

ARC TIME: FEEDER TRUSTS

ANNUAL REPORT 2020

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

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Report of the Authorised Fund Manager of the Trust

The Authorised Fund Manager of ARC TIME:Feeder Trusts (the "Trust") presents the annual report and financial statements 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

The Trust is an Authorised Unit Trust and was incorporated on 3 April 2013. The Trust is authorised by the Financial Conduct Authority ("FCA") as a Non-UCITS Retail Scheme ("NURS"). The Trust is structured as an umbrella trust comprising of one sub-fund, ARC TIME Freehold Income Authorised Feeder Trust (formerly Freehold Income Authorised Feeder Trust) ("FIAFT").

Each sub-fund is a dedicated feeder trust for its respective master sub-fund of ARC TIME:Funds (the "Company"). The sub-funds are generally intended for investors who are unable to access the respective master sub-funds directly as a result of administrative issues which govern a PAIF or for bodies corporate where their holding in the master sub-fund would exceed 10% of NAV.

The annual report and audited financial statements for FIAFT for the year to 31 March 2020 are set 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.

Investment structure

FIAFT has been established as a feeder trust for investment in ARC TIME Freehold Income Authorised Fund (formerly Freehold Income Authorised Fund ("TIME:Freehold")) and its sole investment is in TIME:Freehold's B, D, F, H, S and T Share Classes.

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.

A copy of the Trust Prospectus and Application Form are available on the Investment Manager's website www.time-investments.com or are available from the Investment Manager on request by emailing enquiries@time-investments.com.

Full Trust details and its key service providers are provided on page 35.

Management of the Trust

NatWest Trustee and Depositary Services Limited acts as the Trustee of the Trust, with the role of Custodian delegated to The Northern Trust Company. Alpha Real Capital LLP ("Alpha") is the Trust Manager and the

Alternative Investment Fund Manager ("AIFM") of the Trust. TIME Investments acts as the Investment Manager, Administrator and Transfer Agent of the Trust.

Statement concerning debts

Investors are not liable for the debts of the Trust.

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

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 Trust Deed and Prospectus were made.

Changes to the Trust Deed of ARC TIME:Feeder Trusts

Change of name of FIAFT to add the prefix 'ARC TIME', with the name changed to ARC TIME Freehold Income Authorised Feeder Trust.

Changes to the Prospectus of ARC TIME:Feeder Trusts

The following changes were made in the period:

- Change of name of FIAFT to add the prefix 'ARC TIME', with the name changed to ARC TIME Freehold Income Authorised Feeder Trust.
- Change of Investment Objective of TIME:Freehold to remove the 5% per annum total return target. This change is significant and effective after 60 days the date of these financial statements.
- 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.

Dealing suspension, COVID-19 and lifting of the suspension

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

The suspension of dealing in FIAFT was directly as a result of TIME:Freehold'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 TIME:Freehold. 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 FIAFT and TIME:Freehold.

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

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 FIAFT or TIME:Freehold could receive a unit or share price respectively significantly different than its underlying value. This may also impact unitholders and shareholders who remain invested in FIAFT or TIME:Freehold respectively. As such the suspension was undertaken with regard to the best interests of all investors in FIAFT and TIME:Freehold.

TIME Freehold did not suspend for liquidity nor performance reasons and without the material uncertainty opinion from the valuer, FIAFT and TIME:Freehold 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, FIAFT and TIME:Freehold reopened for dealing in its units and shares respectively.

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.

Brexit Risk Assessment

ARC TIME:Feeder Trusts has mitigated the cross-border risk of Brexit as the properties invested in by TIME:Freehold (“master fund”) are located within the UK. Additionally TIME:Freehold's cash reserves are only held in pounds sterling. While the cross-border risks of Brexit have been mitigated TIME:Freehold 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 TIME:Freehold would, as long income property, provide greater defensive characteristics to mitigate the effect on TIME:Freehold of any Brexit related downturn in the property market or in the wider economy, when compared against conventional property funds with shorter lease lengths.

