

THE LOCAL AUTHORITIES'  
PROPERTY FUND  
ANNUAL REPORT AND  
FINANCIAL STATEMENTS

Year ended 31 March 2023

**CCLA**

## CONTENTS

Structure of the Fund*	03
Report of the Trustee	06
Report of the Investment Manager*	07
Independent Auditors' Report	16
Report of the Valuers	20
Summary risk indicator	21
Comparative table	22
Portfolio analysis	23
Portfolio statement*	25
Ownership of the Fund	25
Property portfolio*	26
Statement of total return^	45
Statement of change in net assets attributable to Unitholders^	45
Balance sheet^	46
Cash flow statement^	47
Notes to the financial statements^	48
Distribution table^	60
Statement of Trustee and Manager responsibilities	61
Statement of Depositary responsibilities and Report of the Depositary	62
AIFMD disclosures (Unaudited)	63
Trustee and Manager*	64

\*Collectively, these comprise the Manager's Report.

^Audited.

References to "CCLA" refer to the CCLA Group, comprising CCLA Investment Management Limited and CCLA Fund Managers Limited.

#### Disability Discrimination Act 1995

Extracts from the Annual Report and Financial Statements are available in large print and audio formats.

## STRUCTURE OF THE FUND

### for the year ended 31 March 2023

#### Structure and management

The Local Authorities' Property Fund (the "Fund") is established under a Scheme approved by HM Treasury under Section 11 of the Trustee Investments Act 1961 together with the Trust Deed dated 6 April 1972 as amended by supplemental trust deeds dated 6 April 1972, 13 September 1978, 21 April 2016 and 23 September 2019 (the 'Scheme').

The Local Authorities' Mutual Investment Trust (the "Trustee") is a company limited by guarantee. It does not have share capital and acts as the trustee and operator of the Fund.

The Trustee is controlled by members and officers of a council appointed by the Local Government Association, the Convention of Scottish Local Authorities, the Northern Ireland Local Government Association, The Welsh Local Government Association and Unitholders represented by the Trustee.

The members of the council meet regularly to receive reports and monitor the progress of the Fund.

The Fund is an open-ended, unregulated collective investment scheme. It is classified as an Alternative Investment Fund under the UK Alternative Investment Fund Managers Directive ("AIFMD"). It is domiciled in the United Kingdom and subject to appropriate UK laws and regulations.

CCLA Fund Managers Limited ("CCLA FM"), an authorised full-scope UK Alternative Investment Fund Manager ("AIFM"), has been appointed by the Trustee as the Manager of the Fund. The Manager has appointed CCLA Investment Management Limited ("CCLA IM") as the Investment Manager of the Fund under an Investment Management Agreement dated 22 July 2014. The Manager has delegated to the Investment Manager the fund management, administration and secretarial functions of the Fund. CCLA FM is a wholly owned subsidiary of CCLA IM.

The Trustee has delegated to CCLA IM the registrar functions of the Fund under a Registrar Agreement dated 1 October 1998. CCLA FM and CCLA IM are both authorised and regulated by the Financial Conduct Authority ("FCA"). As at 31 March 2023 the Trustee owns 13.42% of the ordinary share capital of CCLA IM.

HSBC Bank plc, an AIFMD authorised Depositary, has been appointed in accordance with the AIFMD requirements as the Depositary of the Fund. The primary functions of the Depositary are cash flow monitoring, safekeeping of assets and oversight of operational functions.

## STRUCTURE OF THE FUND

### for the year ended 31 March 2023

#### Investment objectives

The Fund provides facilities exclusively for local authorities and other public sector organisations to invest in commercial and industrial property on a collective basis so as to obtain a spread of risk with constant expert property management. The Fund aims to provide investors with a high level of income and long-term capital appreciation.

#### Investment policy

The Fund's powers of investment are not restricted either to particular types of property or, subject to the consent of HM Treasury, to specific parts of the world. However, it is the present policy to confine investment to commercial and industrial properties and property pooled funds within the United Kingdom.

A suitable spread is maintained between different types of property and geographic location. Overriding importance is attached to location, standard of construction and to covenant quality of the tenants. The portfolio is kept under constant review with the object of disposing of any property if appropriate returns have not been achieved or if future growth prospects diminish unacceptably. Properties are regularly inspected to ensure that the tenants comply with maintenance and other contractual obligations. Finance may be provided for suitable property developments.

Any proposed amendment to the investment objective or policy of the Fund must be approved by HM Treasury and sanctioned by a special resolution of the Trustee.

#### Comparator benchmark

The comparator benchmark for the Fund is the MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index calculated on a net asset value basis, after all expenses.

The benchmark covers the investment performance of 19 property funds valued at £19.75bn as at 31 March 2023, ranging in size from £3.27bn to £139.30m.

A MSCI Direct Property Benchmark is also used to review and monitor the performance of the Fund's property portfolio. This provides an appropriate and durable index for measuring the performance of the Fund's property assets and details can be supplied on application to the Manager.

#### Eligible contributors

Units of the Fund can only be issued to and owned by local authorities in the United Kingdom which are entitled to receive distributions from the Fund tax exempt.

## STRUCTURE OF THE FUND

### for the year ended 31 March 2023

#### Subscription dates

Investment in the Fund may be made by a local authority on any month end valuation date. Withdrawals from the Fund are subject to a notice period of at least 180 days. Unit holders will receive the price ruling when the redemption request is processed. The Fund may, however, at its discretion, defer the processing of any application or withdrawal for a period, as it may deem fit, to allow time for the purchase or sale of properties to utilise funds, meet the withdrawals or to protect the interest of the Unitholders in the Fund, if required.

#### Borrowing powers

The Trustee believes that the management of a property portfolio is facilitated by the exercise of a limited power to borrow and the Scheme provides for borrowings of up to 25% of the value of the Fund.

These facilities can also be used to accommodate timing differences between the availability of funds for investment and the making of suitable property purchases. Currently the Fund has no borrowing facilities available.

The Fund does not use any financial instruments or derivatives for the purpose of interest rate hedging or for any other purpose.

## REPORT OF THE TRUSTEE for the year ended 31 March 2023

We have pleasure in presenting our annual report of the Fund to the Unitholders of the Fund.

### Responsibilities of the Trustee

The Trustee is responsible for approving the Fund's property investment strategy, monitoring diversification, suitability and risk, reviewing the performance of the Fund and approving its distribution payments. In addition, we have monitored the administration, expenses and property valuations of the Fund.

The Trustee meets four times in each calendar year to undertake the responsibilities detailed above.

### Controls and risk management

CCLA FM has a risk management framework which provides a methodology for the assessment, mitigation and reporting of risk, ensuring a high quality of risk management and control is maintained for all funds under the Manager's control. The effectiveness of risks and controls is assessed by the directors of the Manager, with the help of the Risk and compliance function, on a continuing basis. The Trust receives and considers relevant operational risk information from the Manager.

