

Social Freehold Feeder Trust



Half year report and financial
statements for the period from
18 May 2017 to 30 September 2017

2017

Authorised Corporate Director:
Alpha Real Capital LLP

Alpha

Investment Manager:

TIME

INVESTMENTS



Contents

- 1 Report of the Authorised Fund Manager of the Trust *
- 5 About Alpha and TIME Investments
- 6 Review of the investment activities during the period – TIME:Social Freehold *
- 7 Net Asset Value per share, Performance Record, Ongoing Charge
- 10 Portfolio Statement *
- 11 Statement of total return
- 11 Statement of change in net assets attributable to unitholders
- 12 Balance sheet
- 13 Statement of cash flows
- 14 Notes to the financial statements
- 17 Company information and key service providers

* Collectively these comprise the Report of the Authorised Fund Manager of the Trust

Report of the Authorised Fund Manager of the Trust

We are pleased to present the report and financial statements for Social Freehold Feeder Trust ("SFFT"), a sub-fund of an umbrella unit trust, ARC TIME:Feeder Trusts (the "Trust"), for the period from 18 May 2017 to 30 September 2017. This report is available on the Investment Manager's website www.time-investments.com/sfft/accounts or is available from the Investment Manager on request by emailing enquiries@time-investments.com.

Statement of authorised status of the scheme

SFFT is an Authorised Unit Trust and was authorised by the Financial Conduct Authority ("FCA") with effect from 18 May 2017. SFFT has been established as a feeder trust for investment in Social Freehold Fund ("TIME:Social Freehold") for corporate investors or other investors who are not able to invest directly in TIME:Social Freehold for administrative reasons. SFFT's sole purpose is to acquire and hold shares in TIME:Social Freehold.

Investment structure

SFFT has elected to receive distributions from TIME:Social Freehold net of withholding tax. Therefore SFFT is a dedicated feeder for TIME:Social Freehold's Class B Net Accumulation

Share, Class D Net Income Share, Class F Net Accumulation Share, Class H Net Income Share, Class N Net Accumulation Share, Class P Net Income Share, Class S Net Accumulation Share and Class T Net Income Share classes. SFFT is wholly invested in TIME:Social Freehold and so it is expected that the performance and pricing of the Class I Net Accumulation Units, Class J Net Income Units, Class K Net Accumulation Units, Class L Net Income Units, Class Q Net Accumulation Units, Class R Net Income Units, Class U Net Accumulation Units and Class V Net Income Units of SFFT will mirror those of the B, D, F, H, N, P, S and T share classes of TIME:Social Freehold respectively.

The income units pay a six monthly income distribution (in November and May). The accumulation units' income is automatically reinvested, thereby enhancing the value of those units. Each unit class has the same rights on wind-up.

Each unit class has the same voting rights. For more information about voting rights please refer to Section 34 of the Trust's Prospectus, which is available on the Investment Manager's website www.time-investments.com/sff or is available from the Investment Manager on request by emailing enquiries@time-investments.com.

I and J Unit Classes

These unit classes are open to all investors, with no adviser commission payable.

ACCUMULATION	INCOME
Class I Net Accumulation Units	Class J Net Income Units
Units in respect of which net income is automatically reinvested.	Units in respect of which net income is distributed.
Initial fee: Up to 3% of subscription amount Minimum subscription: £5,000	Initial fee: Up to 3% of subscription amount Minimum subscription: £5,000

K and L Unit Classes

These unit 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 K Net Accumulation Units	Class L Net Income Units
Units in respect of which net income is automatically reinvested.	Units in respect of which net income is distributed.
Initial fee: Up to 5% of subscription amount Minimum subscription: £5,000	Initial fee: Up to 5% of subscription amount Minimum subscription: £5,000



The Golden Age

Cannock

Description A freehold development of 20 purpose built supported living units let to Inclusion Housing, a registered provider. The lease has a 60 year term and contains annual rent review periods with uplifts linked to RPI.

