

ARC TIME UK INFRASTRUCTURE INCOME FUND

A fund which seeks to deliver consistent income returns with capital growth through a portfolio of infrastructure exposed securities.

HALF YEAR REPORT 2020

Half Year Report and
Financial Statements
for the six months to
30 September 2020

Contents

- 1** Key achievements
- 2** About Alpha and TIME Investments
- 3** Authorised Corporate Director's report*
- 7** Investment Manager's report*
- 10** Net Asset Value per share, Performance Record, Ongoing Charge
- 13** Portfolio Statement*
- 15** Statement of total return
- 15** Statement of change in net assets attributable to shareholders
- 16** Balance sheet
- 17** Statement of cash flows
- 18** Notes to the financial statements
- 21** Company information and key service providers

* Collectively these comprise the Authorised Corporate Director's report

ARC TIME UK Infrastructure Income Fund

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



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

Key achievements

- Total return for the half year to 30 September 2020 of £2.7 million which includes £1.2 million of income received from its investments.
- Performance return during the six-month period of 6.22%*, inclusive of income of 2.72%** and capital of 3.50%.
- TIME:UK Infrastructure Income generated a total performance return* since its launch, on 3 April 2018, of 18.16%.

* Representative for a Class Accumulation shareholder or a Class Income shareholder with income reinvested.

** Income return is calculated from the net asset value of Class Accumulation shares at the start of the period.

6.22%

Total return
for the period*

2.72%

Income return
for the period**

18.16%

Total return
since launch*

About Alpha and TIME Investments



The TIME group has over £4 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”) authorised and regulated specialist real assets investment manager focused on secure income strategies, with over £4 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:UK Infrastructure 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 arm of Alpha. In addition to its role as Investment Manager of TIME:UK Infrastructure Income, it is also the Investment Manager of the ARC TIME Freehold Income Authorised Fund (“TIME:Freehold”), ARC TIME Commercial Long Income PAIF (“TIME:Commercial Long Income”) and ARC TIME Social Long Income PAIF (“TIME:Social Long Income”).

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 25 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 Investment Service’ at the Investment Life & Pensions Moneyfacts Awards in 2020. 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 ‘Best Investment Service’ at the 2020 Moneyfacts Investment Life & Pension awards and in 2018 won ‘Service Beyond the Call of Duty’. 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 TIME group has a strong balance sheet, has no borrowings and has been a profitable business every year since inception in 2005.

Authorised Corporate Director's report

We are pleased to present the half year report and financial statements of ARC TIME UK Infrastructure Income Fund ("TIME:UK Infrastructure Income" or the "Fund"), a sub-fund of ARC TIME:Funds (the "Company"), for the six months to 30 September 2020. This report is available on the Investment Manager's website www.time-investments.com/tiif or is available from the Investment Manager on request by emailing: enquiries@time-investments.com.

Statement of authorised status of the scheme

TIME:UK Infrastructure Income is a sub-fund of an umbrella Open Ended Investment Company ("OEIC"), ARC TIME:Funds, and was launched on 3 April 2018. The Company is authorised by the Financial Conduct Authority ("FCA") as a Non-UCITS Retail Scheme ("NURS").

Full Company details and its key service providers are provided on page 21.

Statement concerning the debts of TIME:UK Infrastructure Income

Investors are not liable for the debts of TIME:UK Infrastructure Income.

Investment Objective and Investment Policy

Investment Objective

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

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

Investment Policy

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

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

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

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

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

The Fund may also utilise derivatives for efficient portfolio management.

Management of TIME:UK Infrastructure Income

NatWest Trustee and Depositary Services Limited acts as the Depositary of TIME:UK Infrastructure Income, with the role of Custodian delegated to The Northern Trust Company. Alpha is the ACD and AIFM of the Fund and TIME Investments acts as Investment Manager, Administrator and Transfer Agent.

Changes to the Instrument and Prospectus of ARC TIME:Funds

In the period since publication of the annual report to 31 March 2020 on 28 August 2020 the following are the significant or notifiable changes for Shareholders.

Changes to the Instrument of ARC TIME:Funds

There were no changes in the period.

Changes to the Prospectus of ARC TIME:Funds

There were no significant or notifiable changes in the period.

