0.02%	PL15	24	0.01%
OL10	120	0.04%	NN3	79	0.03%	UB4	48	0.02%	BL5	24	0.01%
CV22	118	0.04%	NN13	79	0.03%	TW17	48	0.02%	OX5	24	0.01%
TQ7	117	0.04%	HP17	78	0.03%	BT40	47	0.02%	DA14	24	0.01%
BL3	117	0.04%	OL16	77	0.02%	B46	47	0.02%	MK7	24	0.01%
TN2	116	0.04%	B78	77	0.02%	NN8	46	0.01%	RH14	23	0.01%
GU20	116	0.04%	M21	77	0.02%	CT4	46	0.01%	PE33	23	0.01%
PR8	115	0.04%	SM3	76	0.02%	UB1	46	0.01%	B12	23	0.01%
KT11	115	0.04%	GL1	75	0.02%	RG28	46	0.01%	E13	23	0.01%
CW12	115	0.04%	GL52	75	0.02%	RG41	46	0.01%	BD22	23	0.01%
SN25	114	0.04%	BS32	75	0.02%	NE17	45	0.01%	M11	23	0.01%
SG2	114	0.04%	SE17	75	0.02%	HP18	44	0.01%	SK23	22	0.01%
BL2	114	0.04%	NG9	74	0.02%	SK8	44	0.01%	S10	22	0.01%
GU34	113	0.04%	M29	74	0.02%	OLI	44	0.01%	HC2	22	0.01%
B20	113	0.04%	HG4	74	0.02%	KT1	43	0.01%	SS2	22	0.01%
EX4	113	0.04%	ST1	74	0.02%	L35	43	0.01%	SK1	22	0.01%
TA9	113	0.04%	SO51	73	0.02%	CB9	43	0.01%	BB7	22	0.01%
E11	113	0.04%	IP32	73	0.02%	PR3	43	0.01%	SW5	21	0.01%
SY16	112	0.04%	BH9	73	0.02%	HA4	43	0.01%	BT4	21	0.01%
EX9	112	0.04%	BH15	72	0.02%	WF4	42	0.01%	OX14	21	0.01%
L26	112	0.04%	LS29	72	0.02%	SY12	42	0.01%	RG9	21	0.01%
SO17	111	0.04%	CU19	72	0.02%	M38	42	0.01%	S4	21	0.01%
CM13	111	0.04%	M46	72	0.02%	CT5	42	0.01%	DN8	21	0.01%
CF82	111	0.04%	BN12	72	0.02%	LE9	42	0.01%	YO21	20	0.01%
SR4	111	0.04%	TS5	71	0.02%	CO3	41	0.01%	BB11	20	0.01%
KT20	111	0.04%	M3	71	0.02%	FY3	41	0.01%	HX1	19	0.01%
OX28	109	0.04%	L32	71	0.02%	EX34	41	0.01%	DL3	19	0.01%
RM19	109	0.04%	GL51	69	0.02%	SK4	41	0.01%	B96	19	0.01%
N8	107	0.03%	RH11	69	0.02%	CF31	41	0.01%	BN13	19	0.01%
NC7	107	0.03%	ST16	69	0.02%	BB4	41	0.01%	L39	18	0.01%
NR6	107	0.03%	B77	69	0.02%	GU7	41	0.01%	CW11	18	0.01%
EX16	106	0.03%	CM6	69	0.02%	S60	40	0.01%	E18	18	0.01%
SW9	106	0.03%	BR1	69	0.02%	BR2	40	0.01%	B93	17	0.01%
L24	105	0.03%	WN4	68	0.02%	PL14	40	0.01%	B63	17	0.01%
BH12	105	0.03%	TW12	68	0.02%	L31	39	0.01%	DY1	17	0.01%
SG1	105	0.03%	LE2	67	0.02%	SK7	39	0.01%	L13	17	0.01%
PO31	104	0.03%	LE7	67	0.02%	LL13	39	0.01%	L30	17	0.01%
BS4	103	0.03%	HX6	67	0.02%	CF38	38	0.01%	LS11	17	0.01%
AL2	103	0.03%	PL3	66	0.02%	LE12	38	0.01%	MK19	16	0.01%
BT23	102	0.03%	SW11	66	0.02%	PR26	38	0.01%	BBB	16	0.01%
CV31	102	0.03%	GL7	66	0.02%	HP6	38	0.01%	PL12	16	0.01%
L36	101	0.03%	SR2	65	0.02%	M9	37	0.01%	M32	16	0.01%
SW8	101	0.03%	SG6	64	0.02%	RG10	37	0.01%	HA8	16	0.01%
B28	99	0.03%	NN17	64	0.02%	BT28	37	0.01%	N10	16	0.01%
RM8	99	0.03%	WN6	64	0.02%	BT38	37	0.01%	CW10	15	0.00%
SG5	97	0.03%	RH12	64	0.02%	GU31	37	0.01%	SS9	15	0.00%
UB10	97	0.03%	OL11	64	0.02%	B43	37	0.01%	TS25	14	0.00%

Portfolio Statement (continued)

As at 31 March 2019

Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %	Property postcode	Market valuation £'000	Total net assets %
S14	14	0.00%	AL9	9	0.00%	BT20	6	0.00%	M30	2	0.00%
PE16	14	0.00%	S26	9	0.00%	L7	6	0.00%	BT11	2	0.00%
PO14	14	0.00%	SS14	9	0.00%	BB5	6	0.00%	B75	2	0.00%
SO18	14	0.00%	LS16	9	0.00%	PO7	6	0.00%	SO19	2	0.00%
RG22	14	0.00%	BB3	9	0.00%	WV1	6	0.00%	SK2	2	0.00%
SN5	13	0.00%	HR2	9	0.00%	L6	5	0.00%	S41	2	0.00%
TS26	13	0.00%	PR9	9	0.00%	YO11	5	0.00%	GU17	2	0.00%
TS10	13	0.00%	S13	9	0.00%	CB8	5	0.00%	HG1	2	0.00%
WR2	13	0.00%	TS21	9	0.00%	S35	5	0.00%	NE26	2	0.00%
WA2	13	0.00%	PE7	9	0.00%	PR1	5	0.00%	NE66	2	0.00%
BT16	13	0.00%	WS15	9	0.00%	DY8	5	0.00%	RG8	2	0.00%
S8	13	0.00%	OL5	8	0.00%	M43	5	0.00%	SK12	2	0.00%
LI0	12	0.00%	M41	8	0.00%	TS16	5	0.00%	SN1	1	0.00%
YO61	12	0.00%	WV12	8	0.00%	RH9	4	0.00%	DY3	1	0.00%
LU7	12	0.00%	RC31	8	0.00%	CO4	4	0.00%	NE9	1	0.00%
FY1	12	0.00%	CW6	8	0.00%	WA16	4	0.00%	BL7	1	0.00%
CW7	12	0.00%	DA10	8	0.00%	DL16	4	0.00%	NE12	1	0.00%
OL3	11	0.00%	NR17	8	0.00%	PR5	4	0.00%	CW4	1	0.00%
LS2	11	0.00%	L23	8	0.00%	AL4	4	0.00%	IC2	1	0.00%
L4	11	0.00%	DL1	7	0.00%	TS11	4	0.00%	WA10	1	0.00%
YO10	11	0.00%	SO45	7	0.00%	TA18	4	0.00%	S43	1	0.00%
SK13	11	0.00%	S36	7	0.00%	SK3	4	0.00%	S17	1	0.00%
TS6	11	0.00%	CH66	7	0.00%	WA12	4	0.00%	L19	1	0.00%
BT7	10	0.00%	MK41	7	0.00%	LS3	4	0.00%	M6	1	0.00%
NE24	10	0.00%	CA16	7	0.00%	NE2	3	0.00%			
KT15	10	0.00%	WS4	7	0.00%	M7	3	0.00%			
RG24	10	0.00%	DL5	6	0.00%	BB1	3	0.00%			
BH25	9	0.00%	TS24	6	0.00%	S5	3	0.00%			
IP30	9	0.00%	NE10	6	0.00%	BB2	3	0.00%			
									Total	231,380	74.89%

	Market valuation £'000	Total net assets %
Total value of property (as listed above)	231,380	74.89%
Investments		
UK Infrastructure Income Fund (27,898,238 shares)	30,585	9.90%
Social Freehold Feeder Trust (10,547,039 units)	11,644	3.77%
Commercial Freehold Feeder Trust (794,470 units)	1,005	0.33%
Net other assets	34,347	11.11%
Total Net Assets as at 31 March 2019	308,961	100.00%

Statement of total return

For the year to 31 March 2020

	Note	Year ended 31 March 2020 £'000	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000	Year ended 31 March 2019 £'000
INCOME					
Net capital gains	6		6,136		14,365
Revenue	7	15,290		14,372	
Expenses	9	(6,138)		(5,606)	
Net revenue before taxation		9,152		8,766	
Taxation	10	(2)		(2)	
Net revenue after taxation			9,150		8,764
Total return before distributions			15,286		23,129
Distributions	11		(14,224)		(13,340)
Change in net assets attributable to shareholders from investment activities			1,062		9,789

There are no recognised gains or losses other than those declared in the Statement of Total Return.

Statement of change in net assets attributable to shareholders

For the year to 31 March 2020

	Year ended 31 March 2020 £'000	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000	Year ended 31 March 2019 £'000
Opening net assets attributable to shareholders		308,961		302,895
Amounts receivable on creation of shares	20,649		38,858	
Amounts payable on cancellation of shares	(30,532)		(49,777)	
		(9,883)		(10,919)
Income accumulated into capital		6,734		6,685
Dilution levy receivable on creation of shares		383		511
Change in net assets attributable to shareholders from investment activities		1,062		9,789
Closing net assets attributable to shareholders		307,257		308,961

Balance sheet

As at 31 March 2020

	Note	31 March 2020 £'000	31 March 2020 £'000	31 March 2019 £'000	31 March 2019 £'000
ASSETS					
Investment Properties	13		236,279		231,380
Investments	14		58,002		43,234
			294,281		274,614
Debtors	15	2,048		1,511	
Cash at bank		33,669		53,951	
Total other assets			35,717		55,462
Total assets			329,998		330,076
LIABILITIES					
Creditors	16	(6,778)		(6,190)	
Distribution payable to shareholders		(3,169)		(2,732)	
Provision for deferred liabilities and charges	19	(12,794)		(12,193)	
Total liabilities			(22,741)		(21,115)
Net assets attributable to shareholders			307,257		308,961

Authorised for issue and signed on behalf of the Authorised Corporate Director on 28 August 2020.

Alpha Real Capital LLP

Statement of cash flows

For the year to 31 March 2020

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Total return	15,286	23,129
Adjustments for:		
Net capital gains	(6,136)	(14,365)
Interest receivable	(70)	(26)
Distributions received from investments	(1,507)	(428)
Income accumulated to capital on investments	(443)	(1,712)
Taxation	1,352	1,399
Decrease/(increase) in debtors	1,006	(1,318)
Decrease in creditors	(3,977)	(1,486)
Cash from operations	5,511	5,193
Tax paid	(1,352)	(1,399)
Net cash flow from operating activities	4,159	3,794
CASH FLOW FROM INVESTING ACTIVITIES		
Disposal proceeds of investment properties	2,573	990
Disposal proceeds from statutory lease extensions	2,786	2,847
Disposal proceeds from investments	12,679	28,746
Purchase of tangible investment properties	-	(112)
Purchase of investments	(29,000)	(9,550)
Transaction costs on purchase of investment properties	-	(17)
Transactions costs on disposals of investment properties	(219)	(88)
Transactions costs on statutory lease extensions	(167)	(159)
Distributions received from investments	1,507	428
Interest received	70	26
Net cash flow from investing activities	(9,771)	23,111
CASH FLOW FROM FINANCING ACTIVITIES		
Creation of shares	20,649	38,858
Cancellation of shares	(30,532)	(49,777)
Dilution levy charge on creation of shares	383	511
Distributions paid	(5,170)	(4,275)
Net cash flow from financing activities	(14,670)	(14,683)
Net (decrease)/increase in cash	(20,282)	12,222
Cash at the beginning of the year	53,951	41,729
Cash at the end of the year	33,669	53,951

Notes to the financial statements

For the year to 31 March 2020

1. Accounting policies

The principal accounting policies are summarised below.