### Compliance with Trust Deed and Management Agreement

Following our regular meetings and consideration of the reports and papers we have received, we are satisfied that the Manager, to whom we have delegated the administration and management of the Fund, has complied with the terms of the Scheme and the Management Agreement.

R Kemp CBE  
Chairman of The Local Authorities'  
Mutual Investment Trust  
17 July 2023

## REPORT OF THE INVESTMENT MANAGER

### for the year ended 31 March 2023

#### Performance

The Fund's total return performance record compared to the benchmark over periods to 31 March 2023 is shown in the table below. The Benchmark is the UK Other Balanced Open-Ended Property Fund Index. It is encouraging that despite the range of conditions and variety of challenges faced over the shorter- and longer-terms, the Fund has outperformed the benchmark over all periods.

It has been a difficult year for UK property investment. Negative investment returns over this last 12-month period have been of a scale to subdue the longer-term record but also disguises a more volatile experience beneath

those headlines. Total returns initially remained positive, albeit at a slower pace than the stronger gains made during 2021 and in Q1-2022. However, an expected slowdown in property investment and market conditions developed into a reversal in valuation movements that accelerated into a sharp downturn. Whilst rapidly rising yields and weakening investment market conditions had eased considerably during the early months of 2023 and capital valuation movements stabilised by the year-end, the speed of the decline recorded by MSCI property indices was unprecedented, driven entirely by the fast-changing macro backdrop and rising yields rather than any weakness in occupier markets.

#### Total return against benchmark to 31 March 2023 (after expenses)

	1 year %	3 years % p.a.	5 years %	10 years % p.a.
<b>Performance against market indices (after expenses)</b>				
<b>The Local Authorities' Property Fund</b>	<b>-13.26</b>	<b>3.13</b>	<b>3.19</b>	<b>7.08</b>
MSCI/AREF UK Other Balanced Quarterly Property Fund Index	-14.11	2.54	2.67	6.72

Source: MSCI

Past performance is not a reliable indicator of future results.

## REPORT OF THE INVESTMENT MANAGER for the year ended 31 March 2023

The patterns of performance experienced by the Fund, overall and at a sub-sector level, remain consistent with the new environment, the trends and drivers now observable across the UK property investment sector. In relative terms, the Fund performed well during the year with a negative total return of -13.26% compared to the Benchmark at -14.11%. Relative performance was supported by the strategy which proved resilient during a challenging period and well placed for the outlook. The portfolio is weighted in favour of industrial warehouse property, where occupier market fundamentals are most attractive, and to a retail warehouse sub-sector that continues to offer good value. Returns were also supported by the above average and more reliable income element of the total return, especially when the variable capital return is uncertain, volatile and limited. A busy workload of management activity with a pro-active approach helps to protect income and value. The Fund offers an income distribution yield at 4.3%, which is comfortably higher than the 3.5% distribution yield recorded by the MSCI/AREF UK Quarterly Property Funds Benchmark.

The scale and speed of changing conditions in capital markets were also reflected in the movements of the Fund's Unit price. Pricing commenced the year at 345.17p, peaked at 363.21p in June 2022 and then declined sharply to 288.27p by the year-end, representing a negative capital return of -16.5%. Conditions for income generation also remain demanding, reflecting a combination of property sub-sector and asset level challenges, but more positively, and in contrast to

capital returns, occupational markets have been relatively resilient. The Fund's net income for distribution to Unitholders increased by +9.5%. With the rent collection function largely returning to normal, asset and lease event management can now focus on opportunities to improve letting terms and support portfolio income. In addition, a positive outcome from the rise in interest rates is interest earned on the Fund's cash holding is now higher, whilst the Fund also holds an above average level of cash compared to the Benchmark and supports liquidity. Quarterly income payments to Unitholders produced an annual distribution income total that increased over the year to 12.29p per Unit and compares to 11.22p recorded for the previous 12-month period to 31 March 2022. The Fund's income returns for Unitholders, amounted to 3.8% over the twelve-month period compared to the Benchmark income return of 3.0%. Looking ahead the Fund's income distribution yield based on the year-end Unit price is 4.3%, and the equivalent MSCI Benchmark yield is 3.5%. Given the uncertainty and current weakness surrounding capital returns, this underlines the strategic importance of the more reliable and attractive income return as a firm foundation for long term performance.

Given a sharp decline in portfolio asset valuations over the period under review the size of the Fund also fell from £1.43bn to £1.19bn. A small net inflow of new investors capital was received, as inflows and redemption settlements largely counter-balanced. This combined with one small asset sale increasing the size of the cash holding at the year end to £81.5m and the liquidity rate to 6.8%.



## REPORT OF THE INVESTMENT MANAGER for the year ended 31 March 2023

### Market review

Commercial property market conditions in 2022-23 were dominated by rising interest rates and the higher bond yields resulting from central bank efforts to control inflation. Initially, the UK property investment sector displayed some resilience, building on a run of strong total returns since 2021, despite a worrying and growing list of challenges, including the cost-of-living crisis and supply problems, all exacerbated by political uncertainty and the war in Ukraine. However, as the year progressed, rising yields, and the prospects of interest rates being higher for longer, combined with the growing threat of economic weakness to undermine the relative attraction of the property sector as an investment class, its funding and viability off existing high valuations, and ultimately its pricing in more subdued market conditions. A tipping point was passed midway through the year, as the attractive property yield margin was squeezed, and higher finance costs cooled investor appetite. Whilst this was expected, the momentum behind an expected slowdown quickly gathered pace to accelerate into a more significant downturn and the decline in capital valuations was unprecedented. Property yields needed to rise to adjust to the rapidly changing financial backdrop. With bond yields already elevated, from late September political and financial turmoil precipitated by the UK government's mini budget exacerbated the volatility. The speed and scale of the adjustments in interest rates and yields created a liquidity crisis that would eventually threaten the banking system and spill over into the property investment sector,

weighing heavily on sentiment, demand and property investment activity during the final quarter of the year.

Market participants, buyers and sellers, paused activity to assess the impact and the outlook, leaving property valuations further exposed to forced selling and an over-correction of valuations. Market transaction volume fell back sharply, producing notably weak data over the last six months. £7.3bn in Q4-2022 was the lowest volume since the lock-down of Q2 2020, whilst Q1-2023 was only marginally improved at £8.1bn but thinner in terms of numbers of transactions supported by a few big-ticket transactions. Despite signs of greater stability in the early months of 2023, as expected Q1-2023 was naturally subdued as the market came to terms with both the turmoil and the resulting new financial landscape. Activity overall is currently down by around 40% compared to longer term averages, although indicative yields have stabilised. A drop in investment was evident across most sectors, and for industrial warehouse property falling volume is more a reflection of a greater reduction in pricing despite a busy market and deal numbers. Not unsurprisingly in the wake of structural and environmental pressures, investor caution appears to be centring on offices, despite being bolstered by some of the largest deals, and transaction yields have moved out sharply. Overseas buyers continue to underpin the sectors lower volume, accounting for almost half the total, but net buying is still at its lowest since the pandemic-afflicted 2020.