Going concern

The ACD has assessed TIME:Freehold to be a going concern and as a result the AFM considers FIAFT to be a going concern.

In arriving at this assessment the ACD has taken account of the cash reserves and readily realisable investments of TIME:Freehold, its undrawn loan facility, its capital commitments, its six monthly distributions and ongoing operating costs and its reasonable expectation of FIAFT's and TIME:Freehold'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 TIME:Freehold'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 Companies Prospectus and clauses 14.4, 16, 18, 19 and 20 of the Trust's Prospectus for details) that are available to take action to ensure TIME:Freehold 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, TIME:Freehold 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.

Remuneration of Alternative Investment Fund Managers

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 AIFM to dis-apply many of the technical requirements of the Code and proportionately apply the Code's rules and principles in establishing the AIFM's policy.

For and on behalf of ARC TIME:Feeder Trusts
Authorised Fund Manager of the Trust
Alpha Real Capital LLP

28 August 2020

ARC TIME: FEEDER TRUSTS

Statement of Authorised Fund Manager of the Trust's responsibilities in relation to the financial statements of the Trust

The Authorised Fund Manager of the Trust is responsible for preparing the financial statements in accordance with applicable law and FRS 102 'The Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland' (FRS 102).

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

- select suitable accounting policies and then apply them consistently;
- make suitable judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements in accordance with the 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;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business; and
- take reasonable steps for the prevention and detection of fraud and other irregularities.

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.

For and on behalf of ARC TIME:Feeder Trusts
Authorised Fund Manager of the Trust
Alpha Real Capital LLP

28 August 2020

Statement of Trustee's responsibilities

The Trustee must ensure that the Trust is managed in accordance with the Financial Conduct Authority's ("FCA") Collective Investment Scheme Sourcebook, the Investment Funds Sourcebook, the Financial Services and Market's Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

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

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

The Trustee must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust is booked into cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in Trust's assets is remitted to the Trust within the usual time limits;
- Trust'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 Trustee also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Scheme documents and the Regulations in relation to the investment and borrowing powers applicable to the Trust.

Report of the Trustee to the unitholders of the Trust

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

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

NatWest Trustee and Depositary Services Limited

28 August 2020

Independent auditor's report

to the unitholders of ARC TIME:Feeder Trusts

Opinion

We have audited the financial statements of ARC TIME: Feeder Trusts ("the Trust") and its sub-trust, ARC TIME Freehold Income Authorised Feeder Trust (formerly Freehold Income Authorised Feeder Trust) ("FIAFT") for the year ended 31 March 2020 which comprise the sub-trust's Statement of Total Return, Statement of Change in Net Assets Attributable to Unitholders, 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 Trust Deed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2020 and of the net revenue and the net capital gain of the scheme property of the Trust 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 Trust Deed.

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 Trust 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 Freehold Income Authorised Feeder Trust

In forming our opinion on FIAFT's financial statements, which is not modified, we draw your attention to the material uncertainty which existed at the year-end on the investment valuation of £30,809,588 of FIAFT's investment in TME: Freehold as disclosed in the Authorised Fund Manager's report on pages 1 and 2, the 'Key sources of estimation uncertainty' note 3(i) on page 28, the 'risk management policies' note 4a on page 29 and post balance sheet events note 14 on page 33.

The outbreak of COVID-19 created access restrictions and impacted global financial markets, which led to the property valuations in TIME: Freehold as at the year-end having a material uncertainty due to a lack of comparable data to base valuations on and therefore material uncertainty in the valuation of FIAFT's investment in TIME: Freehold.

Since the year end, the material uncertainty clause has been removed from all property valuations in TIME: Freehold'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 Fund Manager's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Authorised Fund Manager has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust'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 Fund Manager is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report (continued)

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 Fund Manager of the Trust for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Authorised Fund Manager of the Trust 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Authorised Fund Manager.