Location The site is located in Cannock which is a town located on the northwestern fringe of the West Midlands conurbation.

Report of the Authorised Fund Manager of the Trust (continued)

Q and R Unit Classes

These unit classes are only open to institutional investors, with no adviser commission payable.

ACCUMULATION	INCOME
Class Q Net Accumulation Units	Class R Net Income Units
Units in respect of which net income is automatically reinvested.	Units in respect of which net income is distributed.
Initial fee: Up to 7% of subscription amount Minimum subscription: £5,000,000	Initial fee: Up to 7% of subscription amount Minimum subscription: £5,000,000

U and V Unit Classes

These unit classes are only open to offshore (no-UK) professional or institutional investors payable.

ACCUMULATION	INCOME
Class U Net Accumulation Units	Class V Net Income Units
Units in respect of which net income is automatically reinvested.	Units in respect of which net income is distributed.
Initial fee: Up to 7% of subscription amount Minimum subscription: £5,000,000	Initial fee: Up to 7% of subscription amount Minimum subscription: £5,000,000

The dealing day for the issue of units in SFFT is 10am on the 10th day (or the next business day if the 10th day falls on a weekend or public holiday) of each month.

The cut off point for receipt of subscriptions is 10am on the business day two days prior to each dealing day being the 10th 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 I-L Units are required to be delivered no later than 10am five business days prior to the relevant dealing day. Classes Q, R, U and V for institutional investors only, all 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 10th of each month (or the next business day) after six months has expired.

Further details on the value of units in SFFT can be found by calling the Administrator on 0845 600 1213 or by email at enquiries@time-investments.com. A copy of the Application Form is available on the Investment Manager's website www.time-investments.com/sff or is available from the Investment Manager on request by emailing enquiries@time-investments.com.

Dilution adjustment

The Authorised Fund Manager does not intend to make a dilution adjustment to the price of units in SFFT. However, unitholders should be aware that the ACD may make a dilution adjustment in TIME:Social Freehold and that this may have a direct impact on units issued for SFFT. Please refer to Clause 16.4 of the Prospectus.

Investment Manager's report (continued)

TIME:Social Freehold

TIME:Social Freehold is a sub-fund of an umbrella Open-Ended Investment Company ("OEIC"), ARC TIME:Funds and was launched on 18 May 2017. TIME:Social Freehold is authorised by the FCA as a Non-UCITS Retail Scheme ("NURS"). TIME:Social Freehold has also elected into the Property Authorised Investment Fund ("PAIF") tax regime.

Details of TIME:Social Freehold's key service providers are:

Head Office: 338 Euston Road, London, NW1 3BG

Authorised Corporate Director ("ACD") and Alternative Investment Fund Manager ("AIFM"): Alpha Real Capital LLP

Investment Manager: TIME Investments

Depository: National Westminster Bank PLC

Custodian: The Northern Trust Company

Property Manager: Landa Asset Management PLC

Auditor: Mazars LLP

Standing Independent Valuer: CBRE Limited

Full details of the Trust and its key service providers are provided on page 17.

Statement concerning the debts of SFFT

Unitholders are not liable for the debts of SFFT.

Investment Objective and Investment Policy

Investment Objective

The aim of TIME:Social Freehold is to provide a secure and stable investment return primarily through acquiring social real estate. It is intended that the assets targeted for acquisition by TIME:Social Freehold will offer a consistent income stream with capital growth prospects. TIME:Social Freehold's aim is to provide investors with an income return (after all fees) of 5% per annum and some capital growth in the long term. Your capital is at risk and there is no guarantee that the target return will be achieved on an annual basis or over any other period of time.

It is intended that TIME:Social Freehold will be a PAIF at all times, and as such, its investment objective is to carry on 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:Social Freehold, capital will be invested primarily through acquiring social real estate. Such property assets will be held directly by TIME:Social Freehold, unless via interim holding vehicles for the sole purpose to permit completion of an acquisition of property. It is intended that no interim holding vehicles shall be retained by TIME:Social Freehold for a duration of more than 24 months but it may be longer.