(a) General Information

The principal activity of ARC TIME Freehold Income Authorised Fund (formerly Freehold Income Authorised Fund) is to acquire freehold ground rents which offer a consistent income stream and capital growth prospects. The Fund is a sub-fund of an umbrella OEIC, ARC TIME:Funds, which was incorporated in the United Kingdom on 3 April 2013. The Company is authorised by the FCA as a NURS. The principal place of business is the office of the ACD.

(b) Functional and presentational currency

These financial statements have been presented in Sterling as this is TIME:Freehold's functional currency, being the primary currency in which the Fund operates. The amounts presented in these financial statements have been rounded to the nearest thousand.

(c) Basis of preparation

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard Applicable in the United Kingdom and the Republic of Ireland' (FRS 102') and in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014 and the Financial Conduct Authority's Collective Investment Scheme Sourcebook (COLL). These financial statements have been prepared under the historical costs convention, as modified for the fair value of investment properties and certain financial instruments.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the ACD to exercise judgement in applying the accounting policies (see note 4).

These financial statements have been prepared on a going concern basis. Please refer to note 1 (d) for details of going concern.

(d) Going concern

The ACD has assessed the Fund to be a going concern. In arriving at this assessment the ACD has taken account of the cash reserves and readily realisable investments of the Fund, its undrawn loan facility, its capital commitments, its six monthly distributions and ongoing operating costs and its reasonable expectation of the Fund's subscriptions and redemptions, over the period for at least 12 months from the date of this report. The ACD has also considered the marketability of the Fund's property assets and their potential performance. The ACD has considered the powers available under the Prospectus (please refer to clauses 15.4, 21, 23, 24 and 25 of the Prospectus for details) that are available to take action to ensure the Fund continues as a going concern. These powers are designed to ensure that at any time all investors benefit equally from an orderly management of the underlying portfolio. On this basis, the Fund is expected to be able to continue to operate and meet its outgoings as they fall due, for at least the next 12 months from the date of this report.

(e) Recognition of revenue

(i) Operating leases as a lessor

Rental income from ground rent leases is credited to income on a straight-line basis over the terms of the leases.

(ii) Other revenue

"Voluntary" lease extension receipts from leaseholders are recognised in the Statement of Total Return on the granting of the extension, as a one-off payment by a leaseholder to extend the life of the lease. However, where such receipt is received by virtue of the leaseholder exercising an extension under the Leasehold Reform Housing and Urban Development Act 1993 the "statutory" lease extension receipt is recognised as a capital receipt.

Investment income is recognised when the shares are first quoted on an ex-dividend basis.

(f) Interest receivable

Interest income is accounted for on a receivable basis.

(g) Investment properties

Investment properties comprise freehold interests in properties providing ground rents and are included in the financial statements each period on the basis of an open market valuation provided by an independent valuer. Direct expenses incurred in the acquisition of a freehold interest in a property, or the acquisition of the structure which owns the freehold interest, are treated as part of the cost of the property. No depreciation is provided in respect of investment properties. Realised and unrealised gains and losses on investment properties are included in the Statement of Total Return.

(h) Financial instruments

Investments in Collective Investments Schemes ("CIS") are initially measured at cost (which is equal to fair value at inception).

Investments are subsequently measured at the quoted bid prices for dual priced funds, the quoted prices for single price funds, the net asset value of the CIS or at fair value as permitted by the Prospectus under Fair Value Pricing. Fair value gains and losses from revaluation and/or sale are recorded in the Statement of Total Return as capital income. CIS investments are valued at their fair value as at 31 March 2020.

Any dividend or distribution income received during the investment holding period is recognised as income in the income account.

Financial assets, being cash and debtors, which are receivable within one year are recorded at transaction price. Any losses arising from impairments are recognised in the statement of total return.

Financial liabilities, being distributions payable to investors, which are payable within one year are recorded at transaction price. Any losses arising from impairments are recognised in the statement of total return.

Notes to the financial statements (continued)

For the year to 31 March 2020

1. Accounting policies (continued)

(i) Taxation

Withholding tax has been provided at an appropriate rate to the relevant income stream of the distributions made to shareholders holding net shares. The calculation of the share prices for the net share classes is net of withholding tax.

(j) Incentive Fees

The Property Manager is entitled to an incentive fee of 10% of any increase in value of TIME:Freehold's property assets. This is calculated as the gain over the book cost achieved on a sale or increase in value of an asset following the renegotiation of a lease or other arrangement affecting immovable property but, in the case of a sale, less any lease negotiation fees paid on that property ("book cost" is the total capital cost of an asset, including all capital costs and expenses related to that asset at the date of the original acquisition of that asset plus any capital expenditure). This is a contractual obligation of the Fund at the point of the purchase of the asset but is only paid in the event of a sale. The fees on both the realised and unrealised gains during the period have been recognised in the Statement of Total Return.

(k) Treatment of expenses

Expenses are recognised on an accruals basis.

2. Distribution policy

(a) Basis of distribution

Income is generated by TIME:Freehold's investments during each accounting period. Distributions of income are made in respect of the income available for distribution in each accounting period. Distributions which have remained unclaimed for a period of six years after they have become due will be forfeited and will revert to the Fund. Distributions are based on each sub-fund's individual net revenue after taxation.

(b) Apportionment to multiple share classes

The allocation of revenue and expenses to each share class is based on the proportion of the Fund's assets attributable to each share class on the day the revenue is earned or the expense is suffered.

(c) Expenses

In determining the amount available for distribution in any accounting period, the aggregate of the income received or receivable by TIME:Freehold for the accounting period is taken and any charges and expenses paid or payable out of income in respect of that accounting period are deducted. The ACD then makes such other adjustments as it considers appropriate in relation to taxation, income equalisation, income unlikely to be received within twelve months following the relevant income allocation date, transfers between the income and capital account and any other adjustments which the ACD considers appropriate after consulting the auditors and the Depositary. This treatment will increase the amount of income (which may be taxable) available for distribution to shareholders in the Fund but may constrain capital growth.

3. Equalisation

Equalisation applies to shares subscribed or redeemed during the period. It is the amount of revenue included in the price of shares subscribed or redeemed.

Equalisation may be refunded on distribution or accumulated at the time of distribution. Shareholders are not liable to income tax on equalisation distributed as it is a return of capital and therefore must be deducted from the cost of shares for capital gains tax purposes.

4. Judgements in applying accounting policies and key estimation uncertainty

In applying TIME:Freehold's accounting policies, the ACD is required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The ACD's judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results may differ.

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

Critical judgements in applying the fund's accounting policies

The critical judgements that the ACD has made in the process of applying TIME:Freehold's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed as follows.

Notes to the financial statements (continued)

For the year to 31 March 2020

4. Judgements in applying accounting policies and key estimation uncertainty (continued)

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the ACD has considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial period.

Key sources of estimation uncertainty

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

(i) Determining fair values of investment properties

Investment properties are valued by professional external valuers based on the current active market of similar properties. These valuations are believed to be appropriate and carried out with a high level of proficiency but estimates and assumptions are made leading to a level of uncertainty regarding the valuations.

The Fund's valuer, BNP Paribas, advised that as a result of the emergency caused by the outbreak of the Novel Coronavirus (COVID-19), there was material uncertainty over the value of the property assets of the Fund. Such "material uncertainty" regarding property valuation was applied by all UK real estate valuers to FCA authorised schemes.

At the end of May 2020 material uncertainty was removed by the valuer on assets with lease lengths in excess of 80 years (being the majority of the property assets) and in July 2020 the Independent Valuer removed the remaining properties from material uncertainty.

(ii) Valuation of investment holdings

The Fund's investments are held at market value or fair value. The value of these investments may fluctuate depending on market conditions. The value of the holdings could vary within the next financial year, making this an area of estimation uncertainty.

(iii) Recoverability of receivables

The Fund establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the ACD considers factors such as the aging of the receivables, past experience of recoverability, and the credit profile of customers.

(iv) Litigation provision

The Fund establishes a provision for estimated costs relating to litigation cases that are likely to be incurred. When assessing costs of this nature the ACD relies on advice from professional external solicitors and the information provided by the Property Manager. Cases are reviewed regularly and on a case by case basis.

(v) Incentive fee provision

The Fund establishes a provision for a 10% incentive fee payable on any increase in property value over the cost, less lease negotiations fees paid on that property. The provision is estimated based on the property value at each valuation point. As assumptions are made when valuing investment properties there is a level of uncertainty about the amount and/or timing of these outflows.

5. Risk management policies

(a) Market risk and valuations of property

The exposure to market risk arising from the prevailing general economic conditions and market sentiment, may affect the balance sheet and total return of TIME:Freehold.

The Fund's exposure to market price risk is comprised mainly of movements in the value of the Fund's investments in properties. The Fund invests in ground rent assets. This concentrates the risk to the Fund in one asset class. However the Fund shall not invest in any one single property representing more than 15% of the Scheme Property (or 25% once included within the Scheme Property). In practice the Fund has approximately 64,200 ground rent assets across more than 6,400 legal titles. This provides a diversification of risk across the asset class and therefore reduces the Fund's exposure to a single asset.

Property investments are inherently difficult to value and difficult to transform into cash due to the individual nature of each property. As a result, valuations are subject to uncertainty. There is no assurance that the actual sale price will reflect the estimates resulting from the valuation process even where such sales occur shortly after the valuation date. Where it is necessary for the Fund to sell properties in order to meet redemptions, the amount realised from the sales may be materially less than the current valuation.

On 18 March 2020 dealing in TIME:Freehold was temporarily suspended. On 31 July 2020, the Fund resumed trading in its shares. The suspension of TIME:Freehold was directly as a result of the Fund's valuer, BNP Paribas, advising that as a result of the emergency caused by the outbreak of the Novel Coronavirus (COVID-19), there was material uncertainty over the value of the property assets of the Fund. Such "material uncertainty" regarding property valuation was applied by all UK real estate valuers to FCA authorised schemes. Consequently, the ACD and the Depositary agreed to suspend the Fund.

In accordance with the FCA handbook, the rules allow for suspension of a fund in "exceptional circumstances" and the outbreak of COVID-19 and associated uncertainty regarding valuation are deemed such exceptional circumstances. In particular in this unique situation, our primary concern was that an investor entering or exiting the Fund could receive a share price significantly different than its underlying value. This may also impact shareholders who remain invested in the Fund. As such the suspension was undertaken with regard to the best interests of all investors in the Fund.

Notes to the financial statements (continued)

For the year to 31 March 2020

5. Risk management policies (continued)

(a) Market risk and valuations of property (continued)

The Fund did not suspend for liquidity nor performance reasons and without the material uncertainty opinion from the valuer, the Fund would have continued to accept dealing instructions and operate as normal. The outbreak of the pandemic virus COVID-19 has had and continues to have a significant adverse effect on global markets.

At the end of May 2020 material uncertainty was removed by the valuer on assets with lease lengths in excess of 80 years (being the majority of the property assets) and in July 2020 the Independent Valuer removed the remaining properties from material uncertainty. Consequently, on 31 July 2020, the Fund reopened dealing in its shares.

(b) Credit and liquidity risk

TIME:Freehold's liquidity is reviewed on a periodic basis, not less than each month and more frequently in the event of major transactions or a trend of transactions e.g. in a net redemption of shares environment. This review will encompass a detailed forecast of imminent liquidity requirements and a broad projection of cash requirements for the next twelve month period.

The Fund will encounter liquidity risk when attempting to realise assets or otherwise raise funds to meet financial commitments. Investments in immovable property are relatively illiquid and more difficult to realise than most equities or bonds. If an asset cannot be liquidated in a timely manner then it may be harder to attain a reasonable price. The Fund's liquidity can be affected by unexpected or high levels of share redemptions. Cash is held to address liquidity risk but the spread of shareholders and the deferred redemption provision may mitigate this risk. However, under certain market conditions where liquidity risk may be deemed to be elevated, the level of cash held by the Fund may be higher.