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 Fund Manager

As explained more fully in the Statement of Authorised Fund Manager's responsibilities set out on page 4, the Authorised Fund Manager 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 Fund Manager 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 Fund Manager is responsible for assessing the Trust'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 Fund Manager either intend to liquidate the Trust 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 Trust'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 Trust 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 Trust and the Trust's 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 Fund Manager. 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 FEEDER TRUST

(formerly Freehold Income Authorised Feeder Trust)

('FIAFT')

A sub-fund of ARC TIME:Feeder Trusts

Investment structure of FIAFT

FIAFT is a dedicated feeder trust and wholly invests into TIME:Freehold's Class B Net Accumulation, Class D Net Income, Class F Net Accumulation, Class H Net Income, Class S Net Accumulation and Class T Net Income Share Classes only.

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/freehold or is available from the Investment Manager on request by emailing enquiries@time-investments.com.

I-J Unit Classes	
These unit classes are open to all investors (except ISA Investors). These two unit classes are Retail Distribution Review (RDR) compliant, with no commission payable to Financial Advisers.	
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 1% of subscription amount Minimum subscription: £5,000	Initial fee: Up to 1% of subscription amount Minimum subscription: £5,000

K-L Unit Classes	
New applications for the following 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 3% of subscription amount Minimum subscription: £5,000	Initial fee: Up to 3% of subscription amount Minimum subscription: £5,000

U-V Unit Classes	
These unit 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 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

Investment structure of FIAFT (continued)

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

The dealing day for the issue of 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.

The cut off point for receipt of subscriptions is 10am on the business day two days prior to each relevant dealing day being the 12th 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. Unit Classes U and V, 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 units in FIAFT can be found by calling the Investment Manager on 0345 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/freehold or is available from the Investment Manager on request by emailing enquiries@time-investments.com.

Dilution levy

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

TIME:Freehold

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

Details of TIME: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

Depository: NatWest Trustee and Depository Services Limited

Custodian: The Northern Trust Company

Investment Manager: TIME Investments

Property Manager: Freehold Managers PLC

Auditor: Mazars LLP

Standing Independent Valuer: BNP Paribas Real Estate UK

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.

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.

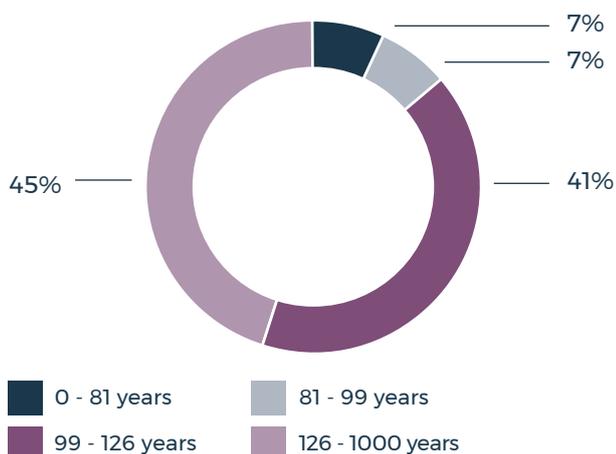
Of the Fund's leases, 87% by rental value allow for periodic rent reviews linked to Retail Price Index ("RPI"), property values or fixed uplifts.

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

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.

Review of the investment activities during the year – TIME:Freehold

Investment Objective of TIME:Freehold

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 of TIME:Freehold

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.

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 Cross 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.

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 pages 16 and 17 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.

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.

Review of the investment activities during the period – TIME:Freehold (continued)

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 "doublers" which represent 15.5% of the portfolio are typically 20 years (1.1%), 25 years (12.1%) and 33 years (2.3%).

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.

Review of the investment activities during the period – TIME:Freehold (continued)

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).

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.

