

ARC TIME SOCIAL LONG INCOME FEEDER TRUST

(formerly Social Long Income Feeder Trust)

Investments that give, as they give back.
A social infrastructure fund targeting
income and capital growth.



ANNUAL REPORT 2020

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

TIME
INVESTMENTS

Contents

- 1** Report of the Authorised Fund Manager of the Trust*
- 7** About Alpha and TIME Investments
- 8** Review of the investment activities during the year – TIME:Social Long Income*
- 10** Statement of Authorised Fund Manager of the Trust’s responsibilities
- 10** Statement of Trustee’s responsibilities
- 11** Independent auditor’s report
- 13** Net Asset Value per share, Performance Record, Ongoing Charge
- 18** Portfolio Statement*
- 19** Statement of total return
- 19** Statement of change in net assets attributable to unitholders
- 20** Balance sheet
- 21** Statement of cash flows
- 22** Notes to the financial statements
- 28** Company information and key service providers

* Collectively these comprise the Authorised Corporate Director’s report

Report of the Authorised Fund Manager of the Trust

We are pleased to present the annual report and financial statements for ARC TIME Social Long Income Feeder Trust (“SLIFT”), a sub-fund of an umbrella unit trust, ARC TIME:Trusts II (the “Trust”), for the year to 31 March 2020. This report is available on the Investment Manager’s website www.time-investments.com/slip or is available from the Investment Manager on request by emailing enquiries@time-investments.com.

Statement of authorised status of the scheme

The name of SLIFT and the master fund, Social Long Income PAIF, has changed to ARC TIME Social Long Income Feeder Trust and ARC TIME Social Long Income PAIF respectively. This change has been approved by the FCA effective from 16 March 2020. There is no change to how the Fund is managed or its investment objective.

SLIFT is an Authorised Unit Trust and was authorised by the Financial Conduct Authority (“FCA”) with effect from 1 April 2019. SLIFT has been established as a feeder trust for investment in the ARC TIME Social Long Income PAIF (“TIME:Social Long Income” or the “Fund”) for corporate investors or other investors who are not able to invest directly in the Fund for administrative reasons. SLIFT’s sole purpose is to acquire and hold shares in the Fund.

Exchange Offer and Merger with Social Long Income Feeder Trust

On 22 March 2019 Unitholder consent to exchange units in Social Freehold Feeder Trust for equivalent units in a new FCA authorized feeder trust, ARC TIME Social Long Income Feeder Trust (“SLIFT”), was unanimously given by unitholders who returned a Form of Proxy.

Proposals were also approved by shareholders to exchange shares in TIME:Social Freehold for equivalent shares in a new FCA authorised fund, ARC TIME Social Long Income PAIF.

The changes have had no material impact for unitholders and no tax consequences for UK investors. This change was approved by the FCA and became effective on 1 April 2019. The new funds are materially similar to the old funds and all units were transferred at the same value on a 1 for 1 basis.

Any historical information, pre 1 April 2019, stated in these financial statements relate to Social Freehold Feeder Trust.

Investment structure

SLIFT has elected to receive distributions from TIME:Social Long Income net of withholding tax. Therefore SLIFT is a feeder for the Fund’s Net Share Classes. SLIFT is wholly invested in the Fund’s Net Share Classes and so it is expected that the performance and pricing of SLIFT’s Unit Classes will materially follow those of the B, D, F, H, N, P, S and T share classes of the Fund.

The income units pay a quarterly income distribution (in June, September, December and March). 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/slip or is available from the Investment Manager on request by emailing enquiries@time-investments.com.

I and J Unit Classes	
These unit classes are open to all investors. These 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: 0%	Initial fee: 0%
Minimum subscription: £5,000	Minimum subscription: £5,000

LONG LEASE

FIR TREE COURT

CANNOCK, WEST MIDLANDS



Purpose built supported living development comprising 16 apartments and four bungalows.

Sector

Supported living

Tenant

Inclusion Housing

Location

Cannock, West Midlands

LONG LEASE

IVF CLINIC

HARLEY STREET, LONDON



The Grade II listed property is let to IVF Hammersmith Ltd who are permitted to undertake diagnostic, screening and surgical procedures.

Sector

Medical facility

Tenant

IVF Hammersmith

Location

Harley Street, Marylebone, London

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

K and L Unit Classes	
These unit classes are only open to non-UK Financial Advisers with non-UK Investors. Financial Advisers may be eligible for Initial and Trail Commission.	
ACCUMULATION	INCOME
Class K Net Accumulation Units	Class L Net Income Units
Units in respect of which net income is automatically reinvested.	Units in respect of which net income is distributed.
Initial fee: 0%	Initial fee: 0%
Minimum subscription: £5,000	Minimum subscription: £5,000

Q and R Unit Classes	
These unit classes are only open to institutional investors, with no adviser commission payable.	
ACCUMULATION	INCOME
Class Q Net Accumulation Units	Class R Net Income Units
Units in respect of which net income is automatically reinvested.	Units in respect of which net income is distributed.
Initial fee: 0%	Initial fee: 0%
Minimum subscription: £5,000,000	Minimum subscription: £5,000,000

U and 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: 0%	Initial fee: 0%
Minimum subscription: £5,000,000	Minimum subscription: £5,000,000

On 18 March 2020 dealing in SLIFT and TIME:Social Long Income was temporarily suspended.

The suspension shall continue until such time as the independent valuer confirms that material uncertainty in the valuation of the property assets of TIME:Social Long Income has been removed.

The decision whether to remain suspended has been under continuous review and is reported to the FCA at least every 28 days (most recently reviewed and reported on 1 September 2020).

Once, suspension has been lifted SLIFT will resume to deal on each business day being a day other than a Saturday or a Sunday or a bank or public holiday in England.

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

Notices for the redemption of units are 10am on each dealing day. Classes U and V 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 after six months has expired.