Where requested redemptions are received across all Classes of the Fund for a particular valuation point on a dealing day which exceed 10% of the Net Asset Value of the Fund, the ACD may defer redemptions to the next dealing day.

The ACD may, acting in the best interests of all shareholders, effect instructions for subscriptions or redemptions of shares on a different pricing basis where a dealing request (or series of requests) for a particular dealing day exceeds £50,000 for the Fund. Shareholders affected by this provision may at the discretion of the ACD have such large deals refused until such time as the ACD is satisfied there is no prejudicial impact to the best interests of shareholders as a whole.

The Administrator, on behalf of the ACD, may make a charge on the redemption of Shares where a redemption application is in excess of £250,000 on any Dealing day. The Administrator may make a charge on the redemption of such Shares of up to 5% of the total amount redeemed.

(c) Currency risk

All financial assets and liabilities of TIME:Freehold are in Sterling, and the Fund has no exposure to currency risk at the balance sheet date.

(d) Interest rate risk

The Fund held £33.7 million cash at the end of the period and this cash is exposed to interest rate risk. The ACD considers the impact of a change in rate as immaterial.

(e) Legislative risk

Following on from the Government's consultation on "Tackling unfair practices in the leasehold market" which ran from July 2017 to September 2017 and its subsequent response paper which was issued in December 2017; the Government asked the Law Commission to consider further measures that could assist existing leaseholders of houses and to prioritise enfranchisement solutions, focusing on making it quicker, easier and cheaper to enfranchise.

The Law Commission issued a paper in July 2018 which set out a number of potential solutions followed by a detailed consultation paper in September 2018 which detailed proposals for a new coherent and streamlined enfranchisement regime for leaseholders of houses and flats.

In January 2020, the Law Commission published its report on valuation in enfranchisement ("Report on options to reduce the price payable"), which it followed in July 2020 with its final recommendations to the Government for leasehold reform. The main focus of the reports was to suggest methods of making enfranchisement quicker, easier and cheaper, saving leaseholders of houses and flats money, whilst ensuring sufficient compensation is paid to landlords to reflect their legitimate property interests.

The independent valuer of the Fund, BNP Paribas Real Estate UK, has, within the valuation of the property portfolio at 31 March 2020 considered the prevailing market conditions, the Government's response to its own consultation on "Tackling unfair practices in the leasehold market" and the subsequent review and recommendations to the Government by the Law Commission (and continues to do so at each monthly valuation point going forwards).

We therefore await the proposals for any legislative changes within the residential leasehold market. In the short term, until there is more clarity on any proposed reforms to the residential leasehold market, the Fund is not expected to acquire residential ground rent properties, unless contractually committed to do so (at 31 March 2020 the value of property exchanged but not completed is £0.08 million).

Notes to the financial statements (continued)

For the year to 31 March 2020

6. Net capital gains

	Year ended 31 March 2020 £'000	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000	Year ended 31 March 2019 £'000
Proceeds from sale of investment properties	2,561		920	
Transaction costs	(209)		(83)	
Cost of investment properties sold	(732)		(249)	
Transfer of unrealised (loss)/gain to realised gain	(35)		6	
Realised gains on investment properties sold based on value during the year		1,585		594
Proceeds from sale of investment properties	12		70	
Transaction costs	(1)		(6)	
Cost of investment properties sold	(7)		(75)	
Transfer of unrealised loss to realised loss	(18)		(1)	
Realised loss on investment properties sold based on value during the year		(14)		(12)
Proceeds from statutory lease extensions	2,786		2,847	
Transaction costs	(167)		(159)	
Cost of investment properties extended	(544)		(422)	
Realised gains on statutory lease extensions during the year		2,075		2,266
Proceeds from sale of investments	-		28,746	
Cost of investments sold	-		(28,270)	
Dilution levy	-		(28)	
Transfer of unrealised gain to realised gain	-		982	
Realised gains on investments sold during the year		-		1,430
Proceeds from sale of investments	12,679		-	
Cost of investments sold	(12,611)		-	
Transfer of unrealised loss to realised loss	(299)		-	
Realised loss on investments sold during the year		(231)		-
Unrealised gains on investment properties	30,298		10,420	
Unrealised loss on investment properties	(25,210)		(2,506)	
Unrealised gains on investments	336		3,111	
Unrealised loss on investments	(2,102)		-	
Total unrealised gains		3,322		11,025
Incentive fee accrued on unrealised gains on investment properties		(601)		(938)
Total net capital gains		6,136		14,365

Notes to the financial statements (continued)

For the year to 31 March 2020

7. Revenue

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Rental Income	8,973	9,163
Voluntary lease extension income	4,116	2,787
Interest income	71	26
Income from investments	1,967	2,286
Other income	163	110
	15,290	14,372

8. Operating lease commitments where the fund is a lessor

TIME:Freehold holds ground rent leases and receives lease based payments on these. The future minimum lease payments receivable under these leases are as follows:

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Not later than one year	9,040	8,994
Later than one year not later than five years	36,159	35,976
Later than five years	2,907,871	3,236,226
Total future minimum lease payments	2,953,070	3,281,196

This assumes that the Fund receives all the rent payable by the tenants under the lease over that period.

9. Expenses

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Authorised Corporate Director's fees	272	248
Depositary's fees	475	449
Custodian's fees	13	38
Investment Manager's fees	2,481	2,310
Transfer agency fees	241	225
Property Manager's fees	1,789	1,219
Performance fee	-	79
Audit fee	107	93
Tax adviser's fee	10	9
Valuation fee	140	138
Other professional fees and sundry expenses	610	798
	6,138	5,606

Notes to the financial statements (continued)

For the year to 31 March 2020

10. Taxation

TIME:Freehold qualifies as a PAIF for tax purposes. Accordingly, the income generated by its property investment business will be exempt from tax. Any dividend income received from United Kingdom companies or, in general, from non-United Kingdom companies will also be exempt from tax.

Under the PAIF regulations, the Fund makes distributions to Net Share Class, non-exempt shareholders, net of the basic rate of income tax for the relevant income streams.

(a) Other taxation

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Isle of Man Tax at 20%	2	2
Tax charge for the year	2	2

11. Distributions

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Class A Gross Accumulation	1,705	1,464
Class B Net Accumulation	2,980	2,136
Class C Gross Income	1,197	1,231
Class D Net Income	1,252	1,673
Class E Gross Accumulation	537	565
Class F Net Accumulation	1,571	1,796
Class G Gross Income	187	195
Class H Net Income	2,057	1,762
Class ISA Gross Accumulation	552	498
Class ISA Gross Income	559	561
	12,597	11,881
Add: Income tax withheld on distribution	1,627	1,459
Distributions for the year	14,224	13,340

The difference between the net revenue after taxation and the distribution for the year is as follows:

Net revenue after taxation	9,150	8,764
EXPENSES ALLOCATED TO CAPITAL FOR THE PURPOSE OF DISTRIBUTION CALCULATION:		
Authorised Corporate Director's fees	272	248
Depositary's fees	475	449
Custodian's fees	13	38
Investment Manager's fees	2,481	2,310
Transfer agency fees	241	225
Property Manager's fees	1,245	825
Valuation fees	140	138
Performance fee	-	79
Other professional fees	207	264
Net distributions for the year	14,224	13,340

Notes to the financial statements (continued)

For the year to 31 March 2020

11. Distributions (continued)

Distribution Table: (for the year to 31 March 2020 (in pence per share))

Interim distribution accounting date 30 September 2019 paid 30 November 2019.

Final distribution accounting date 31 March 2020 paid 31 May 2020.

	Gross Revenue	Income Tax	Net Revenue	Distribution Paid 31/05/2020	Distribution Paid 30/11/2019
	p	p	p	p	p
Class A Gross Accumulation	32.59	-	32.59	17.20	15.39
Class B Net Accumulation	30.92	(5.32)	25.60	13.52	12.08
Class C Gross Income	9.91	-	9.91	5.18	4.73
Class D Net Income	9.90	(1.69)	8.21	4.30	3.91
Class E Gross Accumulation	32.00	-	32.00	16.88	15.12
Class F Net Accumulation	30.33	(5.17)	25.16	13.28	11.88
Class G Gross Income	9.75	-	9.75	5.09	4.66
Class H Net Income	9.76	(1.68)	8.08	4.23	3.85
Class ISA Gross Accumulation	32.59	-	32.59	17.20	15.39
Class ISA Gross Income	9.91	-	9.91	5.18	4.73

Distribution Table: (for the year to 31 March 2019 (in pence per share))

Interim distribution accounting date 30 September 2018 paid 30 November 2018.

Final distribution accounting date 31 March 2019 paid 31 May 2019.

	Gross Revenue	Income Tax	Net Revenue	Distribution Paid 31/05/2019	Distribution Paid 30/11/2018
	p	p	p	p	p
Class A Gross Accumulation	30.51	-	30.51	16.20	14.31
Class B Net Accumulation	29.17	(4.85)	24.32	12.95	11.37
Class C Gross Income	9.69	-	9.69	5.10	4.59
Class D Net Income	9.67	(1.58)	8.09	4.27	3.82
Class E Gross Accumulation	30.04	-	30.04	15.95	14.09
Class F Net Accumulation	28.71	(4.74)	23.97	12.74	11.23
Class G Gross Income	9.57	-	9.57	5.03	4.54
Class H Net Income	9.57	(1.59)	7.98	4.21	3.77
Class ISA Gross Accumulation	30.51	-	30.51	16.20	14.31
Class ISA Gross Income	9.69	-	9.69	5.10	4.59

The amount of income equalisation that is returned to investors with the distribution payment is the actual amount of income included in the issue price at the time of purchase. Therefore there is no equalisation rate available.

12. Administrative expenses

(a) Authorised Corporate Director fees

With respect to performing the role of Authorised Corporate Director of TIME:Freehold, the ACD charges a fee at a rate of 0.1% per annum of NAV, calculated and paid monthly in arrears, subject to a minimum of £150,000 per annum. The ACD bears primary responsibility for all aspects of the operation of TIME:Freehold, except for those reserved for the Depositary.

(b) Depositary fees

The Depositary receives a fee at the rate of 0.15% per annum of NAV (up to a NAV of £150 million), subject to a minimum fee of £100,000 per annum, and a fee of 0.1% on any incremental NAV above £150 million, calculated monthly and paid quarterly in arrears or such other rate or rates as may be agreed in writing between the parties to the Instrument of Incorporation.

(c) Investment Manager fees

The Investment Manager is responsible for TIME:Freehold's investment management and administration. The Investment Manager received a fee at a rate of 0.763% per annum of NAV (for Class A Gross Accumulation Shares to Class D Net Income Shares and the two ISA Share Classes), 0.938% per annum of NAV (for Class E Gross Accumulation Shares to Class H Net Income Shares), and 1.013% per annum of NAV (for Class S Net Accumulation and Class T Net Income Shares) (paid monthly in arrears) together the "Investment Management Fee".

Notes to the financial statements (continued)

For the year to 31 March 2020

12. Administrative expenses (continued)

(c) Investment Manager fees (continued)

The Investment Manager shall additionally be responsible for the provision of transfer agency services. For the provision of transfer agency services the Investment Manager shall receive a fee of 0.075% of NAV per annum, payable monthly in arrears, subject to a minimum fee of £90,000 per annum.

A Performance Fee will accrue if TIME:Freehold's NAV increase exceeds the Hurdle Rate which is set at 8%. The fee will be 20% of the surplus above 8%. 50% of any such performance fee is payable to the Investment Manager and 50% to the Property Manager, in accordance with their service agreements.

(d) Property Manager fees

The aggregate property management fees payable to the Property Manager are 0.345% per annum of NAV (for Class A Gross Accumulation Shares to Class D Net Income Shares, Class S Net Accumulation to Class T Net Income Shares and the two ISA Share Classes), and 0.42% per annum of NAV (for Class E Gross Accumulation Shares to Class H Net Income Shares), calculated monthly and paid quarterly in arrears, for its work in managing and administering TIME:Freehold's property assets.