Review of the investment activities during the period – TIME:Freehold (continued)

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 unit, Performance Record, Ongoing Charge

Net Asset Value

31 March 2020	Net Asset Value £'000	Net Asset Value per unit £	Number of units in issue
Class I Net Accumulation	20,347	7.0552	2,884,038.07
Class J Net Income	8,898	2.2454	3,962,790.90
Class K Net Accumulation	422	6.9233	60,909.31
Class L Net Income	1,744	2.2081	789,658.25
	31,411		
Less: Tax payable	(12)		
Less: Distribution reinvested into TIME:Freehold for accumulation unitholders	(394)		
Less: Distribution payable to unitholders	(201)		
	30,804		

FIAFT was launched on 25 April 2013. The tables show the net asset value per unit at the end of the relevant accounting period.

31 March 2019	Net Asset Value £'000	Net Asset Value per unit £	Number of units in issue
Class I Net Accumulation	21,486	6.7574	3,179,587.68
Class J Net Income	9,684	2.2307	4,341,415.18
Class K Net Accumulation	365	6.6482	54,953.78
Class L Net Income	1,876	2.1994	853,181.62
	33,411		
Add: Equalisation post period adjustments	10		
Less: Tax payable	(9)		
Less: Distribution reinvested into TIME:Freehold for accumulation unitholders	(426)		
Less: Distribution payable to unitholders	(221)		
	32,765		

Unit Classes I-L were launched on 25 April 2013 and Unit Classes U-V were launched on 14 September 2016.

There are currently no units issued in the U and V Unit Classes.

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

Performance Record

Class I Net Accumulation	31 March 2020	31 March 2019	31 March 2018
CHANGE IN NET ASSETS PER UNIT			
Opening net asset value per unit	6.7574	6.2755	5.8055
Return before operating charges*	0.4045	0.5835	0.5615
Operating charges	(0.1067)	(0.1016)	(0.0915)
Return after operating charges*	0.2978	0.4819	0.4700
Closing net asset value per unit	7.0552	6.7574	6.2755
Retained distributions on accumulation units	0.2476	0.2222	0.2045
*Returns are stated after direct transaction costs of:	0.0084	0.0027	0.0152
PERFORMANCE			
Return after charges	4.41%	7.68%	8.10%
OTHER INFORMATION			
Closing net asset value (£'000)	20,347	21,486	14,343
Closing number of units	2,884,038.07	3,179,587.68	2,285,620.39
Operating charges	1.54%	1.55%	1.51%
Performance fee	0.00%	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest unit price	7.0552	6.7574	6.2755
Lowest unit price	6.7766	6.3294	5.8527

Class J Net Income	31 March 2020	31 March 2019	31 March 2018
CHANGE IN NET ASSETS PER UNIT			
Opening net asset value per unit	2.2307	2.1453	2.0548
Return before operating charges*	0.1300	0.1942	0.1939
Operating charges	(0.0342)	(0.0336)	(0.0317)
Return after operating charges*	0.0958	0.1606	0.1622
Distributions on income units	(0.0811)	(0.0752)	(0.0717)
Closing net asset value per unit	2.2454	2.2307	2.1453
* Returns are stated after direct transaction costs of:	0.0027	0.0009	0.0053
PERFORMANCE			
Return after charges	4.29%	7.49%	7.89%
OTHER INFORMATION			
Closing net asset value (£'000)	8,898	9,684	37,489
Closing number of unit	3,962,790.90	4,341,415.18	17,474,821.19
Operating charges	1.54%	1.55%	1.51%
Performance fee	0.00%	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest unit price	2.2454	2.2307	2.1453
Lowest unit price	2.1948	2.1256	2.0357

Unit Classes I-L were launched on 25 April 2013 and Unit Classes U-V were launched on 14 September 2016.

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

Direct transactions costs relate to costs incurred by TIME:Freehold for each of its asset classes.