Other Prospectus changes

The ACD has undertaken some minor changes to the Prospectus in the period. These amendments are primarily in response to the FCA's Policy Statement (PS 19/24) which amended the FCA Handbook from 30 September 2020. Expressly the changes to be noted are as follows:

- An explanation of the circumstances in which the liquidity management tools and arrangement would typically be deployed and likely consequences for Shareholders;

It is also confirmed Mr Hugo James is no longer a member of the ACD Board as of 30 September 2020.

INFRASTRUCTURE

HICL INFRASTRUCTURE



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

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

Example project:

A249 Road, UK

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

RENEWABLE ENERGY

BLUEFIELD SOLAR INCOME FUND



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

Example project:

Elms, Oxfordshire

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

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

Authorised Corporate Director's report (continued)

Brexit risk assessment

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

Impact of COVID-19

TIME:UK Infrastructure Income is a long only Fund investing in a range of companies listed on the UK stock market. The Fund was therefore not immune to the increase in volatility and indiscriminate sell off that occurred across global financial markets in February and March following the rapid spread of COVID-19. Whilst share prices suffered significant losses the net asset value of many of our major infrastructure holdings remained relatively resilient. Share prices have largely returned to not dissimilar levels to where they were trading pre COVID-19. Importantly the ability of these companies to pay dividends in line with previous guidance broadly remains the same, with some even increasing dividends over the period. Consequently, the Fund has continued to pay a relatively attractive income distribution of 4.77% over the past year. As a society the COVID-19 pandemic is something we are all having to live with. Whilst governments and the medical community have learned a huge amount about the virus over the past six months and how best to treat it, we expect volatility in financial markets to remain at reasonably elevated levels until such time as a proven vaccine or treatment is widely available.

Going concern

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

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 into account the specific features of the types of activities carried out and so reflect volatility and cycles and avoids rewarding artificial or exaggerated short term performance. Under the Remuneration Code, the AIFM is classified as a Level Three firm, which allows 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

30 November 2020

RENEWABLE ENERGY / INFRASTRUCTURE

3I INFRASTRUCTURE PLC



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

Example project:

Infinis

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

REITS / PROPERTY INVESTMENTS

BIG YELLOW GROUP



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

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

Investment Manager's report

TIME:UK Infrastructure Income summary

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

Shares in the Fund are, and are expected to continue to be, widely available. The intended categories of investors include retail investors (but only where such retail investors have sought financial advice where required before investing in the Fund and that this can be demonstrated to the Transfer Agent), offshore investors, ISA eligible investors and institutional investors. Each share class has the same rights on wind-up.

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

Dilution levy

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

This rate will vary to reflect actual or expected transaction costs, fiscal policy changes or other costs associated with the underlying investments of the Fund. The levy shall be retained by the Fund. The levy, chargeable at the discretion of the Administrator, on behalf of the ACD, would only be payable if the specific subscription or redemption is likely

to lead to transaction costs being incurred. It is not possible to predict accurately whether dilution is likely to occur. The Administrator will act in the best interests of all shareholders.

Dealing in TIME:UK Infrastructure Income

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

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

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

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

Performance review

As at 30 September 2020, TIME:UK Infrastructure Income held a diversified portfolio of 24 UK listed equities across a range of infrastructure, renewable energy, social infrastructure, secured lending and real estate sectors and was valued at £43 million. The Fund generated a total return over the six-month period of 6.22% inclusive of an income return of 2.72% and capital growth of 3.50%.

The Fund had positive performance every month during the period, except for September, as it continued its recovery from the extreme sell off in financial markets in March. All sectors have contributed to performance at different points, highlighting the benefits of sector and company diversification. Concerns of a second wave of COVID-19 increased in the UK in September which likely caused the "risk off" sentiment towards the end of the period. Post period end, October saw a recovery in the losses in September with the Fund paying out attractive levels of income and doing so with relatively low levels of volatility compared to wider equity markets.

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

REITS / PROPERTY INVESTMENTS

TRITAX BIG BOX REIT



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

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

SECURED LENDING

GCP INFRASTRUCTURE INVESTMENT



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

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

Investment Manager's report (continued)

Investment review

As at 30 September 2020, TIME:UK Infrastructure Income's portfolio consisted of 24 holdings valued at £43 million.