LONG LEASE

CREECH MEDICAL CENTRE

TAUNTON, SOMERSET



The purpose built Creech Medical Centre, offers GP and other primary care services for patients.

Sector

Medical centre

Tenant

Taunton & Somerset NHS Foundation Trust

Location

Taunton, Somerset

LONG LEASE

BRIGHT HORIZONS

FARNHAM, SURREY



Bright Horizons Family Solutions is the UK's leading childcare provider, with over 300 nurseries and a 30 year history.

Sector

Nursery

Tenant

Bright Horizons Day Nursery

Location

Farnham

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

Further details on the value of units in SLIFT can be found by calling the Administrator 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/slip or is available from the Investment Manager on request by emailing enquiries@time-investments.com.

Dilution adjustment

The Authorised Fund Manager does not intend to apply a dilution adjustment to the price of units in SLIFT. However, unitholders should be aware that the ACD does make a dilution adjustment in TIME:Social Long Income and that this may have a direct impact on units issued for SLIFT. Please refer to Clause 16.2 of the Prospectus.

TIME:Social Long Income

TIME:Social Long Income is a sub-fund of an umbrella Open-Ended Investment Company ("OEIC"), ARC TIME:Funds II and was launched on 1 April 2019.

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 the Fund's key service providers are:

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

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

Investment Manager: TIME Investments

Depository: NatWest Trustee and Depository Services Limited

Custodian: The Northern Trust Company

Property Manager: Landa Asset Management PLC

Auditor: Mazars LLP

Standing Independent Valuer: CBRE Limited

Full details of the Trust and its key service providers are provided on page 28.

Statement concerning the debts of SLIFT

Unitholders are not liable for the debts of SLIFT.

Investment Objective of TIME:Social Long Income

The aim of the Fund is to offer shareholders a consistent income stream with some capital growth prospects through acquiring social infrastructure assets.

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

Investment Policy of TIME:Social Long Income

In accordance with the investment objective of TIME:Social Long Income, capital will be invested through acquiring social infrastructure assets. Such assets will be held directly by the Fund, unless via interim holding vehicles for the sole purpose to permit completion of an acquisition of property. It is intended that no interim holding vehicles shall be retained by the Fund for a duration of more than 24 months but it may be longer.

In addition, principally to protect its liquidity, the Fund may also invest and maintain an ongoing portfolio of cash and near cash instruments, together with holdings in other collective investment schemes (regulated and unregulated), which have substantially similar investment objectives to those of the Fund. The ACD will not invest more than 10% of the Net Asset Value ("NAV") in collective investment schemes. The Fund may invest in other sub-funds of the Company. The Fund may also invest in equities (listed or unlisted), money market instruments and debt securities. The Fund may also utilise derivatives for investment purposes or for efficient portfolio management.

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

In the period since publication of the half year report to 30 September 2019 on 29 November 2019 the following are the significant or notifiable changes for Unitholders.

Changes to the Trust Deed of ARC TIME:Trusts II

- Social Long Income Feeder Trust had the pre-fix "ARC TIME" added to its name effective from 16 March 2020.

Changes to the Prospectus of ARC TIME:Trusts II

There were no significant changes in the period.

Notifiable changes in the period are as follows:

- As noted above, the name of SLIFT had a prefix of "ARC TIME" added to the name, such that the updated name is now ARC TIME Social Long Income Feeder Trust.
- Initial fees for all unit classes of SLIFT were adjusted to nil (0%). Initial fees may be further varied in the future per the terms of the Prospectus.
- 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 and COVID-19

On 18 March 2020 dealing in SLIFT and TIME: Social Long Income was temporarily suspended.

The suspension of dealing in SLIFT was directly as a result of the independent valuer to the Fund, CBRE Limited, advising that as a result of the emergency caused by the outbreak of the Novel Coronavirus (COVID-19), there was

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

material uncertainty over the value of property assets within the Fund. Such “material uncertainty” regarding property valuation was applied at that time by all UK real estate valuers. Consequently, the ACD and the Depositary agreed to suspend SLIFT 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 SLIFT 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 SLIFT or the Fund respectively. As such the suspension was undertaken with regard to the best interests of all investors in SLIFT and the Fund.

The Fund did not suspend for liquidity or performance purposes and without the material uncertainty opinion from the valuer, SLIFT 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.

The independent valuer has confirmed that, at the date this annual report is published, material uncertainty has been removed from all healthcare assets. However material uncertainty continues to exist on the children’s nurseries within the Fund which represent approximately 17% of the Fund by net asset value. Therefore the suspension shall continue until such time the independent valuer confirms that material uncertainty in the valuation of the property assets has been removed. The ACD and the Depositary have agreed to continue the suspension.

The decision whether to remain suspended has been under continuous review and is reported to the FCA at least every 28 days (most recently reviewed and reported on 1 September 2020).

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.

Brexit risk assessment

SLIFT has mitigated the cross-border risk of Brexit as all of TIME:Social Long Income’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.

Going concern

The ACD has assessed TIME: Social Long Income to be a going concern and as a result the AFM considers SLIFT to be a going concern.

In arriving at this assessment the ACD has taken account of the cash reserves of the Fund, its capital commitments and ongoing operating costs, its quarterly distributions and its reasonable expectation of the Fund’s subscriptions and redemptions (once the Fund’s suspension on dealing in its shares is lifted), 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 SLIFT’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.

Remuneration of AIFM

The provisions of the Alternative Investment Fund Managers Directive (“AIFMD”) took effect in full on 22 July 2014. That legislation requires the AIFM, and its regulated delegates, to establish and maintain remuneration policies for its staff which are consistent with and promote sound and effective risk management. Alpha, 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.

Alpha Real Capital LLP

16 September 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.

About Alpha and TIME Investments



The TIME group has over £3.5 billion in assets under management, has a strong balance sheet and has no borrowings.