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

Performance Record (continued)

Class K Net Accumulation	31 March 2020	31 March 2019	31 March 2018
CHANGE IN NET ASSETS PER UNIT			
Opening net asset value per unit	6.6482	6.1903	5.7418
Return before operating charges*	0.3989	0.5745	0.5543
Operating charges	(0.1238)	(0.1166)	(0.1058)
Return after operating charges*	0.2751	0.4579	0.4485
Closing net asset value per unit	6.9233	6.6482	6.1903
Retained distributions on accumulation units	0.2435	0.2193	0.2021
* Returns are stated after direct transaction costs of:	0.0082	0.0026	0.0151
PERFORMANCE			
Return after charges	4.14%	7.40%	7.81%
OTHER INFORMATION			
Closing net asset value (£'000)	422	365	1,211
Closing number of units	60,909.31	54,953.78	195,695.25
Operating charges	1.82%	1.81%	1.76%
Performance fee	0.00%	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest unit price	6.9233	6.6482	6.1903
Lowest unit price	6.6660	6.2422	5.7871
Class L Net Income			
CHANGE IN NET ASSETS PER UNIT			
Opening net asset value per unit	2.1994	2.1210	2.0369
Return before operating charges*	0.1283	0.1919	0.1918
Operating charges	(0.0398)	(0.0389)	(0.0367)
Return after operating charges*	0.0885	0.1530	0.1551
Distributions on income units	(0.0798)	(0.0746)	(0.0710)
Closing net asset value per unit	2.2081	2.1994	2.1210
* Returns are stated after direct transaction costs of:	0.0026	0.0009	0.0052
PERFORMANCE			
Return after charges	4.02%	7.21%	7.61%
OTHER INFORMATION			
Closing net asset value (£'000)	1,744	1,876	2,163
Closing number of unit	789,658.25	853,181.62	1,019,832.17
Operating charges	1.82%	1.81%	1.76%
Performance fee	0.00%	0.03%	0.26%
Direct transaction costs	0.12%	0.04%	0.25%
PRICES			
Highest unit price	2.2083	2.1994	2.1210
Lowest unit price	2.1636	2.1010	2.0175

Unit Classes I-L were launched on 25 April 2013 and Unit Classes U-V were launched on 14 September 2016.

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

Direct transactions costs relate to costs incurred by TIME:Freehold for each of its asset classes.

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

Ongoing Charge (OC)

	31 March 2020 (%)	31 March 2019 (%)
Class I - J	1.68	1.69
Class K - L	1.94	1.96
Class U - V	1.93	1.95

The Ongoing Charge (OC) represents the total annualised expenses of TIME: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 the Fund 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.

All expenses of FIAFT 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. Past performance is not a guide to future performance.

An investment in a unit trust 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.

FIAFT has mitigated the cross-border risk of Brexit as TIME:Freehold'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 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 ongoing review 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 unit, Performance Record, Ongoing Charge (continued)

Dealing suspension, COVID-19 and lifting of the suspension

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

The suspension of dealing in FIAFT 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 FIAFT and 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 FIAFT or the Fund could receive a unit or share price respectively significantly different than its underlying value. This may also impact unitholders and shareholders who remain invested in FIAFT or the Fund respectively. As such the suspension was undertaken with regard to the best interests of all investors in FIAFT and the Fund.

The Fund did not suspend for liquidity nor performance reasons and without the material uncertainty opinion from the valuer, FIAFT and the 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, FIAFT and the Fund reopened for dealing in its units and shares respectively.

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.

For further risk information please see the Prospectus.