## REPORT OF THE INVESTMENT MANAGER for the year ended 31 March 2023

Despite the scale of the disruption, liquidity challenges and the growing unease over pricing, higher level sector trends and drivers remain largely unchanged. The evidence produced in the market appeared rational and sufficient to confirm and understand the scale of the slide in prices and for valuers to accelerate the pace of the falls in property investment valuations. As a result, property valuations decreased at an unprecedented speed and the prospects for market liquidity diminished materially.

The MSCI Quarterly Capital Index for All Property declined by -18.3% since the end-Q2-22 peak, but only -1.0% was lost in the last three-month period to 31 March 2023. Reflecting the positive growth still being recorded in the first half of 2022, the Capital Index fell by -16.8% over the whole year. Capital valuation movements are driven by industrial warehouse property, both on the way up reflecting attractive fundamentals, and now more aggressively on the way down reflecting the resultant low initial yields. Industrial property values have been most volatiles but slipped -23.4% over the whole year. By comparison All Office capital growth was -16.0%, Retail Warehouses -11.9%, and Shops -12.7%. The MSCI Quarterly Total Return Index for the year to 31 March 2023, including income, was -13.1%. In contrast to capital performance volatility, MSCI Quarterly Rental Growth Indices are relatively stable during the period, but growth has slowed ending the year at +3.5%. Rental growth is still almost entirely driven by industrial property, where rental values are estimated to have risen by +8.7% this year.

### Strategy

A disruptive macro backdrop during 2022, and the nature of the challenges ahead in 2023, highlight the importance of remaining focused upon the property sector's fundamentals and the longer-term investment strategy. Reflecting the specific features of property as an investment asset class, strategy is focused on property asset selection and portfolio structure in seeking a competitive performance advantage and controlling risk over the long term. The Fund's investment objectives combine a relatively high-income yield, a bias that reflects the priorities of the local authority investor group, plus some capital appreciation over the longer term. Asset quality is important, and properties are actively managed and re-cycled as part of a bottom-up investment process. Gearing is not used to boost investment returns.

Structurally, it is important for the portfolio to be diversified but sitting alongside a dynamic approach to ensure it remains well placed to capture sub-sector strength, navigating short term sub-sector asset difficulties and gaining from long-term trends. A greater allocation to industrial and warehouse property, including retail warehouses, and away from a difficult shops sector, should continue to support income and total returns over the longer term. Most urgently, ongoing structural change in the office sector requires careful monitoring at the asset level and stock specific risk is high. Obsolescence and the need for substantial capital investment is a growing threat that imposes significant income and capital risk, with the prospect of stranded assets and an unrewarded burden on management time.

## REPORT OF THE INVESTMENT MANAGER for the year ended 31 March 2023

Reflecting a wider range of challenges, changing working practices and ESG requirements, exposure to offices has been reduced, and further asset sales will feature in the future. Growing allocations to the 'Other' category, which includes a range of alternative property uses such as hotels, gyms and car showrooms, offers attractive income features, long term income streams and assured growth mechanisms. Whilst, such investments are subject to the covenant strength provided by the tenant, this remains an interesting area for investment, especially whilst market driven growth is uncertain and limited in many important traditional sub-sectors.

### Activity

Reflecting conditions in capital markets, liquidity was maintained in the period with no new investments acquired. However, a strategic re-allocation away from mounting office risks focused sales activity on this part of the property portfolio. The aim is also to consolidate asset quality and the targeted strategic shape of the portfolio remaining well placed for the challenges and the outlook. One office holding was sold in the period to add to those offices sold during 2021. 1 and 2 Tangiers Central in Taunton, Somerset, received planning consent for residential redevelopment and this new scheme secured a sale price higher than the external valuation, adding £4.8m to the cash holding. Several office sales are currently in hand, but legal contracts have not been exchanged by the year end and it is hoped these asset sales will proceed to completion over the coming months.

Whilst it has been a testing year operating in UK property capital markets, occupier markets remained more supportive. Management activities functioned relatively well, producing positive results guided by our aims to build and secure asset income streams. The Fund recorded a high volume of management activity and the biggest transaction in the year was a four-property leasing agreement involving the Fund's car showroom properties across Greater London in Enfield, Woolwich, Bromley and Sidcup operated by the Stephen James BMW/Mini group. New leases increased the terms by a further 15 years to 2047 securing the income for 25 years with RPI based rent reviews. In addition, the 2023 rent reviews were advanced to 2022 increasing the rent from £1.96m pa to £2.22m pa. This initially stabilised the capital valuation but provides potential for future growth. A feature of the period was a string of new lettings across the multi-let industrial warehouse holdings where new higher rents have been realised, income streams secured, and valuations protected. These include the estates in Enfield, Orpington and on Brackmills in Northampton. A large new rental income stream was achieved on letting the previously vacant industrial unit in Elstree. Also in Northampton, a logistics warehouse unit secured a 32% increase in rent at rent review and above the external valuers estimated rental value, whilst at the nearby Sywell Distribution Centre, a strong 36% rent review uplift was achieved. A significant rent review was settled at Pickett's Lock in Enfield where the rent increased by 43% to £1.14m and well ahead of the external valuation. The scale of the rental increases being achieved across the industrial assets

## REPORT OF THE INVESTMENT MANAGER for the year ended 31 March 2023

underline why valuations achieved such heights prior to the rise in investment yields more broadly. At the Beckton Retail Park in East London a rent review of a retail warehouse unit leased to Selco achieved an attractive retail price index based rental uplift, and previously vacant units on the Maidenhead Retail Park achieved new 10-year leases to Hobbycraft and Pure Gym with RPI based rent reviews and meaning this retail park is now fully let. Positive rent review results were also secured on the hotel in Brighton, which was RPI based, and on the office in Bristol which was open market based.