In addition, principally to protect its liquidity, TIME:Social Freehold may 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 TIME:Social Freehold. The ACD will not invest more than 15% of the Net Asset Value in collective investment schemes. TIME:Social Freehold may also invest in equities (listed or unlisted), money market instruments and debt securities. TIME:Social Freehold may also utilise derivatives for investment purposes or for efficient portfolio management.

Changes to the Trust Deed and Prospectus of ARC TIME:Feeder Trusts

Changes to the Trust Deed of ARC TIME:Feeder Trusts

During the period there were no changes to the Trust Deed.

Changes to the Prospectus of ARC TIME:Feeder Trusts

During the period the following pre-notifiable change was made to the Prospectus, which is effective from 1 February 2018.

The investment policy of TIME:Social Freehold has, with FCA approval, been amended for liquidity and performance purposes to enable TIME:Social Freehold to acquire investments in any appropriate equities (listed or unlisted), money market instruments and debt securities.

Remuneration of AIFM

The provisions of the Alternative Investment Fund Managers Directive ("AIFMD") took effect in full on 22 July 2014. That legislation requires 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 Real Capital LLP, 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 in to 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 the Trust to dis-apply many of the technical requirements of the Code and proportionately apply the Code's rules and principles in establishing the Trust's policy.

Alpha Real Capital LLP

30 November 2017

About Alpha and TIME Investments

The Authorised Corporate Director (the “ACD”) and Alternative Investment Fund Manager (“AIFM”) is Alpha Real Capital LLP (“Alpha”), a Financial Conduct Authority (“FCA”) regulated co-investing institutional investment manager, with over £2.2 billion in assets under management, including capital commitments. Established in 2005, Alpha is owned by its partners and has offices in Central London and in Europe. Alpha Real Property Investment Advisers LLP trading as TIME Investments, a subsidiary of Alpha, is the Investment Manager of TIME:Social Freehold and it also provides administrative and transfer agency services. It is also regulated by the FCA.

TIME Investments has over 60 staff and forms the financial adviser facing division of Alpha. In addition to its role as Investment Manager of TIME:Social Freehold, it is also the Investment Manager of Freehold Income Authorised Fund (“TIME:Freehold”) and Commercial Freehold Fund (“TIME:Commercial Freehold”). The team also runs an Enterprise Investment Scheme (“EIS”) service, TIME:EIS, and two capital preservation focused Inheritance Tax (IHT) mitigation services, TIME:Advance and TIME:CTC (Corporate Trading Companies), the latter having a 22 year track record of successfully achieving 100% relief from IHT for qualifying investors. It also runs a unique growth focused IHT mitigation service, TIME:AIM, which invests in a portfolio of Alternative Investment Market (“AIM”) shares.

In October 2015, TIME Investments was awarded Best BPR Investment Manager at the Growth Investor Awards in recognition of the success to date of its tax efficient services. TIME Investments was also runner up in 2016 and 2017. TIME:Commercial Freehold was also Commended at the Moneyfacts 2016 awards in the Innovation category.

Against the backdrop of a challenging economic and political climate, many investors and advisers are understandably interested in the financial strength of the businesses they choose to entrust with their investments. With this in mind, it should be reassuring to note that the Alpha group has a strong balance sheet, has no borrowings and has been a profitable business every year since inception in 2005.



The Alpha group has over £2.2 billion of funds under management, has a strong balance sheet and has no borrowings.

Nigel Ashfield, Managing Director
TIME Investments

Review of the investment activities during the period – TIME:Social Freehold

Performance review

TIME:Social Freehold has generated a total return for the period from 18 May 2017 to 30 September 2017 of 1.94% (based on the Class A Gross Accumulation Shares), which includes the income return of 1.61% and a capital uplift of 0.33%. The annualised total return for the period from 18 May 2017 to 30 September 2017 is 5.21%.