Additionally, the Property Manager is also entitled to an incentive fee of 10% of any increase in value of TIME:Freehold's property assets. This is calculated as the gain over book cost achieved on a sale or increase in value of an asset following the renegotiation of a lease or other arrangement affecting immovable property but, in the case of a sale, less any lease negotiation fees paid on that property ("book cost" is the total capital cost of an asset, including all capital costs and expenses related to that asset at the date of the original acquisition of that asset plus any capital expenditure). This is a contractual obligation of TIME:Freehold at the point of the purchase of the asset but is only paid in the event of a sale. The fees on both the realised and unrealised gains during the period have been recognised in the Statement of Total Return.

A Performance Fee will accrue if TIME:Freehold's NAV increase exceeds the Hurdle Rate which is set at 8%. The fee will be 20% of the surplus above 8%. 50% of any such performance fee is payable to the Investment Manager and 50% to the Property Manager, in accordance with their service agreements.

13. Investment properties

	Cost	Net unrealised appreciation	Net book value	%*
	£'000	£'000	£'000	
As at 1 April 2019	128,467	102,913	231,380	
Cost of property additions	1,139	-	1,139	
Transaction costs:				
Legal fees	6	-	6	0.52%
Acquisition fee	1	-	1	0.13%
Agents' fees	2	-	2	0.17%
Total transaction costs	9	-	9	0.82%
Total cost of property additions after transaction costs	1,148	-	1,148	
Transactions costs on disposals	210	-	210	(12.25%)
Transaction costs on lease extensions	167	-	167	
Disposals (note 6)	(1,714)	53	(1,660)	
Net increase in unrealised gain (note 6)	-	5,035	5,035	
As at 31 March 2020	128,278	108,001	236,279	

* This represents the direct transaction costs for acquisitions as a percentage of cost of property additions or the direct transaction costs for disposals as a percentage of property disposals.

TIME:Freehold's freehold and leasehold properties were independently valued as at 31 March 2020 by BNP Paribas Real Estate, acting in the capacity of External Valuers. The valuation was in accordance with the requirements of IFRS 13, FRS 102 and the RICS Valuation – Global Standards 2020.

Notes to the financial statements (continued)

For the year to 31 March 2020

13. Investment properties (continued)

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors. As at the valuation date, the Valuer considers that they can attach less weight to previous market evidence for comparison purposes to inform opinions of value. Indeed, the current response to COVID-19 means that the Valuer is faced with an unprecedented set of circumstances on which to base a judgement. The Valuer's valuation is therefore reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, less certainty – and a higher degree of caution – should be attached to the valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, the Valuer recommends that we keep the valuation of the Properties under frequent review.

In the financial year ending 31 December 2019, the total fees earned by the Valuer from TIME:Freehold were less than 5% of the Valuer's company turnover.

The Valuer's reported a total Market Value of the investment property that was held by the Fund of £236,279,033. The valuer's opinions were primarily derived from comparable recent market transactions on arms length terms.

14. Investments

	Cost	Net unrealised appreciation	Net book value
	£'000	£'000	£'000
As at 1 April 2019	40,151	3,083	43,234
Cost of investment additions	29,000	-	29,000
Total cost of investment additions after transaction costs	29,000	-	29,000
Accumulated distributions	444	-	444
Disposals (note 6)	(12,611)	(299)	(12,910)
Net decrease in unrealised gain (note 6)	-	(1,766)	(1,766)
As at 31 March 2020	56,984	1,018	58,002

Please refer to the Portfolio Statements for details of the holdings.

Portfolio transaction costs vary depending on the types of investment, their market capitalisation and method of execution. They are made up of direct and indirect portfolio transactions costs.

There were no direct or indirect transaction costs in the period.

15. Debtors: amounts falling due within one year

	31 March 2020	31 March 2019
	£'000	£'000
Rental income receivable	589	567
Other debtors	1,207	435
Dealing subscriptions monies	-	235
Insurance premium recoverable from tenants	124	115
Accrued income	72	74
Deposits on purchases	3	32
Insurance income receivable from agents	49	49
Prepayments	4	4
	2,048	1,511

Notes to the financial statements (continued)

For the year to 31 March 2020

16. Creditors: amounts falling due within one year

	31 March 2020 £'000	31 March 2019 £'000
Deferred income	3,631	3,637
Other taxation	833	726
Accrued expenses	1,389	610
Other creditors	389	615
Amounts owed to the Depositary	117	110
Amounts owed to the Custodian	3	7
Amounts owed to the Property Manager	394	427
Amounts owed to the Investment Manager	-	36
Amounts owed to the ACD	22	22
	6,778	6,190

17. Creditors: amounts falling due after more than one year

TIME:Freehold has a loan facility with the Royal Bank of Scotland maturing on 28 October 2023. The loan facility enables TIME:Freehold to borrow £25 million. At 31 March 2020 no debt had been drawn on the loan facility.

18. Financial instruments

	31 March 2020 £'000	31 March 2019 £'000
Investments measured at fair value	58,002	43,234
Financial assets measured at transaction price	1,022	1,272
Cash	33,669	53,951
Financial liabilities measured at transaction price	2,293	1,804

19. Provisions for liabilities and charges

Provisions represent amounts due on unrealised gains on investment properties, as follows:

	Incentive fees (see note 1i) £'000
As at 1 April 2019	12,193
Increase in unrealised gains	601
As at 31 March 2020	12,794

TIME:Freehold provides for an incentive fee of 10% on any increase in property value over book cost, less any lease negotiation fees paid on that property. This fee accrues to the Property Manager from the date of purchase of the property, as of the registration date in the name of TIME:Freehold but not paid until the asset is sold.

The provision is estimated based on the property value at each valuation point. As assumptions are made when valuing investment properties there is a level of uncertainty about the amount and/or timing of these outflows.

Notes to the financial statements (continued)

For the year to 31 March 2020

20. Leverage

The leverage definition under AIFMD is wider than the traditional gearing definition applied. In accordance with the EU Commission Delegated Regulation (EU) No. 231/13 leverage is any method which increases the fund's exposure, including borrowing of cash and the use of derivatives. It is expressed as a percentage of the fund's exposure to its net asset value and is calculated on both a gross and commitment method.

Under the gross method, exposure represents the sum of the fund's absolute positions after deduction of cash balances and cash equivalents, without taking into account any netting arrangements. Under the commitment method, the exposure is calculated in the same way but takes into account any netting arrangements.

Under AIFMD the gross and commitment ratios calculate zero leverage as being 100% of net assets. As indicated in the Investment Manager's report TIME:Freehold has not utilised its loan facility and does not have any derivatives to hedge any risks as at 31 March 2019. Therefore the actual leverage recorded as at 31 March 2020 is 1.02 (or 101.8) using both the gross and commitment methods.

21. Movement in shares

Share Class	Opening number of shares 1 April 2019	Shares issued	Shares cancelled	Conversions in	Conversions out	Closing number of shares 31 March 2020
Class A Gross Accumulation	5,249,086.39	474,590.19	(489,960.39)	132,331.05	(248,839.21)	5,117,208.03
Class B Net Accumulation	10,235,864.62	718,054.82	(870,909.56)	2,345,879.81	(4,317,625.63)	8,111,264.06
Class C Gross Income	12,365,130.88	281,844.26	(1,039,691.30)	358,029.61	(286,415.75)	11,678,897.70
Class D Net Income	15,036,209.40	990,926.69	(2,376,199.52)	13,437,594.82	(1,436,021.53)	25,652,509.86
Class E Gross Accumulation	1,814,526.91	-	(35,138.08)	-	(182,094.46)	1,597,294.37
Class F Net Accumulation	6,949,751.92	755,158.22	(964,965.87)	-	(1,626,161.88)	5,113,782.39
Class G Gross Income	2,009,149.72	-	(121,497.33)	-	(62,203.80)	1,825,448.59
Class H Net Income	25,400,954.95	730,527.42	(877,255.76)	1,225,185.61	(542,389.22)	25,937,023.00
Class ISA Gross Accumulation	1,731,450.32	293,608.50	(355,858.82)	3,959.00	(94,312.98)	1,578,846.02
Class ISA Gross Income	5,881,529.05	373,319.95	(840,743.11)	102,592.88	(233,478.94)	5,283,219.83

22. Commitments, contingent liabilities and contingent assets

At 31 March 2020, £0.08 million of properties had exchanged but not yet completed.

There are no other material commitments, contingent liabilities and contingent assets as at 31 March 2020.

23. Related parties

The definition of related parties in The Financial Reporting Standard 102, Section 33 'Related Party Disclosures' has been reviewed and based upon this the Depository, ACD, Investment Manager and Property Manager have been identified as related parties as they have the ability to control other parties or exert significant influence over other parties in making financial or operational decisions.

Alpha Real Capital LLP is the ACD of TIME:Freehold and the parent of the Investment Manager and thus is considered a related party to TIME:Freehold. The ACD acts as principal on all the transactions of shares in TIME:Freehold. During the year, the monies received through issues of shares totalled £20,649,470, the monies paid on cancellations totalled £30,532,327, the monies received as dilution levy totalled £382,812, which is retained by the Fund. Equalisation on shares issued was £955,021 and equalisation on shares cancelled was £1,085,484.

The ACD charges fees to TIME:Freehold as detailed in notes 12 (a). ACD fees of £271,755 were charged during the year (31 March 2019: £248,489). The ACD has put in place a rebate mechanism to avoid double charging of fees in relation to TIME:Freehold's investment in TIME:Commercial Long Income, TIME:Social Long Income and TIME:UK Infrastructure Income. During the year, the ACD rebated fees of £49,532 (31 March 2019: £51,078). As at 31 March 2020 the total outstanding to the ACD was £21,727 (2019: £21,812).

Alpha Real Capital LLP and its subsidiary, Alpha Global Property Securities Fund Pte Limited, holds 8,960.23 Class B Net Accumulation shares in TIME:Freehold. As at 31 March 2020 these were valued at £63,287.

NatWest Trustee and Depository Services Limited is the Depository of TIME:Freehold and is thus considered a related party of TIME:Freehold. Depository fees of £475,470 were charged during the year (31 March 2019: £449,481). As at 31 March 2020 the total outstanding to the Depository was £117,265 (2019: £109,526).

TIME:Commercial Long Income is a sub-fund of ARC TIME:Funds II, whose ACD, Investment Manager, and Depository are the same, and is thus considered a related party of TIME:Freehold. TIME:Freehold holds 22.4 million Class A Gross Accumulation shares. As at 31 March 2020 these were valued at £30.7 million.

Notes to the financial statements (continued)

For the year to 31 March 2020

23. Related parties (continued)

TIME:Social Long Income is a sub-fund of ARC TIME:Funds II, whose ACD, Investment Manager, and Depositary are the same, and is thus considered a related party of TIME:Freehold. TIME:Freehold held, at the start of the year, 10.5 million Class I Net Accumulation units via Social Long Income Feeder Trust, the dedicated feeder for TIME:Social Long Income. During the year TIME Freehold fully redeemed its holding from TIME:Social Long Income.

TIME:UK Infrastructure is a sub-fund of ARC TIME:Funds and is thus considered a related party of TIME:Freehold. At 31 March 2020, TIME:Freehold held 26.8 million Income shares in TIME:UK Infrastructure, valued at £27.3 million.

TIME Investments is the Investment Manager of TIME:Freehold and is thus considered a related party of TIME:Freehold. Investment Manager fees of £2,480,960, Transfer Agency fees of £240,965 and a Performance Fee of nil (31 March 2019: £2,310,107, £224,676 and £35,687 respectively) were charged during the year as detailed in note 12 (c). As at 31 March 2020 the total outstanding to the Investment Manager was nil (2019: £35,687), which is included in creditors. The Investment Manager has put in place a rebate mechanism to avoid double charging of fees in relation to TIME:Freehold's investment in TIME:Commercial Long Income, TIME Social Long Income and TIME:UK Infrastructure Income. During the year, the Investment Manager rebated fees of £173,665 (31 March 2019: £172,497).