Whilst many other leasing transactions were concluded in the period, most fundamentally, rent collection rates are now more stable and a statutory arbitration process introduced by the UK Government within the Commercial Rent (Coronavirus) Act 2022 was helpful in driving progress to resolve outstanding rent arrears. Only one tenant, Waterstones, made an application to the arbitration scheme, but an agreement was reached providing full repayment of the arrears. Three retail shop units located in Central London have also benefited from a renegotiated normalisation of rental terms following a period of CVA imposed lower rents since the pandemic period in 2020. It was encouraging that success was also achieved in a difficult office sector, with new lettings of previously vacant accommodation. A floor in the Threadneedle Street holding in the City of London was let, whilst a significant new rental income stream was established on the Edinburgh Park holding in Scotland. This letting facilitates the potential sale of the asset and is being explored. Also let was the entirety of the

vacant office accommodation at New Castle House in Nottingham, which was also a casualty of the pandemic.

However, an active management strategy means the portfolio void rate can fluctuate and demonstrating growing risks within the office sector, portfolio voids are concentrated in the office sub-sector. During the year, additional vacancy was recorded at Threadneedle Street, but more damaging is the loss of larger income streams at Icen House in Warwick where a significant refurbishment and upgrade project is required before the accommodation can be re-let. Nevertheless, portfolio investment vacancy fell steadily during the year from 11.3% as of 31 March 2022 to 7.6% by the March 2023 year-end and compares with the average investment vacancy rate recorded by the MSCI Monthly Index that increased to 10.3%. Development voids increased to 4.2% due to the planned project on the office holding in Warwick, and with the large vacancy at the warehouse property in Croydon ongoing subject to refurbishment works ahead of letting.

### **Our approach to ESG in managing the property portfolio**

Sustainability, impact and ESG considerations are central to the management approach and the investment process. This includes improving existing holdings, investing in new assets offering supportive ESG credentials and specifications, and disposing of assets that do not meet the standards required and improvement is not viable. This approach has been evident in the focus on office asset sales and reflected in a strategic re-allocation away from the office sub-sector, which is exposed

## REPORT OF THE INVESTMENT MANAGER for the year ended 31 March 2023

to obsolescence risk and the demands of the ESG challenge, especially those connected to energy efficiency and carbon reduction ambitions. Such factors represent a material risk that undermines viability off current valuations and therefore future income and investment returns. Importantly, the approach to ESG and investment policies in action are also reflected in the management of the assets during the life cycle. Green lease clauses are a feature of the Fund's standard lease and the base for all letting negotiations, providing some additional control and access to data across a range of operational metrics, including for example energy and water consumption, and waste and recycling regimes. In the past, this ability has been denied across fully let investment property portfolios where day to day control of assets is passed to the tenants by the letting structure. Whilst this development is an improvement, enhancing control and cooperation with the tenant, multi-let properties remain the principal examples in a portfolio where the Fund can retain a direct involvement in the management of the asset and implement planned improvements.

### The Issue of New Units and Redemptions

At the year-end, three outstanding redemption requests subject to the notice period amount to around £21m. Further sales of office holdings are in hand to support meeting this commitment whilst maintaining a comfortable level of liquidity for Unitholders. In the best interests of all unitholders, the notice period for redemption requests was extended from three months to six months.

### Outlook

A higher yield environment, uncertainty and other property related challenges have kept a lid on sentiment and investor appetite in the earlier months of 2023, as risk leans to the downside. More positively, the scale of any further decline in property investment valuations should be modest compared to the scale and speed of the downturn recorded at the end of 2022. This unprecedented decline should bring forward any following period of recovery compared to previous downturns. Evidence has emerged to confirm a material slowdown in the rate of valuation decline recorded by MSCI, whilst anecdotal evidence is indicating market conditions and liquidity prospects have passed a turning point. However, the timing and scale of any recovery may be delayed or subdued, subject to success in reducing inflation and the economic prospects. Although MSCI now records monthly total returns moving back into positive territory as valuations stabilise more broadly and supported by the reliable income return, material recovery in the capital performance outlook is unlikely to commence before the second half of 2023 or into 2024. In the meantime, property specific risk will be high and market transaction activity subdued but recovering in volume as the year progresses.

The latest IPF Consensus Survey showed a modest upgrade to forecasts for total returns in 2023, driven by an improved view on capital values that ripples through the three-year forecast period. This reflects the larger-than-expected fall in capital values in 2022. Taking a longer-term view, Capital Economics are forecasting total returns of around

## REPORT OF THE INVESTMENT MANAGER

### for the year ended 31 March 2023

6.3% p.a. from 2023-27 compared to the consensus view of 5.6% p.a., mainly due to a more optimistic view of retail.

Some parts of the market will inevitably prove more resilient than others. Assets compromised by structural or environmental factors may continue to face significant adjustments to value to allow for viable repositioning or redevelopment.

Industrial warehouse assets are anticipated to dominate market demand once more, remaining a focus for investors as new opportunities off lower prices re-emerge and emphasis returns to attractive investment and occupier market fundamentals.

Retail warehouse investment will also again offer good value and defensive characteristics, however, the prospects for rental value growth in the office and shops sub-sectors will remain exposed with investors more focused on prime asset quality, enhanced specifications, and location. Polarisation will reflect the impact of structural change continuing to weigh on returns, notably for secondary stock threatening oversupply, increased obsolescence, and an uncertain outlook for demand, rents, and valuations.

Across markets, the integration of ESG factors will weigh on future performance prospects, notably for office assets that may become stranded and locked into long term vacancy, whilst the viability of future proofing action at current valuations is a concern given the scale and cost of the enhancements required for demanding office asset specifications and in meeting new occupier market requirements, or for the re-purposing and re-positioning of assets. For yield seeking investors, the retail sector will be more appealing

as prices and rents become stable, and higher yields support performance, but limited scope for rental growth and ongoing challenges in the consumer sector contribute to an outlook that is still uncertain for retail property.

Property is a long-term investment asset class, and investors should look through this current turbulent period, remaining focused on the benefits of an allocation to UK real estate, the fundamentals, and high-level trends, both positive and the longer-term challenges. Offering an attractive income yield and some rental value growth, investment and management activity can continue to support income, enhance asset quality, and add value.

Whilst it is positive for the outlook that the severe correction in capital values required was experienced unusually quickly, for the time being the outlook for capital returns will remain uncertain and limited, meaning income is more influential for returns. Despite the economic challenges, that correction appears to have run its course and in some parts of the quality end of market, the correction arguably was too severe given the circumstances, and some degree of price recovery may follow sooner. A return to positive capital growth will rely on some initial recovery in the pricing of industrial warehouse assets, whilst also looking ahead to an eventual pivot in interest rate policy as inflation is brought under control over 2023. As the dust settles on the turbulence of last year, a weight of capital awaits investment, whilst with many investors facing refinancing pressures, transaction volume should increase during 2023 importantly with supply following demand, and quality assets selectively sold.



## REPORT OF THE INVESTMENT MANAGER for the year ended 31 March 2023

For the Local Authorities Property Fund, the foundation of an above average income yield, a high quality and well-placed portfolio structure with a pro-active approach to management activity, can all contribute to sustaining the attractive long term performance record. The Fund's approach and strategy remains guided by its philosophy and the longer-term investment objectives.