During the period three new holdings were added to the portfolio GCP Asset Backed Income ('GABI'), Primary Healthcare Properties ('PHP') and Assura Plc ('Assura'). PHP and Assura sit within a new sector, 'Social Infrastructure', whilst GABI was added to our existing 'Secured Lending' sector exposure. These companies help to diversify the Fund further into alternative high quality, UK listed investment companies within the wider infrastructure space. All three companies have desirable characteristics which we hope will improve the Fund's risk adjusted returns over time.

PHP and Assura are the UK's leading companies providing flexible, modern properties for local primary healthcare such as GP surgeries and medical centres. They both invest in healthcare real estate with long leases, backed by strong underlying covenants where much of the rental income is directly or indirectly funded by a government body such as the NHS. Whereas GABI predominantly issues UK asset backed loans across the social infrastructure, property, energy and infrastructure, and asset finance sectors. The focus for the company is on financing assets and contracted cash flows supported by a structural demand for the goods and services they provide.

Over the period the infrastructure sector contributed the most to performance, followed by the renewable energy sector. Both provide the Fund with equity exposure to assets that provide economies with the essential support they need for sustainable and long-term growth. They are asset-backed, often with the security of long-term contracted or regulated cashflows from high quality counterparties such as the UK Government. The returns of which are therefore typically less dependent on cyclical economic trends. The share prices of these assets were negatively impacted during the period of peak volatility in March, but since then they have performed well and remained relatively stable with the underlying net asset values showing particular resilience to weakness in the wider economy.

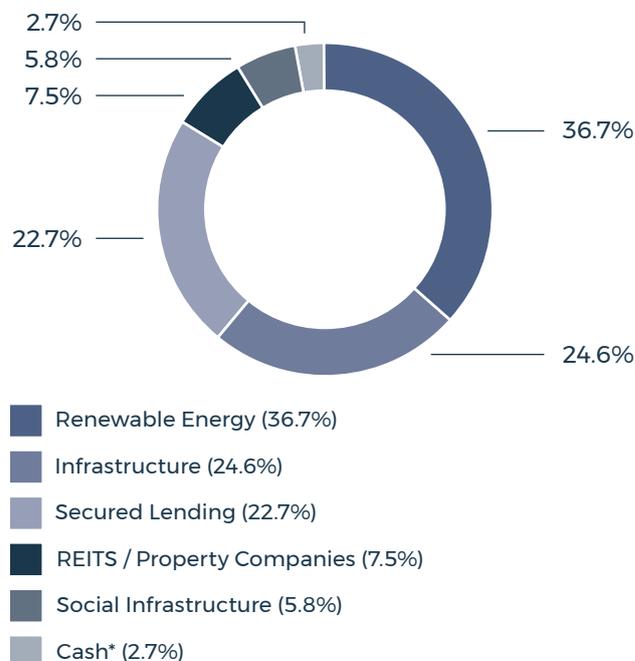
The Secured Lending sector also contributed positively to performance over the period with credit spreads tightening following the "risk off" sentiment in March. The holdings in this sector have relatively attractive loan to value ratios providing investors with some protection should there be any significant increase in defaults.

The final sector in which the Fund invests is Real Estate, another asset backed investment class often with attractive levels of income. Performance was mixed with the sector on balance negatively contributing over the period. Holdings exposed to alternative real estate sectors such as self-storage or large logistics facilities outperformed those with more exposure to traditional real estate such as offices or retail.

At the time of writing volatility remains at elevated levels having reduced significantly from March and April. There is also the outcome of the next stage of Brexit negotiations which may affect investor sentiment over the months ahead. Regardless, the Fund remains diversified across a

wide range of companies and sectors which we believe are well positioned to continue delivering attractive risk adjusted returns in these uncertain times.

Portfolio sector split



* Cash is shown net of debtor and creditors
Source: TIME Investments, as at 30 September 2020

The Fund is considering expanding its portfolio of investments to include UK and non-UK listed securities with desirable defensive characteristics including, asset backing, provision of essential services, long term contracted cash flows, and high-quality counterparties, primarily to increase diversification and enhance risk-adjusted returns across the portfolio.

Liquidity management

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

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

The Fund had cash reserves of £1.4 million as at 30 September 2020.