Freehold Managers PLC is the Property Manager to TIME:Freehold and thus considered a related party to TIME:Freehold. Property Manager fees of £1,245,090 and a Performance Fee of nil (31 March 2019: £824,926 and £35,687 plus VAT respectively) were charged during the year as detailed in Note 12 (d). The Property Manager also received transaction based fees during the year as follows; rental collection fees of £118,765 (31 March 2019: £109,134), lease extension fees of £405,760 (31 March 2019: £272,066), deed of variation & consents fees of £17,196 (31 March 2019: £10,236), enfranchisement fees of £1,273 (31 March 2019: £878) and lease transfer fees of £690 (31 March 2019: £1,521). As at 31 March 2020 the total outstanding to the Property Manager was £393,696 (2019: £426,649), which is included in creditors.

24. Post balance sheet events

On 29 May 2020, TIME:Freehold paid its final distribution for the year ended 31 March 2020.

Since the year end TIME:Freehold has redeemed £3 million from TIME:UK Infrastructure.

At the end of May 2020 material uncertainty was removed by the valuer on assets with lease lengths in excess of 80 years (being the majority of the property assets) and in July 2020 the Independent Valuer removed the remaining properties from material uncertainty. Consequently, on 31 July 2020, the Fund lifted the suspension and reopened dealing in its shares.

Please refer to page 2 of the ACD report and page 18 of the Investment Manager's Report in reference to the impact COVID-19 has had on the Fund and its performance since the year end.

ARC TIME UK INFRASTRUCTURE INCOME FUND

(formerly Defensive Income Securities Fund)

("TIME:UK Infrastructure" or the "Fund")

A sub-fund of ARC TIME:Funds

Investment Manager's report

Investment Objective and Investment Policy of TIME:UK Infrastructure

Investment Objective

The aim of TIME:UK Infrastructure is to achieve a consistent income return with some capital growth.

There is no guarantee that a consistent income return will be achieved and your capital is at risk.

Investment Policy

TIME:UK Infrastructure's investment policy is to invest in defensive, asset-backed securities exposed to the UK infrastructure, renewable energy and real estate sectors.

In accordance with this, the Fund will hold a diversified portfolio of income paying securities of investment companies, Sterling denominated, and these are the shares of UK listed infrastructure, renewable energy, specialist financing companies and real estate investment trusts (REITs).

Exposure to these securities may additionally be achieved indirectly through investing in collective investment schemes (which can include open-ended investment companies, SICAVs and exchange traded funds) which themselves invest in shares and corporate bonds of these companies.

The Fund will not invest more than 10% of the Net Asset Value in collective investment schemes.

The Fund may also invest in other types of transferable securities including non-UK listed companies of similar types, equities, bonds, secured notes, cash, near cash, deposits and money market instruments.

The Fund may also utilise derivatives for efficient portfolio management.

TIME:UK Infrastructure summary

ARC TIME UK Infrastructure Income Fund (formerly Defensive Income Securities Fund) ("TIME:UK Infrastructure" or the "Fund") offers investors a choice of income shares, which pays a quarterly income distribution (in January, April, July and October) and accumulation shares, for which income is automatically reinvested, thereby enhancing the value of those shares.

Shares in the Fund are, and are expected to continue to be, widely available. The intended categories of investors are retail investors, offshore investors, ISA eligible investors and institutional investors. Each share class has the same rights on wind-up.

Each share class has the same voting rights. For more information about voting rights please refer to Section 39 of the Company's Prospectus, which is available on the Investment Manager's website www.time-investments.com/tiif or is available from the Investment Manager on request by emailing enquiries@time-investments.com.

Dilution levy

The actual cost of purchasing, selling or switching assets and investments in TIME:UK Infrastructure may deviate from the value used in calculating its share price, due to dealing charges, taxes, and any spread between buying and selling prices of the Fund's underlying investments. These costs could have an adverse effect on the value, known as "dilution". In order to mitigate the effect of dilution, the Administrator, on behalf of the ACD, may impose a charge on the purchase or sale of shares in each relevant share class.

This rate will vary to reflect actual or expected transaction costs, fiscal policy changes or other costs associated with the underlying investments of the Fund. The levy shall be retained by the Fund. The levy, chargeable at the discretion of the Administrator, on behalf of the ACD, would only be payable if the specific subscription or redemption is likely to lead to transaction costs being incurred. It is not possible to predict accurately whether dilution is likely to occur. The Administrator will act in the best interests of all shareholders.

Investors can participate in the Fund through its two share classes. Their characteristics are set out below.

Accumulation and Income Share Classes:	
These share classes are open to all investors. These share classes are Retail Distribution Review (RDR) compliant, with no commission payable to Financial Advisers.	
ACCUMULATION	INCOME
Class Accumulation Shares	Class Income Shares
Shares in respect of which income is automatically reinvested.	Shares in respect of which net income is distributed.
Initial fee: Up to 1% of subscription amount	Initial fee: Up to 1% of subscription amount
Minimum subscription: £5,000	Minimum subscription: £5,000

Investment Manager's report (continued)

Dealing in TIME:UK Infrastructure

The dealing day for the issue of shares in TIME:UK Infrastructure is 10am daily on each business day.

The cut off point for receipt of subscriptions is 10am on each business day. Settlement is due by 5pm on the third business day after the relevant dealing day.

Notices for redemptions are required to be delivered no later than 10am on each business day. Further details on the value of shares in the Fund can be found on the website www.time-investments.com/tiif or by calling the Investment Manager on 0345 600 1213 or by email at enquiries@time-investments.com.

Performance review

As at 31 March 2020, TIME:UK Infrastructure held a diversified portfolio of 21 UK listed equities across a range of infrastructure, renewable energy, secured lending and real estate sectors and was valued at £41 million. The Fund generated a total return of a loss of 2.57% inclusive of an income return of 5.01%. The FTSE 100, 250 and 350 were all down 18.7% on a total return basis over the same period.

Prior to the outbreak of COVID-19 and its spread around the world the total return for the Fund for the first 10 months of the year to 31 January 2020 was up by 8.46%. During February and March 2020, volatility in global financial markets increased dramatically and reached levels rarely seen in the past 100 years. Subsequently the share prices of all our holdings fell. Despite a strong recovery towards the end of March, which continued post period end, the Fund ended the year in negative territory. Despite this unprecedented backdrop the Fund continued to exhibit less volatility than wider equity markets and delivered an income return to investors of 5.01% for the year.

Investment review

As at 31 March 2020, TIME:UK Infrastructure's portfolio consisted of 21 holdings valued at £41.0 million.

The Fund's core infrastructure holdings contributed positively to performance as did the renewable energy holdings. Both these sectors provide the Fund with equity exposure to assets that provide economies with the essential support they need for sustainable and long term growth. They are asset-backed investments, often with the security of long-term contracted or regulated cashflows from high quality counterparties such as the UK Government. The returns of which are therefore typically less dependent on cyclical economic trends.

Within the secured lending assets of the Fund we added a new holding during the year, Sequoia Economic Infrastructure Income Fund ('Sequoia'). Sequoia is a FTSE 250 investment trust that invests in income generating economic infrastructure debt. It holds a diverse portfolio of private debt and bond investments across a range of jurisdictions, sectors and sub-sectors. It passed all of our defensive screening criteria and was deemed an attractive holding to add to the Fund in

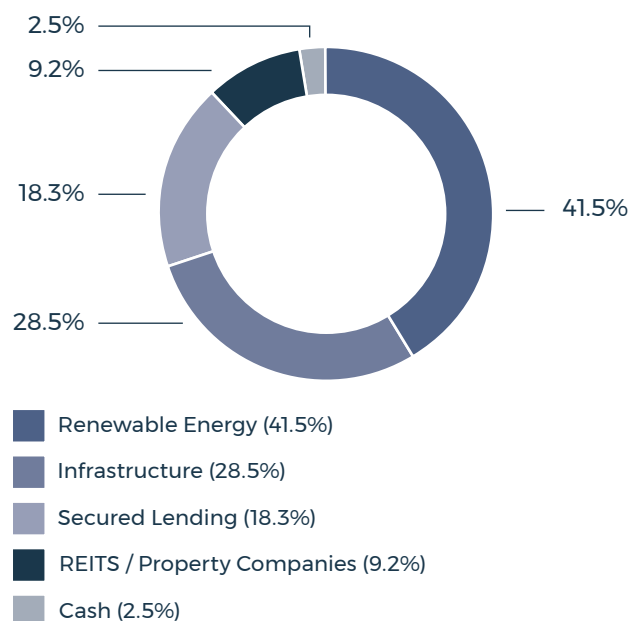
January 2020. Along with the other holdings in this sector, the Sequoia share price had performed well until COVID-19. Subsequently the share prices fell and collectively they ended the year contributing negatively to overall performance as credit spreads widened and the risk of default within some sectors increased.

The final sector in which the Fund invests is Real Estate, another asset backed asset class often with attractive levels of income. Performance was mixed but with property having a greater correlation to the performance of the wider economy it was not surprising that share prices fell towards the end of the year. The Fund exposure to this sector as at 31 March 2020 was 9.2% meaning that the effect was somewhat limited. This is below the exposure limit set for this sector of 12.5%.

At the time of writing volatility remains at elevated levels but has continued to fall since it peaked towards the end of March. Despite concerns of a second wave of COVID-19, markets generally seem to reflect the view that the worst is behind us for now though there is no certainty that this is the case. Regardless the Fund remains diversified across a wide range of companies and sectors which we believe are well positioned to continue delivering attractive risk adjusted returns in these uncertain times.

Since the year end the Fund has seen further improvements in its performance, emphasising the Fund's defensive characteristics and resilience during challenging times. The Fund's performance in the four months to 31 July 2020 has been 7.11%.

Portfolio sector split



Source: TIME Investments, as at 31 March 2020

INFRASTRUCTURE

HICL INFRASTRUCTURE



HICL Infrastructure Company Limited (HICL) is a long-term equity investor in infrastructure.

HICL's main objective for shareholders is to deliver predictable, sustainable dividends from the stable, inflation-correlated cashflows of underlying infrastructure projects. The portfolio comprises more than 100 investments and is valued at over £3 billion. Projects span a range of sectors including education, health and transport, in the UK and overseas.

Example project:

A249 Road, UK

Erection of the 5km A249 Iwade Bypass and new high-level fixed-link crossing of The Swale, to improve access and journey times to the Isle of Sheppey. This project extends the existing dual carriageway road northwards to Queenborough.

RENEWABLE ENERGY

BLUEFIELD SOLAR INCOME FUND



Bluefield Solar Income Fund invests in a diversified portfolio of UK solar-energy assets, focusing on utility-scale assets and portfolios. Long-life solar-energy infrastructure is expected to generate stable, renewable energy over a 25-year period.

Example project:

Elms, Oxfordshire

Elms, Oxfordshire was acquired in February 2015, and involved a total commitment of £32.8 million from the Bluefield Solar Income Fund.

Elms is expected to save nearly 12,450 tonnes of CO₂ annually, and provide green electricity for approximately 8,770 homes every year.

Investment Manager's report (continued)

Liquidity management

All the assets of TIME:UK Infrastructure are considered to be liquid as they comprise of either cash or readily realisable investments.

The securities, being listed, can generally be sold in normal market conditions within a short period of time to provide liquidity if required. The Fund seeks to deliver consistent income with long term capital growth through a diversified portfolio of shares of UK listed real asset owning companies, such as infrastructure, renewable energy and property companies. The stocks selected are believed to deliver a consistent income with a degree of inflation protection but with a lower level of price volatility than the wider equity markets.

The Fund had cash reserves of £1.2 million as at 31 March 2020.

Stephen Daniels for TIME Investments
Investment Manager

28 August 2020

RENEWABLE ENERGY / INFRASTRUCTURE

3I INFRASTRUCTURE PLC



3i Infrastructure invests across mid-market economic infrastructure and greenfield projects in developed markets, particularly in the UK and Europe.

Example project:

Infinis

Infinis is the largest generator of electricity from landfill gas (LFG) in the UK, with a portfolio of 121 landfill sites and total installed capacity of over 300MW. Using LFG to generate power not only lessens the global warming effect of methane emissions, but also provides an efficient, secure source of energy for local communities.