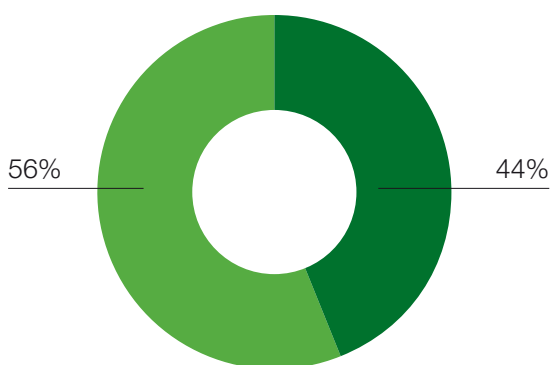
Property investment review

TIME:Social Freehold invests in a portfolio of UK based Social real estate assets which are typically freehold or long-term leasehold property assets or other infrastructure assets which are typically let on long-term leases (with initial leasehold terms in excess of 15 years), to providers of social services (such as those providing supported or assisted living, social housing, homes for the homeless, primary care, secondary care, high complex care or education) in the public and private sector. The assets are expected to provide investors with a secure long-term, inflation correlated income stream and capital growth, whilst generating a positive social impact. Social impact investing is a growing field of investment that intentionally creates positive social or environmental impacts as well as targeting a long term attractive risk adjusted return.

Since launch on 18 May 2017 TIME:Social Freehold acquired £5 million of long income property bringing the portfolio value at 30 September 2017 to £5 million across 3 properties.

Since period end TIME:Social Freehold acquired a further property in November 2017 for £0.8 million, increasing the value of the fund's property portfolio to £6.1 million.

TIME:Social Freehold – rent review type by rent



■ RPI 44% ■ CPI 56%

Source: TIME Investments, as at 30 September 2017

TIME:Social Freehold's current portfolio has a weighted average lease length of around 23 years versus a traditional average lease term of under 10 years in a typical commercial property fund. All of its portfolio has a form of inflation protection through periodic rental uplifts linked to the Retail Price Index ("RPI") or Consumer Price Index ("CPI") which occur typically annually or every 5 years.

Liquidity management

TIME:Social Freehold has cash reserves and significant investor interest in making future commitments to TIME:Social Freehold. This places TIME:Social Freehold in a strong position to target further acquisitions of long income property to enhance shareholder returns.

Outlook

Assets of the type held by TIME:Social Freehold are typically defensive in nature, longer dated and have a greater security of income than those typically held in traditional commercial property funds.

The longer term contracted rental income forms the majority of the anticipated return of TIME:Social Freehold's investments, making the return less reliant on capital value movements.

Due to the longevity and secure nature of long income property the Investment Manager expects TIME:Social Freehold to successfully generate steady, inflation linked income with the potential for capital growth for its shareholders.

All by value of TIME:Social Freehold's long income properties currently have periodic uplifts in rental income linked to RPI or CPI. All the properties have rental reviews that are upwards only. TIME:Social Freehold will benefit from any increase in the value of its rent over time, which will, in turn, offers its shareholders the potential for capital growth.

Nigel Ashfield for TIME Investments
Investment Manager
30 November 2017

Net Asset Value per share, Performance Record, Ongoing Charge

Net Asset Value

30 September 2017	Net Asset Value £'000	Net Asset Value per share £	Number of shares in issue
Class I Net Accumulation	582	1.0160	573,179.16
Class V Net Income	5,052	1.0160	4,972,155.92
	5,634		
Add: Equalisation post period adjustments	12		
Less: Distribution reinvested into TIME:Social Freehold for accumulation unitholders	(19)		
Less: Distribution payable to unitholders	(64)		
	5,563		

SFFT was launched on 18 May 2017. The table above shows the net asset value per unit at the end of the relevant accounting period.