Stephen Daniels
for TIME Investments Investment Manager

30 November 2020

Net Asset Value per share, Performance Record, Ongoing Charge

Net Asset Value

30 September 2020	Net Asset Value £'000	Net Asset Value per share £	Number of shares in issue
Class Accumulation	14,462	1.1816	12,238,620.92
Class Income	29,763	1.0543	28,230,820.72
	44,225		
Less: Distribution paid in cash to income share class investors post period end	(375)		
Less: Investment valuation difference from intra-day mid to close of business bid price	(18)		
	43,832		

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

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

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

Performance Record

Class Accumulation	Period ended 30 September 2020	Year ended 31 March 2020	Period ended 31 March 2019
CHANGE IN NET ASSET PER SHARE			
Opening net asset value per share	1.1124	1.1418	1.0000
Return before operating charges*	0.0737	(0.0197)	0.1495
Operating charges	(0.0045)	(0.0097)	(0.0077)
Return after operating charges*	0.0692	(0.0294)	0.1418
Closing net asset value per share	1.1816	1.1124	1.1418
Retained distributions on accumulation shares	0.0289	0.0572	0.0433
* Returns are stated after direct transaction costs of:	0.0011	0.0016	0.0013
PERFORMANCE			
Return after charges	6.22%	(2.57%)	14.18%
OTHER INFORMATION			
Closing net asset value (£'000)	14,462	11,403	896
Closing number of shares	12,238,620.92	10,251,161.40	785,020.58
Operating charges	0.39%	0.80%	0.72%
Direct transaction costs	0.09%	0.13%	0.12%
PRICES			
Highest share price	1.2134	1.2765	1.1516
Lowest share price	1.0915	0.9433	1.0000

Class Income	Period ended 30 September 2020	Year ended 31 March 2020	Period ended 31 March 2019
CHANGE IN NET ASSET PER SHARE			
Opening net asset value per share	1.0180	1.0963	1.0000
Return before operating charges*	0.0666	(0.0153)	0.1468
Operating charges	(0.0041)	(0.0090)	(0.0077)
Return after operating charges*	0.0625	(0.0243)	0.1391
Distributions on income shares	(0.0262)	(0.0540)	(0.0428)
Closing net asset value per share	1.0543	1.0180	1.0963
* Returns are stated after direct transaction costs of:	0.0010	0.0014	0.0013
PERFORMANCE			
Return after charges	6.14%	(2.22%)	13.91%
OTHER INFORMATION			
Closing net asset value (£'000)	29,763	31,084	31,206
Closing number of shares	28,230,820.72	30,535,264.00	28,464,205.49
Operating charges	0.39%	0.80%	0.72%
Direct transaction costs	0.09%	0.13%	0.12%
PRICES			
Highest share price	1.0826	1.1774	1.1058
Lowest share price	0.9866	0.8633	1.0000

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

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

Ongoing Charge (OC)

	30 September 2020	31 March 2020
	%	%
Class Accumulation and Income	0.75	0.75

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

The OC stated for 30 September 2020 and 31 March 2020 are based on the NAV as at 31 December 2019 in line with what is stated in the Key Investor Information at the respective dates.

Risk warning

The Fund seeks to deliver a consistent income return, from a lower volatility (than the overall stock market) portfolio of UK listed securities of real asset owning companies.

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

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

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

Past performance is not a guide to future performance.

For further risk information please see the Prospectus.

Brexit risk assessment

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

Impact of COVID-19

TIME:UK Infrastructure Income is a long only Fund investing in a range of companies listed on the UK stock market. The Fund was therefore not immune to the increase in volatility and indiscriminate sell off that occurred across global financial markets in February and March following the rapid spread of COVID-19. Whilst share prices suffered significant losses the net asset value of many of our major infrastructure holdings remained relatively resilient. Share prices have largely returned to not dissimilar levels to where they were trading pre COVID-19. Importantly the ability of these companies to pay dividends in line with previous guidance broadly remains the same, with some even increasing dividends over the period. Consequently the Fund has continued to pay a relatively attractive income distribution of 4.77% over the year to 30 September 2020. As a society the COVID-19 pandemic is something we are all having to live with. Whilst governments and the medical community have learned a huge amount about the virus over the past six months and how best to treat it, we expect volatility in financial markets to remain at reasonably elevated levels until such time as a proven vaccine or treatment is widely available.