Portfolio Statement

31 March 2020	%	Net Asset Value £'000
TIME:Freehold Share Class B Net Accumulation (3,206,912.31 shares)	64.79	19,958
TIME:Freehold Share Class D Net Income (4,386,478.19 shares)	28.33	8,728
TIME:Freehold Share Class F Net Accumulation (90,640.32 shares)	1.34	414
TIME:Freehold Share Class H Net Income (804,445.64 shares)	5.55	1,710
Total investment value	100.01	30,810
Other net liabilities	(0.01)	(6)
Total net assets as at 31 March 2020	100.00	30,804

31 March 2019	%	Net Asset Value £'000
TIME:Freehold Share Class B Net Accumulation (3,175,959.00 shares)	64.32	21,074
TIME:Freehold Share Class D Net Income (4,341,415.17 shares)	28.99	9,499
TIME:Freehold Share Class F Net Accumulation (54,894.14 shares)	1.09	358
TIME:Freehold Share Class H Net Income (853,181.62 shares)	5.61	1,840
Total investment value	100.02	32,771
Other net liabilities	(0.02)	(6)
Total net assets as at 31 March 2019	100.00	32,765

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	5		293		1,743
Distributions received from TIME:Freehold		1,180		1,315	
Net revenue before taxation		1,180		1,315	
Taxation		(12)		(22)	
Net revenue after taxation			1,168		1,293
Total return before distributions			1,461		3,036
Distributions	6		(1,168)		(1,293)
Change in net assets attributable to unitholders from investment activities			293		1,743

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 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 unitholders		32,765		54,215
Amounts receivable on creation of units	2,913		8,336	
Amounts payable on cancellation of units	(5,931)		(32,224)	
		(3,018)		(23,888)
Income accumulated into capital		764		695
Change in net assets attributable to unitholders from investment activities		293		1,743
Closing net assets attributable to unitholders		30,804		32,765

Balance sheet

As at 31 March 2020

	Note	As at 31 March 2020 £'000	As at 31 March 2019 £'000
ASSETS			
Investment in the TIME:Freehold	7	30,810	32,771
Debtors	8	205	224
Cash at bank		2	1
Total assets		31,017	32,996
LIABILITIES			
Creditors	9	(213)	(231)
Total liabilities		(213)	(231)
Net assets attributable to unitholders		30,804	32,765

Authorised for issue and signed on behalf of the Authorised Fund Manager of the Trust 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 FLOW FROM OPERATING ACTIVITIES		
Total return	293	1,743
Adjustments for:		
Net capital gains	(293)	(1,743)
Decrease in debtors	19	482
Decrease in creditors	(18)	(476)
Cash from operations	1	6
Tax paid	(9)	(42)
Net cash flow from operating activities	(8)	(36)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of shares in TIME:Freehold	(2,911)	(8,342)
Disposal of shares in TIME:Freehold	5,939	32,239
Distributions received from TIME:Freehold	426	1,104
Net cash flow from investing activities	3,454	25,001
CASH FLOW FROM FINANCING ACTIVITIES		
Creation of units	2,913	8,336
Cancellation of units	(5,931)	(32,224)
Distributions paid	(427)	(1,093)
Net cash flow from financing activities	(3,445)	(24,981)
Net increase/(decrease) in cash	1	(16)
Cash at the beginning of the year	1	17
Cash at the end of the year	2	1

Please note that the cash movements for the creation and cancellation of units and also the purchase and disposal of shares in TIME:Freehold that are presented in the Statement of Cash Flows are not direct cash movements of FIAFT. The cash is sent directly between the Collection Agent and TIME:Freehold.

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

ARC TIME Freehold Income Authorised Feeder Trust (formerly Freehold Income Authorised Feeder Trust) ("FIAFT") is an Authorised Unit Trust and was authorised by the Financial Conduct Authority ("FCA") with effect from 25 April 2013.

FIAFT has been established as a feeder trust for investment in ARC TIME Freehold Income Authorised Fund ("TIME:Freehold" or the "Fund") for corporate investors or other investors who are not able to invest directly in the Fund for administrative reasons. FIAFT's sole purpose is to acquire and hold shares in the Fund.

FIAFT was incorporated in the United Kingdom and its principal place of business is the office of the Authorised Fund Manager ("AFM").