P Hannam  
Head of Property  
CCLA Investment Management Limited  
17 July 2023

### Association of Real Estate Funds

The Fund complies with the minimum requirements of the Association of Real Estate Funds (AREF) Code of Practice, which is a voluntary Code which aims to encourage members of AREF to adopt best practice whenever possible.

The Code is publicly available and published on the Association's website: [www.aref.org.uk](http://www.aref.org.uk).

### Risk warning

Investors should consider the risk factors identified in the Scheme Information. Past performance is not a reliable indicator of future results. The value of investments and the income derived from them may fall as well as rise. Investors may not get back the amount originally invested and may lose money.

Property and property related assets are inherently difficult to value because of the individual nature of each property. As a result valuations are open to substantial subjectivity. There is no assurance that the valuations of the properties will reflect the sale price achieved even where such sale occurs shortly after the valuation point.

The performance of the fund could be affected adversely by a downturn in the property market in terms of capital value or a weakening of rental yields. The revenue received by the fund is dependent to a large extent upon the occupancy levels of any property owned by the fund and the rents paid by these tenants.

Rental revenues and property values are affected by changes in general economic climate and local conditions.

Property values are dependent in particular on current rental values, prospective rental growth, lease lengths, tenant credit worthiness and the valuation yield (which is itself related to interest rates, the market appetite for property investment in general and with reference to the specific property in question) together with the nature, location and physical condition of the property concerned.

The Fund's units are intended only for long term investment and are not suitable for money liable to be spent in the near future. The units are realisable only on each monthly valuation date and a period of delay may be imposed for redemption of units depending on the Fund's liquidity. Redemptions are subject to a notice period of 180 calendar days and which can be increased to up to six months if so determined by the Manager. The units are realisable only on each monthly dealing day.

## INDEPENDENT AUDITORS' REPORT

to the Unitholders of The Local Authorities' Property Fund

**Report on the audit of the financial statements**  
*Opinion*

In our opinion the financial statements of The Local Authorities Property Fund (the 'Fund'):

- give a true and fair view of the financial position of the Fund as at 31 March 2023 and of the net revenue and the net capital losses on the property of the Fund for the year ended 31 March 2023; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", and the Trust Deed.

We have audited the financial statements which comprise for each sub-fund:

- the statement of total return;
- the statement of change in net assets attributable to unitholders;
- the balance sheet;
- the cash flow statement;
- the distribution table; and
- the individual notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable

in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) 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 Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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.

*Conclusions relating to going concern*

In auditing the financial statements, we have concluded that the Manager's (Manager's) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.



## INDEPENDENT AUDITORS' REPORT

## to the Unitholders of The Local Authorities' Property Fund

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report.

*Other information*

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Manager is responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

*Responsibilities of depositary and Manager*

Under the terms of the trust deed dated 6 April 1972 establishing the Fund, as amended by supplemental trust deeds dated 6 April 1972,

13 September 1978, 21 April 2016 and 23 September 2019 ("the Trust Deed"), the Trustee is responsible for preparing financial statements which give a true and fair view of the financial position of the Fund and of its net revenue and net capital gains of its scheme property in accordance with United Kingdom accounting standards and the Trust Deed.

The Trustee has delegated these duties to the Manager, who is therefore responsible for such internal control as the 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 Manager is responsible for assessing the Fund'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 Manager either intends to liquidate the Fund or to cease operations, or has 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

## INDEPENDENT AUDITORS' REPORT

## to the Unitholders of The Local Authorities' Property Fund

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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

*Extent to which the audit was considered capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Fund's industry and its control environment, and reviewed the Fund's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the manager about their own identification and assessment of the risks of irregularities, including those that are specific to the Fund's business sector.

We obtained an understanding of the legal and regulatory frameworks that the Fund operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Fund's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as Real Estate specialists and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- the fair value of investment properties may be misstated due to inappropriate judgements being used to determine their fair value and this represents the most likely opportunity for fraud. With the involvement of our valuation specialists, we tested the key inputs and assumptions that are used to derive the fair value of a sample of investment properties.

**INDEPENDENT AUDITORS' REPORT****to the Unitholders of The Local Authorities' Property Fund**

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of the management and the manager concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.

**Use of our report**

This report is made solely to the Fund's unitholders, as a body. Our audit work has been undertaken so that we might state to the Fund's unitholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP  
Statutory Auditor  
Glasgow  
17 July 2023

## REPORT OF THE VALUERS

Dear Sirs,

**The Local Authorities' Property Fund**  
**Property valuation as at 31 March 2023**

In accordance with your instructions received from The Local Authorities' Property Fund ("the Fund") to value all the property investments owned by the Fund ("the Properties") on a monthly basis, we have valued the Properties as at 31 March 2023. The valuation has been prepared on the basis of Fair Value, in accordance with the current edition of the RICS valuation – Professional Standards published by the Royal Institution of Chartered Surveyors (RICS). We understand that our valuation is required for unit pricing and financial statements purposes. Our report is addressed to the Fund.

We are of the opinion that the aggregate Fair Values of all the properties held by the Fund as at 31 March 2023 is £1,119,925,000 **(One Billion, One Hundred and Nineteen Million, Nine Hundred and Twenty Five Thousand Pounds)**.

Details of the basis of our valuation and the individual properties are set out in our valuation report, addressed to CCLA, dated 04 April 2023.

Yours faithfully,

Knight Frank LLP  
17 July 2023

## SUMMARY RISK INDICATOR

The UK PRIIPs Regulation requirements set out detailed guidelines for the calculation of the risk ratings of products to be portrayed through a summary risk indicator. It is intended to be a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Manager is not able to pay you. The risk of the product may be significantly higher than the one represented in the summary risk indicator where the product is not held for the recommended holding period (RHP).



The Manager has classified The Local Authorities' Property Fund as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level and poor market conditions are unlikely to impact the Manager's capacity to pay you. This classification is not guaranteed and may change over time and may not be a reliable indication of the future risk profile of the Fund. The lowest category does not mean risk free. The summary risk indicator assumes investment in the Fund for the RHP of five years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. The Fund should be considered illiquid as it is not admitted to trading on a secondary market and no alternative liquidity facility is promoted by the Manager or a third party. Property is recognised as an illiquid asset and is thus most suited to long-term investment. Whilst, investors can request redemption at any time, all such requests are subject to a minimum notice period of 90 days\*. The Fund normally deals on the last day each month. The Fund does not include any protection from future market performance, so you could lose some or all your investment. Property can be an illiquid asset class and the Manager may also defer redemptions on a dealing day if it considers there is insufficient liquidity in the Fund to meet redemptions and, in agreement with the Trustee, may suspend the buying and selling of units in the Fund due to stressed market conditions. Where an investor makes an application to sell or cancel units the Manager may, with the agreement of the Trustee, arrange to transfer Fund property out of the Fund in place of payment in cash for the units, but only if it is judged by the Manager not to disadvantage the remaining investors. A more detailed description of risk factors that apply to this product is set out in the latest Scheme Information, which is available on the Manager's website or by request.