REITS / PROPERTY INVESTMENTS

BIG YELLOW GROUP



Big Yellow Group is one of the UK's market-leading specialist self-storage REITs, with a focus on occupancy, revenue and cash flow driving sustainable dividend growth.

It's made up of approximately 99 stores, mainly freehold, spanning 5.7 million square feet, (that's an average of 58,000 square feet per store). Big Yellow had £129.3 million annual revenue to 31/03/2020.

Net Asset Value per share, Performance Record, Ongoing Charge

Net Asset Value

31 March 2020	Net Asset Value £'000	Net Asset Value per share £	Number of shares in issue
Class Accumulation	11,403	1.1124	10,251,161.40
Class Income	31,084	1.0180	30,535,264.00
	42,487		
Less: Distribution paid in cash to income share class investors post year end	(377)		
Less: Investment valuation difference from intra-day mid to close of business bid price	(86)		
Less: post year end rescinded dividend	(8)		
	42,016		

TIME:UK Infrastructure was launched on 3 April 2018. The tables show the net asset value per share at the end of the relevant accounting period.

31 March 2019	Net Asset Value £'000	Net Asset Value per share £	Number of shares in issue
Class Accumulation	896	1.1418	785,020.58
Class Income	31,206	1.0963	28,464,205.49
	32,102		
Less: Distribution paid in cash to income share class investors post period end	(369)		
Add: Investment valuation difference from intra-day mid to close of business bid price	11		
	31,744		

REITS / PROPERTY INVESTMENTS

TRITAX BIG BOX REIT



Tritax Big Box is a UK listed REIT dedicated to owning, managing and developing large logistics facilities around the UK that aims to deliver sustainable, long-term income and value growth for investors.

The logistics real estate they own are strategically important assets for tenants, providing them with efficiency savings and are increasingly fulfilling online retail sales. Tenants include well-known names in retail, logistics, consumer products and automotive including Amazon, Tesco, DHL and Ocado.

SECURED LENDING

GCP INFRASTRUCTURE INVESTMENT



GCP Infrastructure Investment Limited (GCP) aims to provide shareholders with regular, sustained, long-term distributions and to preserve capital over the long-term by generating exposure to UK infrastructure debt and related assets.

GCP mainly targets investments in infrastructure projects, with long-term, public sector-backed, availability-based revenues. Where possible, investments are structured to benefit from partial inflation protection.

Net Asset Value per share, Performance Record, Ongoing Charge (continued)

Performance Record

Class Accumulation	Year ended 31 March 2020	Period ended 31 March 2019
CHANGE IN NET ASSET PER SHARE		
Opening net asset value per share	1.1418	1.0000
Return before operating charges*	(0.0197)	0.1495
Operating charges	(0.0097)	(0.0077)
Return after operating charges*	(0.0294)	0.1418
Closing net asset value per share	1.1124	1.1418
Retained distributions on accumulation shares	0.0572	0.0433
* Returns are stated after direct transaction costs of:	0.0016	0.0013
PERFORMANCE		
Return after charges	(2.57%)	14.18%
OTHER INFORMATION		
Closing net asset value (£'000)	11,403	896
Closing number of shares	10,251,161.40	785,020.58
Operating charges	0.80%	0.72%
Direct transaction costs	0.13%	0.12%
PRICES		
Highest share price	1.2765	1.1516
Lowest share price	0.9433	1.0000

Class Income	Year ended 31 March 2020	Period ended 31 March 2019
CHANGE IN NET ASSET PER SHARE		
Opening net asset value per share	1.0963	1.0000
Return before operating charges*	(0.0153)	0.1468
Operating charges	(0.0090)	(0.0077)
Return after operating charges*	(0.0243)	0.1391
Distributions on income shares	(0.0540)	(0.0428)
Closing net asset value per share	1.0180	1.0963
* Returns are stated after direct transaction costs of:	0.0014	0.0013
PERFORMANCE		
Return after charges	(2.22%)	13.91%
OTHER INFORMATION		
Closing net asset value (£'000)	31,084	31,206
Closing number of shares	30,535,264.00	28,464,205.49
Operating charges	0.80%	0.72%
Direct transaction costs	0.13%	0.12%
PRICES		
Highest share price	1.1774	1.1058
Lowest share price	0.8633	1.0000

Please refer to note 12 for details of the types of transaction costs.

All share classes were launched on 3 April 2018. Amounts are shown in Sterling (£) unless otherwise stated.

Net Asset Value per share, Performance Record, Ongoing Charge (continued)

Ongoing Charge (OC)

	31 March 2020 %	31 March 2019 %
Class Accumulation and Income	0.75	0.75

The Ongoing Charge (OC) represents the total annualised expenses of TIME:UK Infrastructure, excluding transaction costs, interest and other finance costs expressed as a percentage of the average net assets during the accounting period.

The OC stated for 31 March 2020 and 31 March 2019 is based on the NAV as at 31 December 2019 and 31 December 2018 respectively in line with what is stated in the Key Investor Information at the respective dates.

Risk warning

Shareholders should be aware that there are risks inherent in the holding of investments.

An investment in an open-ended investment company should be regarded as a medium to long term investment.

The Fund seeks to deliver a consistent income return, from a lower volatility (than the overall stock market) portfolio of UK listed securities of real asset owning companies. However the Fund is exposed to the effect of a downturn in the market or a recession in the wider economy caused by any adverse effects of Brexit. Although the securities held by the Fund are in companies who hold the majority of their assets in the UK, any adverse effects of Brexit may result in greater volatility and/or market fluctuations in the value of securities or their trading liquidity. These potential adverse effects cannot be measured with any certainty.

Shareholders should be aware that the price of shares and the income from them can fall as well as rise and shareholders may not receive back the full amount invested.

Past performance is not a guide to future performance. For further risk information please see the Prospectus.

Impact of COVID-19

TIME:UK Infrastructure is a long only Fund investing in a range of companies listed on the UK stock market. The Fund was therefore not immune to the increase in volatility and indiscriminate sell off that occurred across global financial markets in March following the rapid spread of COVID-19. Whilst share prices suffered significant losses the net asset value of many of our major infrastructure holdings remained relatively resilient. Post period end many of these share prices returned to levels around where they were trading pre COVID-19. Importantly the ability of these companies to pay dividends in line with previous guidance broadly remains the same and consequently the Fund has continued to pay a relatively attractive income yield of 5.01% over the past year. However, some of our minor real estate holdings have fared less well over this period. There is now a dislocation between the share price and net asset value of some of these companies, to the extent that we feel comfortable holding our positions until market sentiment improves. With the COVID-19 pandemic situation slowly improving, we hope the recovery will continue but expect volatility to remain at elevated levels.

Portfolio Statement

As at 31 March 2020	Market valuation £'000	Total net assets %
HICL Infrastructure PLC (1,972,207 shares)	3,191	7.60%
International Public Partnership Limited (2,009,781 shares)	3,131	7.45%
The Renewables Infrastructure Group Limited (2,423,987 shares)	3,098	7.37%
BBGI SICAV S.A. (1,875,050 shares)	3,000	7.14%
JLEN Environmental Assets Group Limited (2,682,529 shares)	2,951	7.02%
Bluefield Solar Income Fund Limited (2,354,005 shares)	2,943	7.00%
Greencoat UK Wind Plc (2,159,799 shares)	2,920	6.95%
Foresight Solar Fund Limited (2,660,925 shares)	2,900	6.90%
CCP Infrastructure Investments Limited (2,441,184 shares)	2,749	6.54%
3I Infrastructure Plc (1,078,201 shares)	2,663	6.34%
Nextenergy Solar Fund Limited (2,595,485 shares)	2,621	6.24%
Sequoia Economic Infrastructure Income Fund Limited (2,750,785 shares)	2,586	6.15%
Starwood European Real Estate Finance Limited (3,086,963 shares)	2,346	5.58%
Standard Life Investments Property Income Trust Limited (720,158 shares)	603	1.43%
Big Yellow Group Plc (57,633 shares)	574	1.37%
UK Commercial Property REIT Limited (708,185 shares)	529	1.26%
Custodian REIT Plc (509,718 shares)	504	1.20%
Tritax Big Box REIT Plc (411,798 shares)	462	1.10%
Land Securities Group Plc (73,146 shares)	407	0.97%
BMO Commercial Property Trust Limited (540,909 shares)	400	0.95%
British Land Company Plc (113,338 shares)	381	0.91%
Total investments	40,959	97.47%
Cash	1,215	2.90%
Net other assets	(158)	(0.37%)
Total net assets as at 31 March 2020	42,016	100.00%

As at 31 March 2019	Market valuation £'000	Total net assets %
3I Infrastructure Plc (868,211 shares)	2,391	7.53%
Greencoat UK Wind Plc (1,722,807 shares)	2,374	7.48%
Nextenergy Solar Fund Limited (1,992,819 shares)	2,342	7.38%
The Renewables Infrastructure Group Limited (1,956,610 shares)	2,305	7.26%
Bluefield Solar Income Fund Limited (1,733,200 shares)	2,270	7.15%
Foresight Solar Fund Limited (1,964,051 shares)	2,259	7.12%
John Laing Environmental Assets Group Limited (2,059,409 shares)	2,276	7.17%
Starwood European Real Estate Finance Limited (2,083,086 shares)	2,187	6.89%
BBGI SICAV S.A. (1,438,589 shares)	2,187	6.89%
International Public Partnership Limited (1,390,217 shares)	2,121	6.68%
CCP Infrastructure Investments Limited (1,662,123 shares)	2,098	6.61%
HICL Infrastructure Company Limited (1,330,394 shares)	2,074	6.53%
Standard Life Investments Property Income Trust Limited (587,248 shares)	529	1.67%
Big Yellow Group Plc (52,598 shares)	522	1.64%
Land Securities Group Plc (56,436 shares)	515	1.62%
British Land Company Plc (85,984 shares)	506	1.59%
Tritax Big Box REIT Plc (344,661 shares)	495	1.56%
Custodian REIT Plc (406,210 shares)	451	1.42%
UK Commercial Property Trust Limited (517,381 shares)	443	1.40%
F&C Commercial Property Trust Limited (345,654 shares)	413	1.30%
Total investments	30,758	96.89%
Cash	1,285	4.05%
Net other assets	(299)	(0.94%)
Total net assets as at 31 March 2019	31,744	100.00%

Statement of total return

For the year to 31 March 2020

	Note	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000	Period ended 31 March 2019 £'000	Period ended 31 March 2019 £'000
INCOME					
Net capital (losses)/gains	6		(3,705)		2,845
Revenue	7	1,986		1,897	
Expenses	8	(336)		(256)	
Net revenue before taxation		1,650		1,641	
Taxation	9	-		(6)	
Net revenue after taxation			1,650		1,635
Total return before distributions			(2,055)		4,480
Distributions	10		(1,910)		(1,822)
Change in net assets attributable to shareholders from investment activities			(3,965)		2,658

There are no recognised gains or losses other than those declared in the Statement of Total Return.

Statement of change in net assets attributable to shareholders

For the year to 31 March 2020

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000	Period ended 31 March 2019 £'000	Period ended 31 March 2019 £'000
Opening net assets attributable to shareholders		31,744		-
Amounts receivable on creation of shares	15,690		34,855	
Amounts payable on cancellation of shares	(1,942)		(6,890)	
		13,748		27,965
Income accumulated into capital		392		1,046
Dilution levy		97		75
Change in net assets attributable to shareholders from investment activities		(3,965)		2,658
Closing net assets attributable to shareholders		42,016		31,744

Balance sheet

As at 31 March 2020

	Note	31 March 2020 £'000	31 March 2020 £'000	31 March 2019 £'000	31 March 2019 £'000
ASSETS					
Investments	12		40,959		30,758
			40,959		30,758
Debtors	13	289		118	
Cash at bank		1,215		1,285	
Total other assets			1,504		1,403
Total assets			42,463		32,161
LIABILITIES					
Creditors	14	(447)		(417)	
Total liabilities			(447)		(417)
Net assets attributable to shareholders			42,016		31,744

Authorised for issue and signed on behalf of the Authorised Corporate Director on 28 August 2020.