(b) Functional and presentational currency

These financial statements have been presented in Sterling as this is FIAFT's functional currency, being the primary currency in which FIAFT 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, the Collective Investment Schemes Sourcebook (COLL) and the Trust Deed.

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 ACD to exercise judgement in applying the accounting policies (see note 3).

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 has assessed TIME:Freehold to be a going concern and as a result the AFM considers FIAFT 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 Fund's Prospectus and clauses 14.4, 16, 18, 19 and 20 of FIAFT's 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) Basis of accounting

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

(f) Recognition of revenue

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

(g) Interest receivable

Interest income is accounted for on a receivable basis.

(h) Financial instruments

Investments in TIME: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 the Fund or a fair value price as permitted by the Prospectus under Fair Value Pricing. If the dealing in the Fund 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 31 March 2020.

Financial assets, being cash and amounts due from the Fund, 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.

(i) Taxation

FIAFT is subject to corporation tax which is provided at the rate of 20% on taxable revenue, after the deduction of allowable expenses.

(j) Treatment of expenses

Expenses are recognised on an accrual basis.

Notes to the financial statements (continued)

For the year to 31 March 2020

2. Distribution and equalisation policy

(a) Basis of distribution

Income is generated by FIAFT'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 FIAFT.

(b) Apportionment to multiple unit classes

The allocation of revenue and expenses to each unit class is based on the proportion of FIAFT'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 FIAFT's accounting policies, the Authorised Fund Manager is required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Authorised Fund Manager'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 has made in the process of applying FIAFT'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:Freehold, the Authorised Fund Manager 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) Valuation of investment holdings

FIAFT's investment holding in the Fund is held at fair value derived from the quoted prices of the Fund 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 the Fund. The fair value of the holdings could vary within the next financial year, making this an area of estimation uncertainty.

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

The suspension of dealing in FIAFT 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.

This material uncertainty over the Fund's assets subsequently placed a material uncertainty over the value of FIAFT's investment holding in the Fund.

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.

Notes to the financial statements (continued)

For the year to 31 March 2020

4. Risk management policies

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

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

The suspension of dealing in FIAFT 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 FIAFT and 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 FIAFT or the Fund could receive a unit or share price respectively significantly different than its underlying value. This may also impact unitholders and shareholders who remain invested in FIAFT or the Fund. As such the suspension was undertaken with regard to the best interests of all investors in FIAFT and the Fund.

The Fund did not suspend for liquidity nor performance reasons and without the material uncertainty opinion from the valuer, FIAFT and 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, FIAFT and the Fund reopened for dealing in its units and shares respectively.

(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 FIAFT for a particular valuation point on a dealing day which exceed 10% of the Net Asset Value of FIAFT, the AIFM may defer redemptions to the next dealing day.

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

The Administrator, on behalf of the AIFM, may make a charge on the redemption of units 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 units of up to 5% of the total amount redeemed.

(c) Currency risk

All financial assets and liabilities of FIAFT and the Fund are in Sterling, thus there is no exposure to currency risk at the balance sheet date.

(d) Interest rate risk

FIAFT held cash £2,239 as at the balance sheet date, the risk on this is minimal.

Notes to the financial statements (continued)

For the year to 31 March 2020

4. Risk management policies (continued)

(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 ongoing review 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).

5. Net capital gains

(a) Realised gains on investments

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Redemption proceeds on sale of shares in TIME:Freehold	5,939	32,239
Cost of investment	(5,220)	(27,458)
Realised gains on investments in TIME:Freehold	719	4,781

(b) Unrealised losses on investments

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Unrealised losses on investments	(426)	(3,038)
Total unrealised losses	(426)	(3,038)

(c) Total net capital gains

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Total net capital gains	293	1,743

Notes to the financial statements (continued)

For the year to 31 March 2020

6. Distributions

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Class I Net Accumulation	746	679
Class J Net Income	339	531
Class K Net Accumulation	19	16
Class L Net Income	64	67
Distributions for the year	1,168	1,293

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

Interim distribution accounting date 30 September 2019 paid 29 November 2019.