All Unit Classes were launched on 18 May 2017.

As at 30 September 2017 there were no units issued in the J, K, L, Q, R, and U Unit Classes.

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

Performance Record

Class I Net Accumulation	Period ended 30 September 2017
Change in net asset per share	
Opening net asset value per unit	1.0000
Return before operating charges*	0.0266
Operating charges	(0.0106)
Return after operating charges*	0.0160
Closing net asset value per unit	1.0160
Retained distributions on accumulation units	-
*Return is stated after direct transaction costs of:	0.0225
Performance	
Return after charges on NAV per unit	1.60%
Other information	
Closing net asset value (£'000)	582
Closing number of units	573,179.16
Operating charges	1.06%
Direct transaction costs	2.24%
Prices	
Highest unit price	1.0160
Lowest unit price	1.0000

Class V Net Income	Period ended 30 September 2017
Change in net asset per share	
Opening net asset value per unit	1.0000
Return before operating charges*	0.0266
Operating charges	(0.0106)
Return after operating charges*	0.0160
Distributions on income units	-
Closing net asset value per share	1.0160
*Return is stated after direct transaction costs of:	0.0225
Performance	
Return after charges	1.60%
Other information	
Closing net asset value (£'000)	5,052
Closing number of units	4,972,155.92
Operating charges	1.06%
Direct transaction costs	2.24%
Prices	
Highest unit price	1.0160
Lowest unit price	1.0000

All Unit Classes were launched on 18 May 2017.

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

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

Ongoing Charge (OC)

	30 September 2017 %
Class I & J, U & V	1.61
Class K & L	1.86
Class Q & R	1.81

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

All expenses of SFFT are borne by the Authorised Fund Manager, Alpha Real Capital LLP.

Risk warning

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

An investment in a unit trust should be regarded as a medium to long term investment

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.

Investors should be aware that the price of units and the income from them can fall as well as rise and investors 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.

Portfolio Statement

As at 30 September 2017	%	Net Asset Value £'000
TIME:Social Freehold Class B Net Accumulation	10.34	575
TIME:Social Freehold Class T Net Income	89.66	4,988
Total investment value	100.00	5,563
Total net assets as at 30 September 2017	100.00	5,563

Statement of total return

For the period ended 30 September 2017

	Period ended 30 September 2017 £'000	Period ended 30 September 2017 £'000
Income		
Net capital loss		(22)
Income received from TIME:Social Freehold	82	
Net revenue before taxation	82	
Taxation	-	
Net revenue after taxation		82
Total return before distributions		60
Distributions		(81)
Change in net assets attributable to unitholders from investment activities		(21)

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 unitholders

For the period ended 30 September 2017

	Period ended 30 September 2017 £'000	Period ended 30 September 2017 £'000
Opening net assets attributable to unitholders		-
Amounts receivable on creation of units	7,929	
Amounts payable on cancellation of units	(2,363)	
		5,566
Income accumulated into capital		18
Change in net assets attributable to unitholders from investment activities		(21)
Closing net assets attributable to unitholders		5,563

Balance sheet

As at 30 September 2017

As at 30 September 2017	
£'000	
Assets	
Investment in TIME: Social Freehold	5,563
Debtors	64
Cash at Bank	-
Total assets	5,627
Liabilities	
Creditors	(64)
Total liabilities	(64)
Net assets attributable to unitholders	5,563

Authorised for issue and signed on behalf of the Authorised Fund Manager of the Trust on 30 November 2017.