The Authorised Corporate Director (the “ACD”) and Alternative Investment Fund Manager (“AIFM”) is Alpha Real Capital LLP (“Alpha”), a Financial Conduct Authority (“FCA”) regulated co-investing institutional investment manager, with over £3.5 billion in assets under management.

Established in 2005, Alpha is owned by its partners and has offices in Central London and in Europe. Alpha Real Property Investment Advisers LLP trading as TIME Investments, a subsidiary of Alpha, is the Investment Manager of TIME:Social Long Income and provides administrative and transfer agency services and is also regulated by the FCA.

TIME Investments has over 80 staff and forms the financial adviser facing division of Alpha. In addition to its role as Investment Manager of TIME:Social Long Income, it is also the Investment Manager of ARC TIME Freehold Income Authorised Fund (“TIME:Freehold”), ARC TIME Commercial Long Income PAIF (“TIME:Commercial Long Income”) and ARC TIME UK Infrastructure Income Fund (“TIME:UK Infrastructure”).

The team also runs two capital preservation focused Inheritance Tax (“IHT”) mitigation services, TIME:Advance and TIME:CTC (Corporate Trading Companies); the latter having a 24 year track record of successfully achieving 100% relief from IHT for qualifying investors. TIME Investments also runs a unique growth focused IHT mitigation service, TIME:AIM, which invests in a portfolio of Alternative Investment Market (“AIM”) shares.

TIME Investments was awarded the winner of ‘Best Business Relief Manager -Listed’ at the Growth Investor Awards in 2019 and the winner of ‘Best Business Relief Manager Non-AIM’ in 2018. TIME Investments was also awarded the winner of the prestigious ‘Best IHT Portfolio Services’ category and the winner of ‘Tax-Efficient Group of the year’ at the Investment Week’s Tax Efficiency Awards 2019/20. TIME Investments also won ‘Service Beyond The Call of Duty’ at the Moneyfacts Life & Pension awards 2018 and TIME:Commercial Long Income was named the winner in the Property & Real Estate category at the Investment Week’s Specialist Investment Awards in both 2019 and 2018.

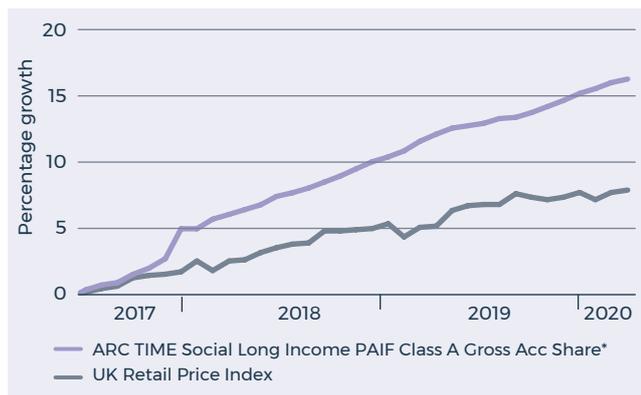
Against the backdrop of a challenging economic and political climate, many investors and advisers are understandably interested in the financial strength of the businesses they choose to entrust with their investments. With this in mind, it should be reassuring to note that the Alpha group has a strong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

Review of the investment activities during the year – TIME:Social Long Income

Performance review

TIME:Social Long Income has generated a total return for the year to 31 March 2020 of 3.71% (based on the Class A Gross Accumulation Shares), which includes an income return of 3.90% and a capital loss of 0.19%.

TIME:Social Long Income returns since inception to 31 March 2020 by comparison with RPI



Source: TIME Investments, as at 31 March 2020

* Any historical information before 1 April 2019 stated in these financial statements relates to TIME: Social Long Income's predecessor fund, TIME:Social Freehold which merged with TIME:Social Long Income on 1 April 2019 (see page 3 for further details of the Exchange Offer and Merger).

Investment Review

It has been a positive year for the Fund which has performed in line with expectations during a challenging period. Assets under management have doubled increasing the diversity of the Fund's income streams.

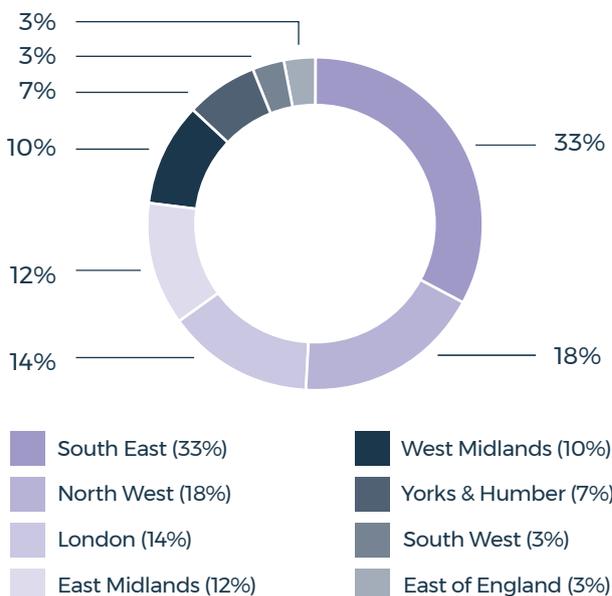
Long income property (particularly if there is associated social benefit) continues to be an attractive sector to investors in search of a secure level of income that also offers some protection against the effects of inflation.

TIME:Social Long Income invests in a portfolio of UK based social infrastructure assets. These assets are let on long-term leases (with initial leasehold terms typically in excess of 15 years), to tenants within the social infrastructure sector (such as those providing supported or assisted living, social housing, homes for the homeless, primary care, secondary care, high complex care or education) whether that be in the public or private sector. The assets are expected to provide investors with a consistent income stream with a level of inflation protection and some capital growth, whilst generating a positive social impact.

In addition to the long income properties acquired as a result of the Exchange Offer and Merger, during the period the Fund has acquired fifteen long income properties and completed the development of two properties valued at over £43.4 million as at 31 March 2020.