\* With effect from 17 October 2022 and until further notice, the Manager has exercised its discretion (as provided for in the Scheme Information) to extend the redemption notice period from 90 days to 180 days.

## COMPARATIVE TABLE

## Change in net assets per Unit

	Income Units				
	Year to 31.03.2023 pence per Unit	Year to 31.03.2022 pence per Unit	Year to 31.03.2021 pence per Unit	Year to 31.03.2020 pence per Unit	Year to 31.03.2019 pence per Unit
Opening net asset value per Unit	342.44	291.21	293.85	305.20	301.27
Return before operating charges	(41.75)	65.89	13.48	5.10	20.29
Operating charges	(3.36)	(3.44)	(3.50)	(3.39)	(3.28)
Return after operating charges	(45.11)	62.45	9.98	1.71	17.01
Distributions on income Units	(12.29)	(11.22)	(12.62)	(13.06)	(13.08)
Closing net asset value per Unit	285.04	342.44	291.21	293.85	305.20

## Performance

Return after charges**	(13.17%)	21.45%	3.40%	0.56%	5.65%
Gross yield***	3.99%	3.04%	4.03%	4.14%	4.00%

## Other information

Closing net asset value (£'000)	1,189,677	1,427,774	1,192,676	1,198,323	1,121,586
Closing number of Units	417,369,030	416,943,212	409,662,787	407,798,343	367,497,998

## Prices (pence per Unit)

Highest Unit price (offer)	387.73	368.46	313.45	328.16	329.35
Lowest Unit price (bid)	283.80	289.98	278.22	291.15	297.38
Annual management charge*	0.64%	0.63%	0.62%	0.64%	0.61%
Other fund level operating costs	(0.01%)	0.02%	0.26%	0.07%	0.08%
Total Global Expense Ratio (TGER)	0.63%	0.65%	0.88%	0.71%	0.69%
Real Estate Expense Ratio (REER)	0.35%	0.39%	0.31%	0.40%	0.40%
Total charges figure	0.98%	1.04%	1.19%	1.11%	1.09%

All of the above figures are ratios set against the Fund's average net assets calculated over the period.

\* The Annual Management Charge is 0.65% (plus VAT, which is recoverable) of the net asset value of the Fund and is charged to income. The month end valuation forms the basis of the charge for the following month.

\*\* The return after charges has been calculated in accordance with the Statement of Recommended Practices' prescribed calculation methodology. This is for financial statement reporting purposes only and may differ from the Fund's performance disclosed on the Report of the Fund Manager.

\*\*\* The gross yield is calculated as the sum of the gross of tax, net of expenses income distributed over the previous 12 months expressed as a percentage of the offer price at the year end.

\*\*\*\* Closing net asset value per Unit shown is calculated using the closing net assets attributable to Unitholders as presented in these financial statements. This is for financial statements reporting purposes only and may differ from the Unit price disclosed in the Report of the Property Manager.

## PORTFOLIO ANALYSIS

at 31 March 2023

## Tenure

	31.03.2023		31.03.2022	
	£'000	%	£'000	%
Freehold or heritable	991,875	88.57	1,200,350	88.29
Leasehold	128,050	11.43	159,150	11.71
	1,119,925	100.00	1,359,500	100.00

## Tenants' unexpired lease terms

	31.03.2023	31.03.2022
	%*	%*
Unexpired term		
Over 10 years	13.56%	14.50%
5-10 years	22.50%	24.00%
Under 5 years	52.15%	49.70%
Investment void	7.60%	11.30%
Development	4.19%	0.50%
	100.00%	100.00

Lease termination is calculated at first break clause, if any.

\* Percentage of total revenue from contracted leases plus estimated rental values of unlet units/developments.

## Use of Capital

	31.03.2023		31.03.2022	
	£'000	%	£'000	%
Completed properties	1,119,925	94.14	1,359,500	95.22
Indirect investments	1,880	0.16	2,080	0.15
Net other assets	67,872	5.70	66,194	4.63
	1,189,677	100.00	1,427,774	100.00

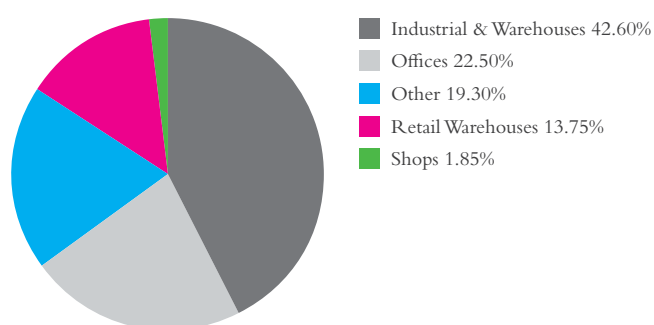
## PORTFOLIO ANALYSIS

at 31 March 2023

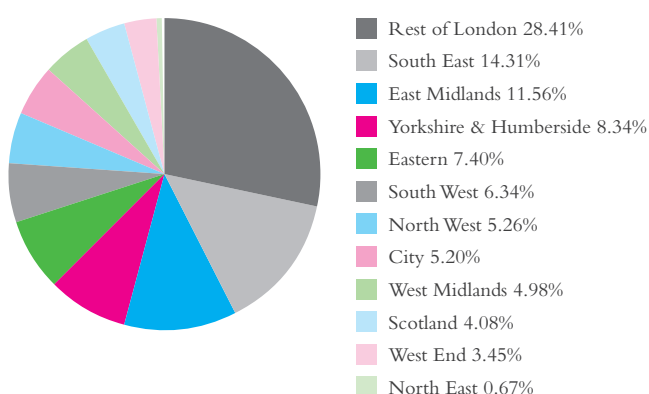
## Largest top ten property holdings

Property		% of Fund
London, Beckton Retail Park	Retail Warehouse	5.49
London, 3 Cathedral Street	Offices	3.81
London, 1 Goodman's Yard	Other	3.59
London, Imperial House	Retail & Office	3.48
London, 5 Pickett's Lock Lane	Industrial	3.37
Leeds, 1 Park Row	Offices	3.19
Bristol, Kings Orchard	Offices	2.82
Elstree, Phase 300 Centennial Park	Industrial	2.78
Coventry, Torrington Avenue	Industrial	2.68
Bracknell, Arlington Square West	Offices	2.41

## Asset by type



## Geographical distribution



## Portfolio turnover rate

The portfolio turnover rate gives an indication of how frequently assets are purchased and sold by the Fund.