Alpha Real Capital LLP

Statement of cash flows

For the period ended 30 September 2017

	Period ended 30 September 2017 £'000
Cash flow from operating activities	
Total return	(21)
Adjustments for:	
Net capital gains	22
Increase in debtors	(65)
Increase in creditors	64
Cash from operations	-
Cash flow from investing activities	
Disposal of shares in TIME:Social Freehold	2,363
Purchase of shares in TIME:Social Freehold	(7,929)
Net cash flow from investing activities	(5,566)
Cash flow from financing activities	
Creation of units	7,929
Cancellation of units	(2,363)
Net cash flow from financing activities	5,566
Net increase in cash	-
Cash at the beginning of the period	-
Cash at the end of the period	-

Notes to the financial statements

For the period ended 30 September 2017

1. Accounting policies

The principal accounting policies are summarised below.

(a) General Information

SFFT is an Authorised Unit Trust and was authorised by the Financial Conduct Authority ("FCA") with effect from 18 May 2017. SFFT has been established as a feeder trust for investment in Social Freehold Fund ("TIME:Social Freehold") for corporate investors or other investors who are not able to invest directly in TIME:Social Freehold for administrative reasons. SFFT's sole purpose is to acquire and hold shares in TIME:Social Freehold. SFFT was incorporated in the United Kingdom and its principal place of business is the office of the AFM.

(b) Functional and presentation currency

These financial statements have been presented in Sterling as this is SFFT's functional currency, being the primary currency in which the SFFT 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 Management Association in May 2014. These financial statements have been prepared under the historical costs convention, as modified for the fair value of 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 Trust Manager to exercise judgment in applying the accounting policies (see note 3).

(d) Basis of accounting

These financial statements present the income, expenditure, assets and liabilities of SFFT.

(e) Recognition of revenue

Distributions from TIME:Social Freehold are recognised to the extent they relate to the reporting period and have been declared by TIME:Social Freehold.

(f) Interest receivable

Interest income is accounted for on a receivable basis.

(g) Financial instruments

Investments in TIME:Social Freehold are initially measured at cost (which is equal to fair value at inception). Investments are subsequently measured at fair value derived from the quoted prices of TIME:Social Freehold or a fair value price as permitted by the Prospectus under Fair Value Pricing. If the dealing in TIME:Social Freehold is suspended, there is no dealing price available. Accordingly, the Investments are stated based upon the capital price at the balance sheet date. Fair value gains and losses from revaluation and/or sale are recorded in the Statement of Total Return as capital income.

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

All investments are valued at their fair value as at 30 September 2017.

Financial assets, being cash and amounts due from TIME:Social Freehold, 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.

(h) Taxation

SFFT is subject to corporation tax which is provided at the rate of 20% on taxable revenue, after the deduction of allowable expenses. In order to mitigate the requirement to pay tax directly SFFT has elected to hold shares in TIME:Social Freehold's net share classes from May 2015 and receive distributions net of withholding tax.

(i) Treatment of expenses

Expenses are recognised on an accrual basis.

Notes to the financial statements (continued)

For the period ended 30 September 2017

2. Distribution and equalisation policy

(a) Basis of distribution

Income is generated by SFFT'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 it has become due will be forfeited and will revert to SFFT.

(b) Apportionment to multiple unit classes

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

(c) Equalisation

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

Equalisation may be refunded on distribution or accumulated at the time of distribution. Unitholders 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 units for capital gains tax purposes.

3. Judgements in applying accounting policies and key estimation uncertainty

In applying SFFT's accounting policies, the Authorised Fund Manager of the Trust is required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Authorised Fund Manager of the Trust'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 Authorised Fund Manager of the Trust has made in the process of applying SFFT'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 investment holding in TIME:Social Freehold, The Authorised Fund Manager of the Trust 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 year.

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:

(ii) Valuation of investment holdings

SFFT's investment holding in TIME:Social Freehold is held at fair value derived from the quoted prices of TIME:Social Freehold or a fair value price as permitted by the Prospectus under Fair Value Pricing. The fair value of these investments may fluctuate depending on market conditions which affect TIME:Social Freehold. The fair value of the holdings could vary within the next financial year, making this an area of estimation uncertainty.