This included the Fund's first acquisitions in the elderly care sector by investing in two brand new purpose built care homes. In addition the Fund has increased its primary care exposure acquiring a portfolio of medical centres.

Portfolio geographical breakdown as at 31 March 2020



Source: TIME Investments, as at 31 March 2020

Sector weighting by value as at 31 March 2020

Medical Centre	21%
Nursery	21%
Supported Living	17%
Secondary Care	14%
Care Home	13%
High Complex Care ("HCC")	9%
Assisted Living/HCC	5%

Source: TIME Investments, as at 31 March 2020

These new acquisitions along with the existing portfolio have key elements which we look at as part of our investment process and rationale which include;

- Significant reductions in the availability of Government grants for social real estate has created a need for long-term capital from the private sector.
- Demographics - including an ageing population and changing personal finances in the UK is increasing end user demand across different sectors.
- Financial benefits - sectors such as assisted and supported living are more affordable for local authorities than full residential care.

Assets of the type held by the Fund are longer dated than those typically held in traditional commercial property funds, with a weighted average lease length of around 21 years.

The longer term contracted rental income forms the majority of the return of the Fund's investments, therefore, provided the lease remains in place, the return is less reliant on capital value movements when compared to traditional property funds.

Review of the investment activities during the year – TIME:Social Long Income (continued)

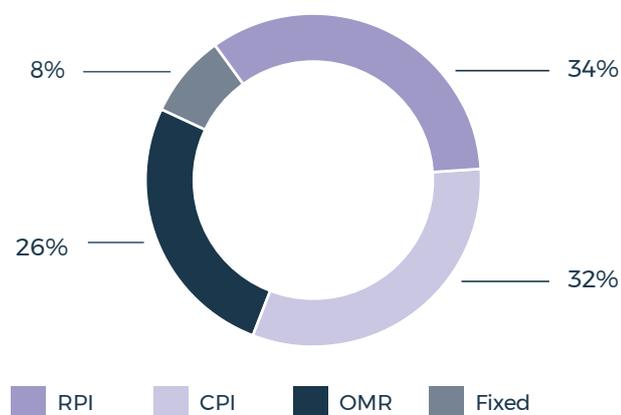
Due to the longevity and the demand for social infrastructure assets, the Investment Manager expects the property portfolio to continue to generate a consistent, inflation linked rental income with the potential for capital growth for its shareholders.

The majority of the Fund's assets have periodic uplifts in rental income linked to Retail Price Index ("RPI") or Consumer Price Index ("CPI"). The majority of the properties have rental reviews that are upwards only and the fund would benefit from any increase in the value of its rent over time, which in turn, offers its shareholders the potential for capital growth.

The Fund's portfolio has a weighted average lease length (including lease renewal options) of around 21 years versus an average new commercial lease term of 7 years. The majority of properties (68%) within the portfolio have a form of inflation protection through periodic rental uplifts linked to the RPI or CPI which typically occur annually or every 3 or 5 years. The remainder of the portfolio (32%) has rental uplifts which are based on either fixed uplifts (7%) or on Open Market Reviews (OMR) (25%).

COVID-19 is impacting different property sectors in different ways. The sectors the Fund is exposed to have faced operational pressures as they have looked to continue to provide the care and services to individuals during this time. Given the nature of these sectors the majority have remained open throughout this period, and some operators that were instructed to close, such as childcare nurseries have now re-opened. The Fund has collected almost 100% of the rent due, during this period, having agreed for some tenants to pay monthly rather than quarterly on a temporary basis. We remain in regular communication with all our tenants and by assisting them through this difficult period, the Fund is focused on the value of its property portfolio in the long term.

TIME:Social Long Income - rent review type by rent



Source: TIME Investments, as at 31 March 2020

Liquidity management

TIME:Social Long Income invests in long income property, which is an illiquid asset class. In the event that the Fund was required to improve its liquidity, it may take a number of months to realise proceeds from any sales of property. Therefore the Fund expects to hold a level of cash reserves to meet its normal daily dealing obligations and as working capital for the Fund. The acquisition of further long income property is expected to be funded from the net subscriptions raised from shareholders, who may subscribe (or redeem) from the Fund on any dealing day (once the Fund is unsuspended). The liquidity of the Fund is monitored on each dealing day with liquidity assessed on that dealing day and looking forwards for at least the next twelve months.

Outlook

The Fund's property portfolio was last valued by the independent valuer on 28 August 2020. The valuer has removed material uncertainty from all healthcare assets within the portfolio but excluding children's nurseries, and as a result the Fund remains suspended on that basis. Taking the current circumstances into account, the valuer has increased the value of the portfolio over the five months since 31 March 2020. These valuation increases along with the income received has resulted in the value of the Fund's shares increasing by 1.42% in the period from 1 April 2020 until 28 August 2020. The property portfolio of the Fund is valued by the independent valuer at each month end.

Since the Fund was launched it has been managed with the focus on low capital volatility and income security through investing in the social infrastructure sector.

Our expectations are that the Fund should be, due to the characteristics of its social infrastructure portfolio, well positioned to continue to deliver positive returns to its shareholders over the short to medium term.

The Fund will continue to be managed in accordance with its investment objective focusing on low capital volatility and income security through investing in the social infrastructure sector. The Fund will pay its distributions in the normal manner every three months.

Roger Skeldon for TIME Investments
Investment Manager

16 September 2020

Statement of Authorised Fund Manager of the Trust's responsibilities

in relation to the financial statements of
ARC TIME Social Long Income Feeder 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 TIME: Social Long Income Feeder Trust for the period. The financial statements are prepared on the basis that TIME: Social Long Income Feeder 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 Authorised 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;
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared apply with the above requirements; 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 TIME: Social Long Income Feeder Trust

Authorised Fund Manager of the Trust
Alpha Real Capital LLP

16 September 2020

Statement of Trustee's responsibilities

The Trustee must ensure that SLIFT 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 SLIFT and its investors.