	31.03.2023	31.03.2022
Portfolio turnover rate	0.01%	0.54%

The portfolio turnover rates are calculated by the total sales or purchases (excluding cash), whichever is less, divided by average monthly assets during the year.



## PORTFOLIO STATEMENT

at 31 March 2023

### Properties

Total in valuation ranges	£'000	% of Fund
Valued between £0 and £5m 12 properties	37,400	3.14
Valued between £5 and £10m 25 properties	190,625	16.02
Valued between £10 and £25m 26 properties	438,400	36.85
Valued at over £25m 13 properties	453,500	38.12
Other investments	1,880	0.16
Net other assets	67,872	5.71
<b>Net other assets</b>	<b>1,189,677</b>	<b>100.00</b>

## OWNERSHIP OF THE FUND

at 31 March 2023

	Number of investors	Number of Units in issue	% of Units in issue
Less than 1%	243	216,435,704	51.86
1% or greater but less than 2%	13	72,351,148	17.33
2% or greater but less than 4%	7	75,224,116	18.03
4% or greater but less than 8%	1	19,879,891	4.76
Greater than 8%	1	33,478,171	8.02
	265	417,369,030	100.00
Held by the largest investor	1	33,478,171	8.02
Held by top 5 investors	5	91,594,693	21.95

## PROPERTY PORTFOLIO

at 31 March 2023

## Standard Retail

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
84,85 & 86 East St CHICHESTER	River Island Clothing Co. Ltd	5 yrs 09.10.20	0 yrs	2025	50,000	0-5
22 and 23 Gentleman's Walk NORWICH	The White Company (U.K.) Ltd	10 yrs 24.03.14	5 yrs	2019/ 2024	270,000	0-5
89-89A Broad Street READING	Twinmar London Ltd	1 yr 02.12.20	0 yrs	2023	26,000	0-5
	Waterstones Booksellers Ltd	10 yrs 24.06.16	5 yrs	2021/ 2026	270,000	
13-17 Coney Street YORK	Hutchison 3G UK Ltd	5 yrs 22.11.18	0 yrs	2023	80,000	0-5
	Waterstones Booksellers Ltd	10 yrs 30.12.13	5 yrs	2023	285,000	
	Bubbleology Leasing II-A Ltd	10 yrs 15.08.22	5 yrs	2027/ 2032	40,000	

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

## Offices

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
The Arena BRACKNELL	Epicor Software (UK) Ltd	11 yrs 01.01.16	5 yrs	2026/ 2027	534,664	>25
	Eli Lilly and Company Ltd	10 yrs 07.04.20	5 yrs	2025/ 2030	1,085,021	
	Southern Electric Power Distribution	99 yrs 22.07.20	0 yrs	2119	–	
	Flying Bean Café Ltd	3 yrs 11.1.20	0 yrs	2023	–	
Kings Orchard BRISTOL	Bevan Brittan LLP	20 yrs 14.03.07	5 yrs	2022/ 2027	2,033,000	10–25
Compass & Alexandra House CRAWLEY	WS Audiology Ltd	25 yrs 24.08.98	5 yrs	2023	350,000	5–10
	Rentokil Initial 1927 Plc	10 yrs 23.04.21	5 yrs	2031	587,685	
Lakeview East & West DARTFORD	Kuehne & Nagel	10 yrs 12.10.19	5 yrs	2024/ 2029	408,432	5–10
	Swan Staff Recruitment Ltd	11 yrs 12.12.14	5 yrs	2019/ 2025	202,092	
9-10 Lochside Place EDINBURGH	Ooni Ltd	10 yrs 20.09.22	5 yrs	2027/ 2032	449,050	5–10
	Spie Ltd	16 yrs 21.01.16	0 yrs	2027/ 2032	48,994	
	Computacenter Plc	10 yrs 27.04.20	5 yrs	2025/ 2030	133,043	
Edinburgh Park EDINBURGH	Sainsbury's Bank Plc	15 yrs 19.02.14	5 yrs	2024/ 2029	1,514,280	10–25

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

Offices (*continued*)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
6-20 Bell Street GLASGOW	MND Scotland	5 yrs 24.06.22	0 yrs	2027	57,896	0-5
	Scottish Children's Reporter Administraton	20 yrs 11.02.14	5 yrs	2029/ 2034	250,810	
	ICA Architects Ltd	10 yrs 15.12.14	5 yrs	2019/ 2024	56,312	
	GigaAir Ltd	15 yrs 13.01.23	3 yrs	2026/ 2038	3,000	
2-4 Blythswood Square GLASGOW	Chivas Brothers Ltd	16 yrs 12.11.18	5 yrs	2023/ 2034	630,471	5-10
1 Park Row LEEDS	Pinset Masons LLP	30 yrs 30.07.99	5 yrs	2024/ 2029	1,720,000	10-25
Vanwall Business Park MAIDENHEAD	Hiscox Insurance Company Ltd	3 yrs 07.04.21	0 yrs	2024	57,640	0-5
	Hiscox Insurance Company Ltd	3 yrs 07.04.21	0 yrs	2024	23,744	
	Preact Ltd	10 yrs 19.10.18	5 yrs	2023/ 2028	97,254	

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

## Offices (continued)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Castle Boulevard NOTTINGHAM	UPS Ltd	5 yrs 30.04.19	0 yrs	2024	252,544	5-10
	GTT EMEA Ltd	10 yrs 01.12.15	0 yrs	2025	319,187	
	Telefonica UK Ltd	15 yrs 08.03.01	0 yrs	2016	18,186	
	Coral Racing Ltd	10 yrs 01.08.18	5 yrs	2023/ 2028	218,263	
	Entain Holdings (UK) Ltd	10 yrs 03.01.23	5 yrs	2028/ 2033	313,880	
Trinity Park SOLIHULL	Allianz Management Services Ltd	32 yrs 25.03.92	8 yrs	2024	461,400	0-5
Warwick Technology Park WARWICK	Vacant				—	5-10
Warwick Technology Park WARWICK	IBM UK Ltd	25yrs 25.03.99	5yrs	2024	655,000	0-5
7 Roundwood Avenue LONDON	Canon Europe Ltd	1 yr 22.06.22	0 yrs	2023	37,500	5-10
3 Longwalk Road LONDON	Marks & Spencer Plc	16 yrs 29.09.10	5 yrs	2021/ 2026	2,600,000	>25