Final distribution accounting date 31 March 2020 paid 29 May 2020.

	Total Revenue p	Distribution Paid 29/05/2020 p	Distribution Paid 30/11/2019 p
Class I Net Accumulation	25.30	13.30	12.00
Class J Net Income	8.13	4.24	3.89
Class K Net Accumulation	24.87	13.07	11.80
Class L Net Income	8.00	4.17	3.83

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

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

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

	Total Revenue p	Distribution Paid 31/05/2019 p	Distribution Paid 30/11/2018 p
Class I Net Accumulation	23.89	12.76	11.13
Class J Net Income	7.96	4.22	3.74
Class K Net Accumulation	23.55	12.55	11.00
Class L Net Income	7.85	4.15	3.70

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.

Notes to the financial statements (continued)

For the year to 31 March 2020

7. Investments

	Cost	Net unrealised appreciation	Net book value
	£'000	£'000	£'000
As at 1 April 2019	25,157	7,614	32,771
Additions	2,911	-	2,911
Disposals (note 5)	(5,220)	-	(5,220)
Net decrease in unrealised appreciation	-	(426)	(426)
Accumulation dividend reinvested	-	774	774
As at 31 March 2020	22,848	7,962	30,810

8. Debtors: amounts falling due within one year

	31 March 2020	31 March 2019
	£'000	£'000
Amounts due from TIME:Freehold	204	224
Other debtors	1	-
	205	224

9. Creditors: amounts falling due within one year

	31 March 2020	31 March 2019
	£'000	£'000
Distribution payable to unitholders	201	222
Taxation	12	9
	213	231

10. Financial instruments

	31 March 2020	31 March 2019
	£'000	£'000
Investments measured at fair value	30,810	32,771
Financial assets measured at transaction price	205	224
Cash	2	1
Financial liabilities measured at transaction price	201	231

11. Movement in units

	Opening number of units as at 1 April 2019	Units issued	Units cancelled	Conversions in	Conversions out	Closing number of units 31 March 2020
Class I Net Accumulation	3,179,587.68	229,669.58	(527,973.04)	2,753.85	-	2,884,038.07
Class J Net Income	4,341,415.18	470,128.85	(848,753.13)	-	-	3,962,790.90
Class K Net Accumulation	54,953.78	44,114.44	(38,158.91)	-	-	60,909.31
Class L Net Income	853,181.62	-	(54,896.37)	-	(8,627.00)	789,658.25

Notes to the financial statements (continued)

For the year to 31 March 2020

12. Commitments, contingent liabilities and contingent assets

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

13. 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 Authorised Fund Manager, Investment Manager and Depositary 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.

TIME:Freehold is a related party by virtue of joint management. All income is received from investments in TIME:Freehold. As at 31 March 2020 a balance of £223,587 was due from TIME:Freehold.

Alpha Real Capital LLP is the Authorised Fund Manager of FIAFT and the parent of the Investment Manager and thus is considered a related party to FIAFT.

14. Post balance sheet events

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

Please refer to pages 1 and 2 of the AFM report and pages 16 and 17 of the Investment Review in reference to the impact COVID-19 has had on FIAFT and the Fund and their performance since the year end.

Further information

Trust information and key service providers

Trust

ARC TIME:Feeder Trusts (the "Trust")

Sub-fund

ARC TIME Freehold Income Authorised Feeder Trust
(formerly Freehold Income Authorised Feeder Trust)

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
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London NW1 3BG

Authorised and regulated by the
Financial Conduct Authority.

Trustee

NatWest Trustee and Depositary 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 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
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Milton Keynes MK9 1FF

Legal Advisers

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London
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Bankers

The Northern Trust Company
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Canary Wharf
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Royal Bank of Scotland PLC
NatWest Trustee and Depositary Services Limited
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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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