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

The Trustee must ensure that:

- SLIFT's cash flows are properly monitored and that cash of SLIFT 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 SLIFT are calculated in accordance with the Regulations;
- any consideration relating to transactions in SLIFT's assets is remitted to SLIFT within the usual time limits;
- SLIFT'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 SLIFT is managed in accordance with the Scheme documents and the Regulations in relation to the investment and borrowing powers applicable to SLIFT.

Report of the Trustee to the unitholders of SLIFT, a sub-fund of ARC TIME: Trusts II

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

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

NatWest Trustee and Depositary Services Limited
Trustee

16 September 2020

Independent auditor's report

to the unitholders of ARC TIME Social Long Income Feeder Trust (formerly Social Long Income Feeder Trust)

Opinion

We have audited the financial statements of ARC TIME Social Long Income Feeder Trust ("SLIFT" or "the Trust"), formerly known as Social Long Income Feeder Trust, for the year ended 31 March 2020 which comprise the 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 SLIFT's affairs as at 31 March 2020 and of the net revenue and the net capital loss of the scheme property of SLIFT 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 – Investment valuation material uncertainty

In forming our opinion on the Trust'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 £61,196,000 of SLIFT's investment in ARC TIME Social Long Income PAIF and the consequential impacts, including the suspension of the Trust. These matters are disclosed in the Authorised Fund Manager's report on pages 5 and 6, the Authorised Fund Manager's method in assessing the going concern of the Trust in the Authorised Fund Manager's report on page 6, the 'Accounting policies' note 1(d) on page 22, the 'Key sources of estimation uncertainty' note 3(i) on page 23, the 'Risk management policies' note 4(a) on page 24 and post balance sheet events note 14 on page 27.

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 SLIFT 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 10, 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 members of SLIFT 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 SLIFT 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 SLIFT and SLIFT's members as a body for our audit work, for this report, or for the opinions we have formed.

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

16 September 2020

Net Asset Value per share, 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	12,538	1.1362	11,035,110.26
Class J Net Income	8,028	1.0317	7,781,332.74
Class Q Net Accumulation	14,153	1.1442	12,369,680.65
Class V Net Income	27,058	1.0317	26,226,456.02
	61,777		
Less: Distribution reinvested into TIME:Social Long Income for accumulation unitholders	(251)		
Less: Distribution payable to unitholders	(330)		
	61,196		

SLIFT was launched on 1 April 2019. The table shows the net asset value per unit at the end of the accounting period. All Unit Classes were launched on 1 April 2019.

There are currently no units issued in the K, L, R, and U unit classes.

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

Performance Record

Class I Net Accumulation	Year ended 31 March 2020	Year ended 31 March 2019**	Period ended 31 March 2018**
CHANGE IN NET ASSETS PER UNIT			
Opening net asset value per unit	1.1040	1.0551	1.0000
Return before operating charges*	0.0446	0.0647	0.0726
Operating charges	(0.0124)	(0.0158)	(0.0175)
Return after operating charges*	0.0322	0.0489	0.0551
Closing net asset value per unit	1.1362	1.1040	1.0551
Retained distributions on accumulation units	0.0355	0.0496	0.0129
*Return is stated after direct transaction costs of:	0.0360	0.0506	0.0258
PERFORMANCE			
Return after charges on NAV per unit	2.92%	4.63%	5.51%
OTHER INFORMATION			
Closing net asset value (£'000)	12,538	12,375	2,840
Closing number of units	11,035,110.26	11,211,495.48	2,691,304.80
Operating charges	1.39%	1.46%	1.70%
Direct transaction costs	3.21%	4.68%	2.50%
PRICES			
Highest unit price	1.1363	1.1040	1.0551
Lowest unit price	1.1043	1.0561	1.0000

Class J Net Income	Year ended 31 March 2020	Year ended 31 March 2019**
CHANGE IN NET ASSETS PER UNIT		
Opening net asset value per unit	1.0366	1.0407
Return before operating charges*	0.0425	0.0590
Operating charges	(0.0143)	(0.0151)
Return after operating charges*	0.0282	0.0439
Distributions on income unit	(0.0331)	(0.0480)
Closing net asset value per unit	1.0317	1.0366
*Return is stated after direct transaction costs of:	0.0331	0.0484
PERFORMANCE		
Return after charges	2.72%	4.22%
OTHER INFORMATION		
Closing net asset value (£'000)	8,028	0
Closing number of units	7,781,332.74	95.29
Operating charges	1.39%	1.46%
Direct transaction costs	3.21%	4.68%
PRICES		
Highest unit price	1.0331	1.0417
Lowest unit price	1.0227	1.0224

All Unit Classes were launched on 1 April 2019. There are currently no units issued in the K, L, R, and U unit classes. There were no units issued in Class J during the year ended 31 March 2018 and as a result there is no comparative data. Direct transactions costs relate to the costs incurred by TIME:Social Long Income for each of its asset classes. SLIFT has been operating since 1 April 2019 following the Exchange Offer and Merger with Social Freehold Feeder Trust. ** Performance information prior to 1 April 2019, included in this report, is in relation to Social Freehold Feeder Trust. Amounts shown are in Sterling (£) unless otherwise stated.