Portfolio Statement

as at 30 September 2020

	Market valuation £'000	Total net assets %
Bluefield Solar Income Fund Limited (2,068,993 shares)	2,845	6.49%
BBGI SICAV S.A. (1,640,991 shares)	2,816	6.42%
CCP Infrastructure Investments Limited (2,401,357 shares)	2,776	6.33%
The Renewables Infrastructure Group Limited (2,004,647 shares)	2,738	6.25%
JLEN Environmental Assets Group Limited (2,290,635 shares)	2,715	6.19%
Sequoia Economic Infrastructure Income Fund Limited (2,595,743 shares)	2,705	6.17%
International Public Partnership Limited (1,654,940 shares)	2,668	6.09%
HICL Infrastructure PLC (1,600,141 shares)	2,653	6.05%
3I Infrastructure Plc (913,684 shares)	2,645	6.03%
Foresight Solar Fund Limited (2,542,605 shares)	2,632	6.00%
Starwood European Real Estate Finance Limited (3,086,963 shares)	2,624	5.99%
Nextenergy Solar Fund Limited (2,530,655 shares)	2,581	5.89%
Greencoat UK Wind Plc (1,908,863 shares)	2,554	5.83%
CCP Asset Backed Income Fund Limited (2,145,500 shares)	1,862	4.25%
Primary Health Properties Plc (861,089 shares)	1,276	2.91%
Assura Plc (1,636,296 shares)	1,262	2.88%
UK Commercial Property REIT Limited (708,185 shares)	482	1.10%
Big Yellow Group Plc (44,942 shares)	467	1.07%
Custodian REIT Plc (509,718 shares)	452	1.03%
Tritax Big Box REIT Plc (283,192 shares)	439	1.00%
British Land Company Plc (113,338 shares)	382	0.87%
Land Securities Group Plc (73,146 shares)	382	0.87%
BMO Commercial Property Trust Limited (540,909 shares)	348	0.79%
Standard Life Investments Property Income Trust Limited (720,158 shares)	335	0.76%
Total investments	42,639	97.26%
Cash	1,447	3.31%
Net other liabilities	(254)	(0.57%)
Total net assets as at 30 September 2020	43,832	100.00%

Portfolio Statement

as at 31 March 2020

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

Statement of total return

For the period ended 30 September 2020

	Period ended 30 September 2020 £'000	Period ended 30 September 2020 £'000	Period ended 30 September 2019 £'000	Period ended 30 September 2019 £'000
INCOME				
Net capital gains		1,682		1,005
Revenue	1,170		957	
Expenses	(178)		(142)	
Net revenue before taxation	992		815	
Taxation	-		-	
Net revenue after taxation		992		815
Total return before distributions		2,674		1,820
Distributions		(1,139)		(932)
Change in net assets attributable to shareholders from investment activities		1,535		888

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

Statement of change in net assets attributable to shareholders

For the period ended 30 September 2020

	Period ended 30 September 2020 £'000	Period ended 30 September 2020 £'000	Year ended 31 March 2020 £'000	Year ended 31 March 2020 £'000
Opening net assets attributable to shareholders		42,016		31,744
Amounts receivable on creation of shares	6,230		15,690	
Amounts payable on cancellation of shares	(6,349)		(1,942)	
		(119)		13,748
Income accumulated into capital		361		392
Dilution levy		39		97
Change in net assets attributable to shareholders from investment activities		1,535		(3,965)
Closing net assets attributable to shareholders		43,832		42,016

Balance sheet

As at 30 September 2020

	30 September 2020 £'000	30 September 2020 £'000	31 March 2020 £'000	31 March 2020 £'000
ASSETS				
Investments		42,639		40,959
		42,639		40,959
Debtors	201		289	
Cash at bank	1,447		1,215	
Total other assets		1,648		1,504
Total assets		44,287		42,463
LIABILITIES				
Creditors	(455)		(447)	
Total liabilities		(455)		(447)
Net assets attributable to shareholders		43,832		42,016

Authorised for issue and signed on behalf of the Authorised Corporate Director on 30 November 2020.