Notes to the financial statements (continued)

For the period ended 30 September 2017

4. Risk management policies

SFFT has wholly invested into TIME:Social Freehold and therefore exposed to the same risks as TIME:Social Freehold. The risk management policies of TIME:Social Freehold are:

(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:Social Freehold and in turn, SFFT.

SFFT's exposure to market price risk is comprised mainly of movements in the value of TIME:Social Freehold's investments in properties. TIME:Social Freehold invests in social real estate. This concentrates the risk to SFFT in one asset class.

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 TIME:Social Freehold to sell properties in order to meet redemptions, the amount realised from the sales may be materially less than the current valuation. Due to the nature of the asset class in TIME:Social Freehold, volatility in valuation movements is not considered to be material.

(b) Credit and liquidity risk

TIME:Social 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 period of high acquisitions. This review will encompass a detailed forecast of imminent liquidity requirements and a broad projection of cash requirements for the next twelve month period.

TIME:Social Freehold 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. SFFT's liquidity can be affected by unexpected or high levels of redemptions in TIME:Social Freehold. Cash is held to address liquidity risk but the spread of investors and the deferred redemption provision mitigate this risk. However, under certain market conditions where liquidity risk may be deemed to be elevated, the level of cash held by TIME:Social Freehold may be higher.

Where the Investment Manager considers it to be in the best interests of the investors, the Investment Manager may defer redemptions on a dealing day for redemption in the relevant unit class in respect of which a validly submitted redemption request, with a value in excess of £250,000, was received and accepted, to any one of the subsequent dealing days for redemption for a maximum of six months from the original dealing day for redemption. A redemption will be deferred within this timeline to a dealing day for redemption when the Investment Manager determines that TIME:Social Freehold has sufficient liquidity to enable it to meet the redemption, providing it is in the best interests of the investors to do so.

(c) Currency risk

All financial assets and liabilities of SFFT and TIME:Social Freehold are in Sterling, thus there is no exposure to currency risk at the balance sheet date.

(d) Interest rate risk

SFFT did not hold any cash as at the balance sheet date. Thus there is no exposure to interest rate risk at the balance sheet date other than through TIME:Social Freehold.

5. Post balance sheet events

On 30 November 2017, SFFT paid its interim distribution for the period ended 30 September 2017.

Company information and key service providers

Trust

ARC TIME:Feeder Trusts (the "Trust")

Sub-funds

Social Freehold Feeder Trust

Freehold Income Authorised Feeder Trust

Social Freehold Feeder Trust (launched 18 May 2017)

Registered Office

338 Euston Road
London NW1 3BG

Authorised Fund Manager and Alternative Investment Fund Manager

Alpha Real Capital LLP
338 Euston Road
London NW1 3BG

Authorised and regulated by the Financial Conduct Authority.

Investment Manager, Administrator and Transfer Agent

TIME Investments
338 Euston Road
London NW1 3BG

Authorised and regulated by the Financial Conduct Authority.

Trustee

National Westminster Bank PLC
1st Floor
Younger Building
3 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 Auditors

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 St
London EC2V 7WS

Bankers

Royal Bank of Scotland PLC
3 Redheughs Avenue
Edinburgh EH12 9RH



Alpha

TIME Investments
338 Euston Road
London NW1 3BG

Tel: 0845 600 1213
Fax: 020 7391 4770

Email: enquiries@time-investments.com
Web: time-investments.com

Alpha Real Capital LLP
338 Euston Road
London NW1 3BG

Tel: 020 7391 4700
Fax: 020 7391 4701

Web: www.alpharealcapital.com

TIME Investments is the trading name of Alpha Real Property Investment Advisers LLP which is registered in England and Wales with company number 0C355196. It is a subsidiary of Alpha Real Capital LLP with company number 0C312705. Both TIME Investments and Alpha Real Capital LLP are authorised and regulated by the Financial Conduct Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS. FCA registration number 534723 and 436048 respectively. November 2017