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

Performance Record (continued)

Class Q Net Accumulation	Year ended 31 March 2020
CHANGE IN NET ASSETS PER UNIT	
Opening net asset value per unit	1.1093
Return before operating charges*	0.0478
Operating charges	(0.0129)
Return after operating charges*	0.0349
Closing net asset value per unit	1.1442
Retained distributions on accumulation units	0.0245
*Return is stated after direct transaction costs of:	0.0363
PERFORMANCE	
Return after charges on NAV per unit	3.15%
OTHER INFORMATION	
Closing net asset value (£'000)	14,153
Closing number of units	12,369,680.65
Operating charges	1.14%
Direct transaction costs	3.21%
PRICES	
Highest unit price	1.1442
Lowest unit price	1.1093

Class V Net Income	Year ended 31 March 2020	Year ended 31 March 2019**	Period ended 31 March 2018**
CHANGE IN NET ASSETS PER UNIT			
Opening net asset value per unit	1.0366	1.0407	1.0000
Return before operating charges*	0.0425	0.0588	0.0709
Operating charges	(0.0143)	(0.0150)	(0.0174)
Return after operating charges*	0.0282	0.0438	0.0535
Distributions on income unit	(0.0331)	(0.0479)	(0.0128)
Closing net asset value per unit	1.0317	1.0366	1.0407
*Return is stated after direct transaction costs of:	0.0331	0.0481	0.0257
PERFORMANCE			
Return after charges	2.72%	4.21%	5.35%
OTHER INFORMATION			
Closing net asset value (£'000)	27,058	27,186	21,709
Closing number of units	26,226,456.02	26,226,456.02	20,860,116.59
Operating charges	1.39%	1.46%	1.70%
Direct transaction costs	3.21%	4.68%	2.50%
PRICES			
Highest unit price	1.0331	1.0417	1.0407
Lowest unit price	1.0227	1.0224	1.0000

All Unit Classes were launched on 1 April 2019. There are currently no units issued in the K, L, R, and U unit classes. There were no units issued in Class Q during the year ended 31 March 2018 and 31 March 2019 and as a result there is no comparative data. Direct transactions costs relate to the costs incurred by TIME:Social Long Income for each of its asset classes. SLIFT has been operating since 1 April 2019 following the Exchange Offer and Merger with Social Freehold Feeder Trust. ** Performance information prior to 1 April 2019, included in this report, is in relation to Social Freehold Feeder Trust. Amounts shown are in Sterling (£) unless otherwise stated.

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

Ongoing Charge (OC)

	31 March 2020 %
Class I, J, U & V	1.51
Class K & L	1.76
Class Q & R	1.26

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

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

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

Risk warning

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

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

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

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

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.

Brexit risk assessment

SLIFT has mitigated the cross-border risk of Brexit as all of TIME:Social Long Income'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 fully 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.

Dealing Suspension and COVID-19

On 18 March 2020 dealing in SLIFT and TIME:Social Long Income was temporarily suspended.

The suspension of dealing in SLIFT was directly as a result of the independent valuer to the Fund, CBRE Limited, 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 property assets within the Fund. Such "material uncertainty" regarding property valuation was applied at that time by all UK real estate valuers. Consequently, the ACD and the Depositary agreed to suspend SLIFT 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 SLIFT 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 SLIFT or the Fund respectively. As such the suspension was undertaken with regard to the best interests of all investors in SLIFT and the Fund.

The Fund did not suspend for liquidity or performance purposes and without the material uncertainty opinion from the valuer, SLIFT 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.

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

The independent valuer has confirmed that, at the date this annual report is published, material uncertainty has been removed from all healthcare assets. However material uncertainty continues to exist on the children's nurseries within the Fund which represent approximately 17% of the Fund by net asset value. Therefore the suspension shall continue until such time the independent valuer confirms that material uncertainty in the valuation of the property assets has been removed. The ACD and the Depositary have agreed to continue the suspension.

The decision whether to remain suspended has been under continuous review and is reported to the FCA at least every 28 days (most recently reviewed and reported on 1 September 2020).

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.

Portfolio Statement

As at 31 March 2020	%	Net Asset Value £'000
TIME:Social Long Income Class B Net Accumulation (11,035,110.26 shares)	20.30	12,420
TIME:Social Long Income Class D Net Income (7,781,332.74 shares)	12.99	7,953
TIME:Social Long Income Class N Net Accumulation (12,369,680.65 shares)	22.91	14,020
TIME:Social Long Income Class T Net Income (26,226,456.02 shares)	43.80	26,803
Total investment value	100.00	61,196
Net other assets	-	-
Total net assets as at 31 March 2020	100.00	61,196

Statement of total return

For the year ended 31 March 2020

	Note	Year ended 31 March 2020 £'000	Year ended 31 March 2020 £'000
INCOME			
Net capital loss	5		(389)
Distributions received from TIME:Social Long Income		1,879	
Net revenue before taxation		1,879	
Taxation		-	
Net revenue after taxation			1,879
Total return before distributions			1,490
Distributions	6		(1,881)
Change in net assets attributable to unitholders from investment activities			(391)

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 ended 31 March 2020

	Year ended 31 March 2020 £'000	Year ended 31 March 2020 £'000
Opening net assets attributable to unitholders		-
Amounts receivable on creation of units	79,756	
Amounts payable on cancellation of units	(18,976)	
		60,780
Income accumulated into capital		807
Change in net assets attributable to unitholders from investment activities		(391)
Closing net assets attributable to unitholders		61,196

Balance sheet

As at 31 March 2020

	Note	As at 31 March 2020 £'000
ASSETS		
Investment in TIME:Social Long Income	7	61,196
Debtors	8	330
Cash at Bank		1
Total assets		61,527
LIABILITIES		
Creditors	9	(331)
Total liabilities		(331)
Net assets attributable to unitholders		61,196

Authorised for issue and signed on behalf of the Authorised Fund Manager of the Trust on 16 September 2020.

Alpha Real Capital LLP

Statement of cash flows

For the year ended 31 March 2020

Year ended
31 March 2020
£'000

CASH FLOW FROM OPERATING ACTIVITIES	
Total return	(391)
Adjustments for:	
Net capital loss	389
Increase in debtors	(57)
Increase in creditors	56
Cash from operations	(3)
CASH FLOW FROM INVESTING ACTIVITIES	
Cash transferred from merger with TIME:Social Freehold Feeder Trust	2
Disposal of shares in TIME:Social Long Income	18,976
Purchase of shares in TIME:Social Long Income	(40,589)
Distributions received from TIME:Social Long Income	1,018
Net cash flow from investing activities	(20,593)
CASH FLOW FROM FINANCING ACTIVITIES	
Creation of units	40,590
Cancellation of units	(18,976)
Distributions paid	(1,017)
Net cash flow from financing activities	20,597
Net increase in cash	1
Cash at the beginning of the year	-
Cash at the end of the year	1

Following the Exchange Offer and Merger with Social Freehold Feeder Trust on 1 April 2019, creation of units of £39,166,730 were transferred over to SLIFT. This is represented under 'Cash transferred from merger with TIME:Social Freehold Feeder Trust', and as a result this is excluded from purchase of shares in TIME:Social Long Income and Creation of units.