Alpha Real Capital LLP

Statement of cash flows

For the year to 31 March 2020

	Year ended 31 March 2020 £'000	Period ended 31 March 2019 £'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Total return	(2,055)	4,480
Adjustments for:		
Net capital losses/(gains)	3,705	(2,845)
Distributions received from investments	(1,986)	(1,897)
Taxation	-	6
Increase in creditors	10	42
Cash from operations	(326)	(214)
Tax paid	(6)	-
Net cash flow from operating activities	(332)	(214)
CASH FLOW FROM INVESTING ACTIVITIES		
Disposal proceeds from investments	-	7,204
Purchase of investments	(13,854)	(1,447)
Transaction costs on purchase of investments	(52)	(42)
Distributions received from investments	1,982	1,835
Net cash flow from investing activities	(11,924)	7,550
CASH FLOW FROM FINANCING ACTIVITIES		
Creation of shares	15,524	1,171
Cancellation of shares	(1,924)	(6,890)
Dilution levy charge on creation/cancellation of shares	97	75
Net equalisation received	81	7
Distributions paid	(1,592)	(414)
Net cash flow from financing activities	12,186	(6,051)
Net (decrease)/increase in cash	(70)	1,285
Cash at the beginning of the year/period	1,285	-
Cash at the end of the year/period	1,215	1,285

Notes to the financial statements

For the year to 31 March 2020

1. Accounting policies

The principal accounting policies are summarised below.

(a) General information

The principal activity of ARC TIME UK Infrastructure Income Fund (formerly Defensive Income Securities Fund) ("TIME:UK Infrastructure" or the "Fund") is to achieve a consistent income return with capital growth in the long term. The Fund is a sub-fund of an umbrella OEIC, ARC TIME:Funds, which was incorporated in the United Kingdom on 3 April 2018. The Company is authorised by the FCA as a NURS. The principal place of business is the office of the ACD.

(b) Functional and presentational currency

These financial statements have been presented in Sterling as this is the Fund's functional currency, being the primary currency in which the Fund operates. The amounts presented in these financial statements have been rounded to the nearest thousand.

(c) Basis of preparation

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard Applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May, 2014 and amendments made in 2017, and the Financial Conduct Authority's Collective Investment Scheme Source Book (COLL). These financial statements have been prepared under the historical costs convention, as modified for the fair value of investments and certain financial instruments.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the ACD to exercise judgement in applying the accounting policies (see note 4).

The financial statements have been prepared on a going concern basis. Please refer to note 1 (d) for details of going concern.

(d) Going concern

The ACD believes that the Fund has adequate resources to continue in operational existence for the foreseeable future and, following consideration of the impact of COVID-19 they continue to adopt the going concern basis in preparing the financial statements.

The ACD has made an assessment of the Fund's ability to continue as a going concern which is made as at the date of issue of these financial statements and considers liquidity, investor intention, known redemption levels, expense projections and the impact of COVID-19.

(e) Recognition of revenue

Investment income is recognised when the shares are first quoted on an ex-dividend basis. Coupons from debt securities are recognised on an accrual basis.

(f) Interest receivable

Interest income is accounted for on a receivable basis.

(g) Investments

At the end of the reporting period all investments have been measured at their fair value using the bid prices of the portfolio holdings determined at close of business on 31 March 2020.

(h) Financial Instruments

Investments in listed securities are initially measured at cost (which is equal to fair value at inception). Listed securities are subsequently measured at bid price or at fair value as permitted by the Prospectus under Fair Value Pricing. Investments in listed securities are valued at their fair value as at 31 March 2020. Realised and unrealised gains and losses on investments are included in the Statement of Total Return.

Any dividend or distribution income received during the investment holding period is recognised as income in the income account.

Financial assets, being cash and debtors, which are receivable within one year are recorded at transaction price. Any losses arising from impairments are recognised in the statement of total return.

Financial liabilities, being other creditors and distributions payable to investors, which are payable within one year are recorded at transaction price. Any losses arising from impairments are recognised in the statement of total return.

(i) Taxation

TIME:UK Infrastructure's net distributable income is classified as a dividend distribution. No tax is withheld from dividend distributions.

(j) Treatment of expenses

Expenses are recognised on an accruals basis.

Notes to the financial statements (continued)

For the year to 31 March 2020

2. Distribution policy

(a) Basis of distribution

Income is generated by TIME:UK Infrastructure's investments during each accounting period. Distributions of income are made in respect of the income available for distribution in each accounting period. Distributions which have remained unclaimed for a period of six years after they have become due will be forfeited and will revert to the Fund. Distributions are based on each sub-fund's individual net revenue after taxation.

(b) Apportionment to multiple share classes

The allocation of revenue and expenses to each share class is based on the proportion of the Fund's assets attributable to each share class on the day the revenue is earned or the expense is suffered.

(c) Expenses

In determining the amount available for distribution in any accounting period, the aggregate of the income received or receivable by the Fund for the accounting period is taken and any charges and expenses paid or payable out of income in respect of that accounting period are deducted. The ACD then makes such other adjustments as it considers appropriate in relation to taxation, income equalisation, income unlikely to be received within twelve months following the relevant income allocation date, transfers between the income and capital account and any other adjustments which the ACD considers appropriate after consulting the auditors and the Depositary. This treatment will increase the amount of income (which may be taxable) available for distribution to shareholders in the Fund but may constrain capital growth.

3. Equalisation

Equalisation applies to shares subscribed or redeemed during the period. It is the amount of revenue included in the price of shares subscribed or redeemed.

Equalisation may be refunded on distribution or accumulated at the time of distribution. Shareholders are not liable to income tax on equalisation distributed as it is a return of capital and therefore must be deducted from the cost of shares for capital gains tax purposes.

4. Judgements in applying accounting policies and key estimation uncertainty

In applying TIME:UK Infrastructure's accounting policies, the ACD is required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The ACD's judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results may differ.

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

Critical judgements in applying the Fund's accounting policies

The critical judgements that the ACD has made in the process of applying TIME:UK Infrastructure's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the ACD has considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. Other than the resulting effects from COVID-19 there have been no indicators of impairments identified during the current financial period.

Key sources of estimation uncertainty

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

(i) Valuation of investment holdings

Investments are held at market value or fair value. The value of these investments may fluctuate depending on market conditions. The value of the holdings could vary within the next financial year, making this an area of estimation uncertainty. Please refer to page 2 of the Authorised Corporate Director's Report for details on the impact of COVID-19 to investment holdings.

Notes to the financial statements (continued)

For the year to 31 March 2020

5. Risk management policies

The ACD is responsible for establishing, implementing and maintaining an adequate and documented risk management policy for identifying, measuring and managing all risks to which TIME:UK Infrastructure is or might be exposed. Please refer to page 2 of the Authorised Corporate Director's Report for details on the impact of COVID-19 to investment holdings.

The Fund's investment activities expose it to various types of risk which are associated with the types of investments it holds and the markets in which it invests.

The following risk management policies are applicable to the Fund.

(a) Market risk and valuations of investments

The exposure to market risk arising from the prevailing general economic conditions and market sentiment, may affect the balance sheet and total return of TIME:UK Infrastructure.

Equity prices and returns from investing in equity markets are sensitive to various factors including but not limited to expectations of future dividends and profits, economic growth, exchange rates, interest rates and inflation.

The Fund's share price may be volatile due to movements in the prices of the underlying equity and fixed interest security holdings.

The Fund may hold securities in infrastructure investments and as a result will be more susceptible to adverse economic or regulatory occurrences affecting that industry.

A 5% increase in the value of the Fund's investment portfolio would have the effect of increasing the return and net assets by £2,047,936. A 5% decrease would have an equal and opposite effect.

In relation to market risk, processes are applied that take account of the investment objective and policy of the Fund. In addition the Fund is monitored for compliance within regulatory limits.

(b) Credit and liquidity risk

Where TIME:UK Infrastructure is exposed to credit risk, the credit rating, yield and maturity of each interest bearing security is considered to determine if the yield fully reflects the risk. The capital value of interest-bearing securities will fall in the event of the default or perceived increased credit risk of an issuer.

The capital value of interest-bearing securities may also be affected by interest rate fluctuations such that when interest rates rise, the capital value of the interest-bearing securities is likely to fall and vice versa. Inflation will also decrease the real value of capital. Currently the Fund does not hold any interest bearing securities.

The Fund's liquidity is reviewed at each dealing point. The securities are UK listed and therefore can be sold, typically within two business days, to meet redemption requirements. Despite the current COVID-19 pandemic the Fund has continued to see positive net inflows post year end.

(c) Currency risk

All financial assets and liabilities of TIME:UK Infrastructure are in Sterling, and the Fund has no exposure to currency risk at the balance sheet date.

(d) Interest rate risk

TIME:UK Infrastructure held £1.2 million cash at the end of the year. The ACD considers the impact of a change in rate as immaterial.

Due to the nature of infrastructure assets, the impact of interest fluctuations may be greater for infrastructure issuers than for the economy as a whole in the country in which the interest fluctuation occurs.

Notes to the financial statements (continued)

For the year to 31 March 2020

6. Net capital (loss)/gain

	Year ended 31 March 2020 £'000	Year ended 31 March 2020 £'000	Period ended 31 March 2019 £'000	Period ended 31 March 2019 £'000
Proceeds from sale of investments	-		3,152	
Cost of investments sold	-		(2,654)	
Realised gains on investments sold during the year/period		-		498
Proceeds from sale of investments	-		4,052	
Cost of investments sold	-		(4,361)	
Realised losses on investments sold during the year/period		-		(309)
Unrealised gains on investments	428		2,810	
Unrealised losses on investments	(4,133)		(154)	
Total unrealised (losses)/gains		(3,705)		2,656
Total net capital (losses)/gains		(3,705)		2,845

7. Revenue

	Year ended 31 March 2020 £'000	Period ended 31 March 2019 £'000
Interest income	-	8
Income from investments	1,986	1,889
	1,986	1,897

8. Expenses

	Year ended 31 March 2020 £'000	Period ended 31 March 2019 £'000
Authorised Corporate Director's fee	40	35
Depository's fees	19	17
Custodian's fees	16	13
Investment Manager's fees	101	87
Transfer agency fees	30	26
Administrator fees	61	52
Data Vendor Fees	-	2
Collection Agent Fees	37	2
Audit fee	15	14
Tax adviser's fee	5	4
Other professional fees and sundry expenses	12	4
	336	256

Notes to the financial statements (continued)

For the year to 31 March 2020

9. Taxation

TIME:UK Infrastructure should generally be exempt from UK corporation tax, subject to certain anti-avoidance provisions, on dividends and similar distributions from companies. Any payments it receives from transactions in futures or options contracts are also exempt from tax. The Fund will be subject to corporation tax at a rate equal to the basic rate of income tax, currently 20%, on other types of income but after deducting allowable expenses.

To the extent that the Fund receives income from, or realises gains on, investments issued in foreign countries, it may be subject to withholding tax or other taxation in those jurisdictions.

(a) Current Tax

	Year ended 31 March 2020 £'000	Period ended 31 March 2019 £'000
Corporation tax at 20%	-	6
Tax charge for the period	-	6

(b) Factors affecting tax charge for the period

	Year ended 31 March 2020 £'000	Period ended 31 March 2019 £'000
Net revenue before taxation*	1,650	1,641
Less exempt Dividends	(1,712)	(1,612)
Taxable losses carried forward	62	-
Taxable Income	-	29
Corporation Tax at 20% for the period	-	6

* Authorised open ended investment companies are exempt from tax on capital gains in the UK and therefore any capital return is not included within the above reconciliation.

10. Distributions

	Year ended 31 March 2020 £'000	Period ended 31 March 2019 £'000
Class Accumulation	290	1,444
Class Income	1,620	378
Distributions for the year/period	1,910	1,822

The difference between the net revenue after taxation and the distribution for the year/period is as follows:

Net revenue after taxation	1,650	1,635
Taxation on capital items credited	(50)	(49)
Expenses allocated to capital for the purpose of distribution calculation:		
Authorised Corporate Director's fee	40	35
Depositary's fees	19	17
Custodian's fees	16	13
Investment Manager's fees	101	87
Transfer agency fees	30	26
Administrator fees	61	52
Data Vendor Fees	-	2
Collection Agent Fees	37	2
Other professional fees	6	2
Net distributions for the year/period	1,910	1,822

Notes to the financial statements (continued)

For the year to 31 March 2020

10. Distributions (continued)

Distribution Table (for the year ended 31 March 2020 (in pence per share))

Interim distribution accounting date 30 June 2019 paid 31 July 2019.