Alpha Real Capital LLP

Statement of cash flows

For the period ended 30 September 2020

	Period ended 30 September 2020 £'000	Year ended 31 March 2020 £'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Total return	2,674	(2,055)
Adjustments for:		
Net capital (gains)/losses	(1,682)	3,705
Distributions received from investments	(1,170)	(1,986)
(Decrease)/increase in creditors	(3)	10
Cash from operations	(181)	(326)
Taxation paid	-	(6)
Net cash flow from operating activities	(181)	(332)
CASH FLOW FROM INVESTING ACTIVITIES		
Disposal proceeds from investments	4,659	-
Purchase of investments	(4,616)	(13,854)
Transaction costs on disposal of investments	(14)	-
Transaction costs on purchase of investments	(27)	(52)
Distributions received from investments	1,105	1,982
Net cash flow from investing activities	1,107	(11,924)
CASH FLOW FROM FINANCING ACTIVITIES		
Creation of shares	6,383	15,524
Cancellation of shares	(6,338)	(1,924)
Dilution levy charge on creation/cancellation of shares	39	97
Net equalisation received	4	81
Distributions paid	(782)	(1,592)
Net cash flow from financing activities	(694)	12,186
Net increase/(decrease) in cash	232	(70)
Cash at the beginning of the period/year	1,215	1,285
Cash at the end of the period/year	1,447	1,215

Notes to the financial statements

For the period ended 30 September 2020

1. Accounting policies

The principal accounting policies are summarised below.

(a) General information

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

(b) Functional and presentational currency

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

(c) Basis of preparation

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

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

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

(d) Going concern

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

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

(e) Recognition of revenue

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

(f) Interest receivable

Interest income is accounted for on a receivable basis.

(g) Investments

At the end of the reporting period all investments have been measured at their fair value using the bid prices of the portfolio holdings determined at close of business on 30 September 2020.

(h) Financial Instruments

Investments in listed securities are initially measured at cost (which is equal to fair value at inception). Listed securities are subsequently measured at bid price or at fair value as permitted by the Prospectus under Fair Value Pricing. Investments in listed securities are valued at their fair value as at 30 September 2020. Realised and unrealised gains and losses on investments are included in the Statement of Total Return.

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

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

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

(i) Taxation

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

(j) Treatment of expenses

Expenses are recognised on an accruals basis.

Notes to the financial statements (continued)

For the period ended 30 September 2020

2. Distribution policy

(a) Basis of distribution

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

(b) Apportionment to multiple share classes

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

(c) Expenses

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

3. Equalisation

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

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

4. Judgements in applying accounting policies and key estimation uncertainty

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

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

Critical judgements in applying the Fund's accounting policies

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

(i) Assessing indicators of impairment

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

Key sources of estimation uncertainty

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

(i) Valuation of investment holdings

Investments are held at market value or fair value. The value of these investments may fluctuate depending on market conditions. The value of the holdings could vary within the next financial year, making this an area of estimation uncertainty. Please refer to page 5 of the Authorised Corporate Director's Report for details on the impact of COVID-19 to investment holdings.

Notes to the financial statements (continued)

For the period ended 30 September 2020

5. Risk management policies

The ACD is responsible for establishing, implementing and maintaining an adequate and documented risk management policy for identifying, measuring and managing all risks to which TIME:UK Infrastructure Income is or might be exposed.

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

The following risk management policies are applicable to the Fund.

(a) Market risk and valuations of investments

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

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

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

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

A 5% increase in the value of the Fund's investment portfolio would have the effect of increasing the return and net assets by £2,131,950. A 5% decrease would have an equal and opposite effect.

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

(b) Credit and liquidity risk

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

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

The Fund's liquidity is reviewed at each dealing point. The securities are UK listed and therefore can be sold, typically within two business days, to meet redemption requirements.

(c) Currency risk

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

(d) Interest rate risk

TIME:UK Infrastructure Income held £1.4 million cash at the end of the period. The ACD considers the impact of a change in interest rate as immaterial.

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

6. Taxation

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

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

7. Post balance sheet events

On 30 October 2020, TIME:UK Infrastructure Income paid its quarterly distribution for the period ended 30 September 2020.

Company information and key service providers

Company

ARC TIME:Funds (the "Company")

Registered in England with Company Number IC000958

Sub-funds

ARC TIME UK Infrastructure Income Fund

ARC TIME Freehold Income Authorised Fund

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

The register of TIME:UK Infrastructure Income
may be inspected at this address

Investment Manager, Administrator and Transfer Agent

TIME Investments
338 Euston Road
London NW1 3BG

Authorised and regulated by the
Financial Conduct Authority

Depository

NatWest Trustee and Depository Services Limited
House A, Floor 0
Gogarburn
175 Glasgow Road
Edinburgh EH12 1HQ

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



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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. November 2020.

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