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

Notes to the financial statements

For the year ended 31 March 2020

1. Accounting policies

The principal accounting policies are summarised below.

(a) General Information

ARC TIME Social Long Income Feeder Trust (formerly Social Long Income Feeder Trust) is an Authorised Unit Trust and is authorised by the Financial Conduct Authority ("FCA") with effect from 1 April 2019. SLIFT has been established as a feeder trust for investment in ARC TIME Social Long Income PAIF ("TIME:Social Long Income" or the "Fund") for corporate investors or other investors who are not able to invest directly in the Fund for administrative reasons. SLIFT's sole purpose is to acquire and hold shares in the Fund.

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

On 22 March 2019 Unitholder consent to exchange units in Social Freehold Feeder Trust ("SFFT") for equivalent units in a new FCA authorised feeder trust, ARC TIME Social Long Income Feeder Trust ("SLIFT"), was unanimously given by unitholders who returned a Form of Proxy.

This change was approved by the FCA and became effective on 1 April 2019. The new fund is materially similar to the old fund and all units were transferred at the same value on a 1 for 1 basis.

(b) Functional and presentation currency

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

(c) Basis of preparation

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the Trust Manager to exercise judgment in applying the accounting policies (see note 3).

The financial statements have been prepared on a going concern basis and all activities and trade have been transferred from SFFT following the Exchange Offer and Merger with SLIFT on 1 April 2019. Please refer to note 1 (d) for details of going concern.

All assets and liabilities of SFFT were acquired by SLIFT on 1 April 2019 at their value as at 31 March 2019.

(d) Going Concern

The ACD has assessed TIME: Social Long Income to be a going concern and as a result the AFM considers SLIFT to be a going concern.

In arriving at this assessment the ACD has taken account of the cash reserves of the Fund, its capital commitments and ongoing operating costs, its quarterly distributions and its reasonable expectation of the Fund's subscriptions and redemptions (once the Fund's suspension on dealing in its shares is lifted), 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 SLIFT'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 SLIFT.

(f) Recognition of revenue

Distributions from TIME:Social Long Income 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:Social Long Income 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. 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.

Notes to the financial statements (continued)

For the year ended 31 March 2020

1. Accounting policies (continued)

(i) Taxation

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

(j) Treatment of expenses

Expenses are recognised on an accrual basis.

2. Distribution and equalisation policy

(a) Basis of distribution

Income is generated by SLIFT'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 SLIFT.

(b) Apportionment to multiple unit classes

The allocation of revenue and expenses to each unit class is based on the proportion of SLIFT'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 year. 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 SLIFT's accounting policies, the Authorised Fund Manager of the Trust is required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Authorised Fund Manager of the Trust's judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results may differ.

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

Critical judgements in applying the Fund's accounting policies

The critical judgements that The Authorised Fund Manager of the Trust has made in the process of applying SLIFT's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of investment holding in TIME:Social Long Income, The Authorised Fund Manager of the Trust has considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Key sources of estimation uncertainty

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

(i) Valuation of investment holdings

SLIFT's investment holding in TIME:Social Long Income 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, making this an area of estimation uncertainty.

CBRE Limited, the Fund's property valuers, have placed a material uncertainty over the value of the property assets due to the recent outbreak of the Covid-19 virus. As at 28 August 2020 the valuers had removed material uncertainty from 83% of the Fund by net asset value.

Therefore this places a material uncertainty over the value of SLIFT investment holding in the Fund.

Notes to the financial statements (continued)

For the year ended 31 March 2020

4. Risk management policies

SLIFT has wholly invested into TIME:Social Long Income and is 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 TIME:Social Long Income and in turn, SLIFT.

SLIFT'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 social infrastructure. This concentrates the risk to the Fund in one asset class.

Property investments are inherently difficult to value and difficult to transform into cash due to the individual nature of each property. As a result, valuations are subject to uncertainty. There is no assurance that the actual sale price will reflect the estimates resulting from the valuation process even where such sales occur shortly after the valuation date. Where it is necessary for 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 SLIFT and TIME: Social Long Income was temporarily suspended. The suspension of dealing in SLIFT was directly as a result of the independent valuer to the Fund, CBRE Limited, advising that as a result of the emergency caused by the outbreak of the Novel Coronavirus (COVID-19), there was (and remains) material uncertainty over the value of property assets within the Fund. Such "material uncertainty" regarding property valuation was applied at that time by all UK real estate valuers. Consequently, the ACD and the Depositary agreed to suspend SLIFT 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 SLIFT 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 SLIFT or the Fund respectively. As such the suspension was undertaken with regard to the best interests of all investors in SLIFT and the Fund.

The Fund did not suspend for liquidity or performance purposes and without the material uncertainty opinion from the valuer, SLIFT 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.

The independent valuer has confirmed that, at the date this annual report is published, material uncertainty has been removed from all healthcare assets. However material uncertainty continues to exist on the children's nurseries within the Fund which represent approximately 17% of the Fund by net asset value. Therefore the suspension shall continue until such time the independent valuer confirms that material uncertainty in the valuation of the property assets has been removed. The ACD and the Depositary have agreed to continue the suspension.

The decision whether to remain suspended has been under continuous review and is reported to the FCA at least every 28 days (most recently reviewed and reported on 1 September 2020).