Interim distribution accounting date 30 September 2019 paid 31 October 2019.

Interim distribution accounting date 31 December 2019 paid 31 January 2020.

Final distribution accounting date 31 March 2020 paid 30 April 2020.

	Gross Revenue	Income Tax	Net Revenue	Distribution Paid 30/04/2020	Distribution Paid 31/01/2020	Distribution Paid 31/10/2019	Distribution Paid 31/07/2019
	p	p	p	p	p	p	p
Class Accumulation	5.72	-	5.72	1.35	1.36	1.52	1.49
Class Income	5.33	-	5.33	1.23	1.26	1.43	1.41

Distribution Table (for the period ended 31 March 2019 (in pence per share))

Interim distribution accounting date 30 June 2018 paid 31 July 2018.

Interim distribution accounting date 30 September 2018 paid 31 October 2018.

Interim distribution accounting date 31 December 2018 paid 31 January 2019.

Final distribution accounting date 31 March 2019 paid 30 April 2019.

	Gross Revenue	Income Tax	Net Revenue	Distribution Paid 30/04/2019	Distribution Paid 31/01/2019	Distribution Paid 31/10/2018	Distribution Paid 31/07/2018
	p	p	p	p	p	p	p
Class Accumulation	5.68	-	5.68	1.35	1.27	1.46	1.60
Class Income	5.58	-	5.58	1.30	1.24	1.44	1.60

The amount of income equalisation that is returned to investors with the distribution payment is the actual amount of income included in the issue price at the time of purchase.

11. Administrative expenses

(a) Authorised Corporate Director fees

A fee of 0.10% of NAV per annum is payable to the ACD (calculated and paid monthly in arrears).

(b) Depositary fees

The Depositary receives a fee at the rate of 0.04% per annum on the first £50 million of NAV, 0.03% per annum on the next £50 million of NAV and 0.025% per annum on the balance of the NAV in excess of £100 million, subject to an agreed minimum fee of £10,000 per annum, calculated monthly and paid quarterly in arrears or such other rate or rates as may be agreed in writing between the parties to the Instrument of Incorporation.

(c) Investment Manager fees

A fee of 0.25% of NAV per annum is payable to the Investor Manager (calculated and paid monthly in arrears).

(d) Administrator fees

A fee is payable to the Administrator at the rate of 0.15% of NAV per annum (payable monthly in arrears).

(e) Transfer Agent fees

A fee at the rate of 0.075% of NAV per annum is payable to the Transfer Agent for the provision of transfer agency services.

Notes to the financial statements (continued)

For the year to 31 March 2020

12. Investments

	Cost £'000	Net unrealised appreciation £'000	Net book value £'000	%*
As at 1 April 2019	28,102	2,656	30,758	
Cost of investment additions	13,854	-	13,854	
Transaction costs:				
Stamp duty	11	-	11	0.08%
Broker commission	41	-	41	0.30%
Total transaction costs	52	-	52	0.38%
Total cost of investment additions after transaction costs	13,906	-	13,906	
Disposals (note 6)	-	-	-	
Net movement in unrealised losses (note 6)	-	(3,705)	(3,705)	
As at 31 March 2020	42,008	(1,049)	40,959	

Please refer to the Portfolio Statement for details of the holdings. All investments are listed on the London Stock Exchange.

* This represents the direct transaction costs as a percentage of cost of investment additions.

Portfolio transaction costs vary depending on the types of investment, their market capitalisation and method of execution. They are made up of direct and indirect portfolio transactions costs.

The types of direct portfolio transaction costs incurred are stated in the table above.

To give an indication of the indirect portfolio transactions costs an average portfolio dealing spread is calculated. A 'Dealing spread' is the difference between the buying and selling of TIME:UK Infrastructure Investments. The average portfolio dealing spread for the above investments is 0.54% for the year ended 31 March 2020.

13. Debtors: amounts falling due within one year

	31 March 2020 £'000	31 March 2019 £'000
Accrued income	66	62
Share issues to settle	223	56
	289	118

All debtors were received in cash and cleared post year end.

14. Creditors: amounts falling due within one year

	31 March 2020 £'000	31 March 2019 £'000
Amounts owed to the Custodian	3	3
Amounts owed to the Depositary	5	4
Amounts owed to the ACD	4	3
Amounts owed to the Investment Manager	17	13
Accrued expenses	23	19
Distributions payable	377	369
Share cancellations to settle	18	-
Tax accrual	-	6
	447	417

Notes to the financial statements (continued)

For the year to 31 March 2020

15. Financial Instruments

	31 March 2020 £'000	31 March 2019 £'000
Investments measured at fair value	40,959	30,758
Financial assets measured at transaction price	289	118
Cash	1,215	1,285
Financial liabilities measured at transaction price	447	411

All investments measured at fair value have been valued using Level 1 inputs of the fair value hierarchy.

16. Leverage

The leverage definition under AIFMD is wider than the traditional gearing definition applied. In accordance with the EU Commission Delegated Regulation (EU) No. 231/13 leverage is any method which increases the Fund's exposure, including borrowing of cash and the use of derivatives. It is expressed as a percentage of the Fund's exposure to its net asset value and is calculated on both a gross and commitment method.

Under the gross method, exposure represents the sum of the Fund's absolute positions after deduction of cash balances and cash equivalents, without taking into account any netting arrangements. Under the commitment method, the exposure is calculated in the same way but takes into account any netting arrangements.

Under AIFMD the gross and commitment ratios calculate zero leverage as being 100% of net assets. TIME:UK Infrastructure had no borrowing or any derivatives to hedge any risks as at 31 March 2020. Therefore the actual leverage recorded as at 31 March 2020 was 0.99 (or 99.2%) using both the gross and commitment methods reflecting that Fund had no borrowings.

17. Movement in shares

Share Class	Opening number of shares as at 1 April 2019	Shares issued	Shares cancelled	Conversions in	Conversions out	Closing number of shares 31 March 2020
Class Accumulation	785,020.58	10,098,459.44	(665,073.29)	32,754.67	-	10,251,161.40
Class Income	28,464,205.49	3,275,710.70	(1,169,243.05)	-	(35,409.14)	30,535,264.00

18. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets at the balance sheet date.

Notes to the financial statements (continued)

For the year to 31 March 2020

19. Related parties

The definition of related parties in The Financial Reporting Standard 102, Section 33 'Related Party Disclosures' has been reviewed and based upon this the Depositary, ACD, Investment Manager and TIME:Freehold have been identified as related parties as they have the ability to control other parties or exert significant influence over other parties in making financial or operational decisions.

Alpha Real Capital LLP is the ACD of TIME:UK Infrastructure and thus is considered a related party to TIME:UK Infrastructure. The ACD acts as principal on all the transaction of shares in the Fund. During the year, including equalisation and the dilution levy, £15.9 million (2019: £35.3 million) has been received from creations in the fund and £2.0 million (2019: £7.3 million) paid on cancellations. As at 31 March 2020, £223,175 (2019: £56,661) was outstanding to the Fund on the issue of shares and £17,546 (2019:nil) payable from the Fund on redemptions.

The ACD charges fees to TIME:UK Infrastructure as detailed in note 11(a). ACD fees of £40,446 (2019: £34,709) were charged during the year. As at 31 March 2020, £3,763 (2019: £2,707) was outstanding to the ACD.

NatWest Trustee and Depositary Services Limited is the Depositary of TIME:UK Infrastructure and is thus considered a related party of TIME:UK Infrastructure. Depositary fees of £19,414 (2019: £16,660) were charged during the year. As at 31 March 2020, £5,396 (2019: £3,308) was outstanding to the Depositary.

TIME Investments is the Investment Manager, Administrator and Transfer Agent of TIME:UK Infrastructure and is thus considered a related party of TIME:UK Infrastructure. Total fees of £192,119 (2019: £164,869) were charged during the year. As at 31 March 2020, £17,286 (2019: £12,859) was outstanding to the Investment Manager.

TIME:Freehold, sub-fund of ARC TIME:Funds, holds 64% of shareholdings in TIME:UK Infrastructure and is thus considered a related party. TIME:Freehold acquired shares in the Fund via an in-specie transfer of £33.6 million on 3 April 2018 (nil shares acquired in the current year). During the year TIME:Freehold redeemed a total of £1.0 million (2019: £7.2 million). At 31 March 2020, TIME:Freehold held 26.9 million (2019: 27.9 million) income shares in TIME:UK Infrastructure, valued at £27.3 million (2019: £30.6 million).

20. Post balance sheet events

On 30 April 2020, TIME:UK Infrastructure paid its quarterly distribution for the period ended 31 March 2020.

On 31 July 2020, TIME UK Infrastructure paid its quarterly distribution for the period ended 30 June 2020.

Since the year end UK Infrastructure sold £4.7 million in value of shares in various investments within its portfolio in order to acquire new listed stocks.

The Fund has acquired £1.7 million in Primary Health Properties Plc, £1.7 million in Assura Plc and £2 million in GCP Asset Backed Income Fund Ltd.

Please refer to page 2 of the ACD report and page 51 of the Investment Manager's Report in reference to the impact COVID-19 has had on the Fund and its performance since the year end.

Further information

Company information and key service providers

Company

ARC TIME:Funds (the "Company")

Registered in England with Company Number IC000958

Sub-funds

ARC TIME Freehold Income Authorised Fund (formerly Freehold Income Authorised Fund)

ARC TIME UK Infrastructure Income Fund (formerly Defensive Income Securities Fund)

Registered Office

338 Euston Road, London, NW1 3BG

Authorised Corporate Director

Alpha Real Capital LLP
338 Euston Road
London NW1 3BG

Authorised and regulated by the Financial Conduct Authority.

The register of shareholders may be inspected at this address above

Investment Manager

TIME Investments
338 Euston Road
London NW1 3BG

Authorised and regulated by the Financial Conduct Authority.

Depository

NatWest Trustee and Depository Services Limited
Floor 2 South
Drummond House
1 Redheughs Avenue
Edinburgh EH12 9RH

Authorised and regulated by the Financial Conduct Authority.

Custodian

The Northern Trust Company
50 Bank Street
Canary Wharf
London E14 5NT

Authorised and regulated by the Financial Conduct Authority.

Independent Auditor

Mazars LLP
The Pinnacle
160 Midsummer Boulevard
Milton Keynes MK9 1FF

Taxation Advisers

KPMG LLP
15 Canada Square
London E14 5GL

Mazars LLP
The Pinnacle
160 Midsummer Boulevard
Milton Keynes MK9 1FF

Legal Advisers

Eversheds LLP
1 Wood Street
London EC2V 7WS

Bankers

The Northern Trust Company
50 Bank Street
Canary Wharf
London E14 5NT

Royal Bank of Scotland PLC
NatWest Trustee and Depository Services Limited
Floor 2 South
Drummond House
1 Redheughs Avenue
Edinburgh EH12 9RH

ARC TIME FREEHOLD INCOME AUTHORISED FUND:

Property Manager

Landa Asset Management PLC
338 Euston Road
London NW1 3BG

Standing Independent Valuer

BNP Paribas Real Estate UK
5 Aldermanbury Square
London EC2V 7BP

Bankers

Royal Bank of Scotland PLC
Corporate Banking
6th Floor
1 Princes Street
London EC2R 8BP

Barclays Bank PLC
1 Churchill Place
London E14 5HP



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Alpha

Authorised Corporate Director:
Alpha Real Capital LLP

TIME Investments is the trading name of Alpha Real Property Investment Advisers LLP which is registered in England and Wales with company number OC355196. It is a subsidiary of Alpha Real Capital LLP with company number OC312705. Both TIME Investments and Alpha Real Capital LLP are authorised and regulated by the Financial Conduct Authority. FCA registration number 534723 and 436048 respectively. August 2020.

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