(b) Credit and liquidity risk

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

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

The AIFM may, acting in the best interests of all unitholders, affect 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 (a "Large Deal") for SLIFT. 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 unitholders 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.

The AIFM may make a charge on the redemption of units where a unitholder is deemed to have conducted short term trading based on a market timing strategy. Specifically, at the AIFM's discretion, a charge of up to 3% may be levied if redemption of units is notified within 180 days of settlement of the original subscription for units. The proceeds of this charge shall be paid into the Scheme Property of the Fund.

(c) Currency risk

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

(d) Interest rate risk

SLIFT held cash of circa £1,000 as at the balance sheet date, the risk on this is minimal.

Notes to the financial statements (continued)

For the year ended 31 March 2020

5. Net capital loss

(a) Realised gain on investments

	Year ended 31 March 2020 £'000
Redemption proceeds on sale of shares in TIME:Social Long Income	18,976
Cost of investment	(18,868)
Total realised gain on investments in TIME:Social long Income	108

(b) Unrealised gain on investments

	Year ended 31 March 2020 £'000
Unrealised gain on investments	-
Total unrealised gain on investments in TIME:Social Long Income	-

(c) Unrealised loss on investments

	Year ended 31 March 2020 £'000
Unrealised loss on investments	(497)
Total unrealised loss on investments in TIME:Social Long Income	(497)

(d) Total net capital loss

	Year ended 31 March 2020 £'000
Total net capital loss	(389)

Notes to the financial statements (continued)

For the year ended 31 March 2020

6. Distributions

	Year ended 31 March 2020 £'000
Class I Net Accumulation	377
Class J Net Income	226
Class Q Net Accumulation	429
Class V Net Income	849
Distributions for the year	1,881

Distribution Table: (for the year ended 31 March 2020 (in pence per unit))
 Interim distribution accounting date 30 June 2019 paid 30 September 2019.
 Interim distribution accounting date 30 September 2019 paid 31 December 2019.
 Interim distribution accounting date 31 December 2019 paid 31 March 2020.
 Final distribution accounting date 31 March 2020 paid 30 June 2020.

	Net Revenue	Distribution paid 30/06/2020	Distribution paid 31/03/2020	Distribution paid 31/12/2019	Distribution paid 30/09/2019
	p	p	p	p	p
Class I Net Accumulation	3.51	1.07	0.97	0.85	0.62
Class J Net Income	3.23	0.97	0.89	0.79	0.58
Class Q Net Accumulation	3.53	1.08	0.98	0.86	0.61
Class V Net Income	3.23	0.97	0.89	0.79	0.58

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.

7. Investments

	Cost	Net unrealised appreciation	Net book value
	£'000	£'000	£'000
As at 1 April 2019			
Additions	79,755		79,755
Disposals (note 5)	(18,868)		(18,868)
Net decrease in unrealised appreciation		(497)	(497)
Accumulation dividend reinvested		806	806
As at 31 March 2020	60,887	309	61,196

8. Debtors: amounts falling due within one year

	Year ended 31 March 2020 £'000
Amounts due from TIME:Social Long Income	330
	330

Notes to the financial statements (continued)

For the year ended 31 March 2020

9. Creditors: amounts falling due within one year

	Year ended 31 March 2020 £'000
Distributions payable to unitholders	331
	331

10. Financial instruments

	Year ended 31 March 2020 £'000
Investments measured at fair value	61,196
Financial assets measured at transaction price	330
Cash	1
Financial liabilities measured at transaction price	331

11. Movement in units

	Opening number of units as at 01 April 2019	Units issued	Units cancelled	Closing number of units as at 31 March 2020
Class I Net Accumulation	11,211,495.48	13,119,225.47	(13,295,610.69)	11,035,110.26
Class J Net Income	95.29	8,646,056.86	(864,819.41)	7,781,332.74
Class Q Net Accumulation	-	15,303,021.50	(2,933,340.85)	12,369,680.65
Class V Net Income	26,226,456.02	-	-	26,226,456.02

The opening units are those units issued to TIME:Social Long Income Feeder Trust following the Exchange Offer and Merger with TIME:Social Freehold Feeder Trust on 1 April 2019.

There are currently no units issued in the K, L, R, and U, unit classes.

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 had the ability to control other parties or exert significant influence over other parties in making financial or operational decisions.

TIME:Social Long Income was a related party by virtue of joint management. All income was received from investments in TIME:Social Long Income. At 31 March 2020, £330,031 of distributions was owing from TIME:Social Long Income.

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

14. Post balance sheet events

On 30 June 2020, SLIFT paid its final distribution for the year ended 31 March 2020.

For the 5 months to 28 August 2020 TIME:Social Long Income's performance for Class A Gross Accumulation Shares has increased by 1.42% and over the last 12 months to 28 August 2020 the total return is 4.02%.

For further details please refer to page 5 of the AFM report and page 9 of the Investment Review in reference to the impact COVID-19 has had on CLIFT and the Fund and its performance since the year end.

Company information and key service providers

Company

ARC TIME:Trusts II (the "Trust")

Sub-funds

ARC TIME Social Long Income Feeder Trust

ARC TIME Commercial Long Income Feeder Trust

Registered Office

338 Euston Road
London NW1 3BG

Authorised Corporate Director and Alternative Investment Fund Manager

Alpha Real Capital LLP
338 Euston Road
London NW1 3BG

Authorised and regulated by the
Financial Conduct Authority

Investment Manager, Administrator and Transfer Agent

TIME Investments
338 Euston Road
London NW1 3BG

Authorised and regulated by the
Financial Conduct Authority

Trustee

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
160 Midsummer Boulevard
Milton Keynes MK9 1FF

Legal Advisers

Eversheds LLP
1 Wood Street
London EC2V 7WS

Bankers

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

Royal Bank of Scotland PLC
NatWest Trustee and Depositary Services Limited
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Edinburgh EH12 9RH



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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. September 2020.

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