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

## Offices/Shops

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Imperial House LONDON	Wasabi Co Ltd	10 yrs 09.09.22	5 yrs	2027/ 2032	100,000	>25
	Coco Di Mama Ltd	1 yr 18.05.21	0 yrs	2023	35,000	
	SV London Ltd	10 yrs 31.01.19	5 yrs	2024/ 2029	30,700	
	Knotel 8 Kean Ltd	10 yrs 20.11.18	5 yrs	2023/ 2028	332,375	
	Knotel 8 Kean Ltd	10 yrs 20.11.18	5 yrs	2023/ 2028	337,500	
	Alliots Chartered Accountants	10 yrs 25.04.18	5 yrs	2023/ 2028	328,500	
	Thornton & Baines Independent Financial Advisors	10 yrs 21.01.14	5 yrs	2024	149,000	
	Knotel 8 Kean Ltd	10 yrs 20.11.18	5 yrs	2023/ 2028	149,215	
	Agatha Christie Ltd	10 yrs 25.03.22	5 yrs	2027/ 2032	140,382	
	St Luke's Communications Ltd	5 yrs 09.07.20	0 yrs	2025	243,250	
	Kenny Wax Ltd	10 yrs 19.07.21	5 yrs	2026/ 2031	209,453	
	Finance & Leasing Association	10 yrs 18.02.18	5 yrs	2023/ 2028	3,978	

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

## Offices/Shops (continued)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Imperial House LONDON (continued)	Alliots Chartered Accountants	10 yrs 25.04.18	5 yrs	2023/ 2028	1,320	
	AC Priggen & TP Gale	10 yrs 09.01.18	0 yrs	2028	1,500	
	DX Network Services Ltd	10 yrs 26.07.15	0 yrs	2025	1,500	
	St Luke's Communications Ltd	3 yrs 07.03.22	0 yrs	2025	7,000	
	Alliots Chartered Accountants	10 yrs 25.04.18	5 yrs	2023/ 2028	4,240	
	SV London Ltd	10 yrs 24.08.18	5 yrs	2023/ 2028	4,770	
	SV London Ltd	9 yrs 02.09.19	5 yrs	2023/ 2028	2,400	
	SV London Ltd	9 yrs 02.09.19	5 yrs	2023/ 2028	2,700	
	SV London Ltd	10 yrs 24.08.18	5 yrs	2023/ 2028	8,660	
34 Threadneedle Street LONDON	Replete Ltd	30 yrs 29.09.07	5 yrs	2022/ 2037	106,500	5-10
	Replete Ltd	24 yrs 19.07.13	5 yrs	2023/ 2037	55,350	
	Emmaus Consulting Ltd	5 yrs 05.08.19	0 yrs	2024	90,000	
	W T Partnership Ltd	5 yrs 06.07.22	0 yrs	2027	32,000	

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

Offices/Shops (*continued*)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
3 Cathedral Street LONDON	Nero Holdings Ltd	10 yrs 26.02.21	5 yrs	2027/ 2032	150,000	>25
	Kaplan Estates Ltd	15 yrs 04.06.17	5 yrs	2022/ 2032	148,925	
	Kaplan Estates Ltd	15 yrs 04.06.17	5 yrs	2022/ 2032	351,843	
	Kaplan Estates Ltd	14 yrs 01.09.18	5 yrs	2022/ 2032	655,052	
	Kaplan Estates Ltd	15 yrs 04.06.17	5 yrs	2022/ 2032	660,100	
	Kaplan Estates Ltd	14 yrs 01.09.18	5 yrs	2022/ 2032	565,616	
	Kaplan Estates Ltd	14 yrs 01.09.18	5 yrs	2022/ 2032	74,414	
	James Roberts and Sarah Lygo Robert	75 yrs 02.12.10	0 yrs	2085	10	

\*Date in the past indicates that the review has not been settled yet.



## PROPERTY PORTFOLIO

at 31 March 2023

Offices/Shops (*continued*)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
157-159 Fenchurch Street LONDON	Hawes & Curtis Ltd	2 yrs 13.07.21	0 yrs	2023	75,000	10-25
	EE Ltd	10 yrs 23.07.15	5 yrs	2020/ 2025	4,428	
	Central Bank of the Republic of Turkey	10 yrs 10.08.20	5 yrs	2025/ 2030	128,586	
	Bircroft Insurance Services Ltd	10 yrs 25.03.20	5 yrs	2025/ 2030	122,265	
	IF P & C Insurance Ltd	5 yrs 24.08.19	0 yrs	2024	122,100	
	Resolute Asset Management LLP	6 yrs 01.11.17	0 yrs	2023	122,265	
	Resolute Asset Management LLP	5 yrs 21.06.18	0 yrs	2023	105,324	

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

## Industrial Property

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Aker Solutions Village ABERDEEN	MW Wirth Ltd	10 yrs 20.12.17	0 yrs	2027	310,000	0-5
Peregrine Road ABERDEEN	IKM Testing Facility (UK) Ltd	15 yrs 17.03.14	5 yrs	2024/ 2029	360,471	0-5
Peregrine Road ABERDEEN	Halliburton Manufacturing and Services Ltd	15 yrs 02.06.08	0 yrs	2023	264,750	0-5
The Boulevard ASHFORD	Menzies Distribution Ltd	10 yrs 25.03.16	5yrs	2021/ 2026	252,688	10-25
	L'Artisan Du Chocolat Ltd	10 yrs 13.09.21	5 yrs	2026/ 2031	410,500	
Unit 16 Junction Six BIRMINGHAM	Pointbid Logistics Systems Ltd	10 yrs 04.11.19	5 yrs	2024/ 2029	652,430	10-25
Great Bank Road BOLTON	Tesco Stores Ltd	4 yrs 01.01.17	0yrs	2021	1,395,000	>25
Huntsworth Business Park BRIDGWATER	Rochpion Properties (4) Ltd	21 yrs 06.11.02	5 yrs	2017/ 2023	622,275	5-10
Plot 5 Interlink Park COALVILLE	MTS Logistics Ltd	5 yrs 15.05.20	0 yrs	2025 2028	466,050	5-10
Torrington Avenue COVENTRY	Peugeot Motor Company Plc	15 yrs 13.12.13	3 yrs	2022/ 2028	1,558,311	>25
	Western Power Distribution	99 yrs 14.09.22	0 yrs	2121	1	
Unit 4 500 Purley Way CROYDON	Vacant					10-25

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

Industrial Property (*continued*)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Pioneer Business Park ELLESMERE PORT	Novar E D & S Ltd	10 yrs 08.11.19	5 yrs	2024/ 2029	1,112,585	10-25
Phase 300 Centennial Park ELSTREE	Richardson Healthcare Ltd	10 yrs 14.05.18	5 yrs	2023/ 2028	105,000	>25
	Entel UK Ltd	5 yrs 21.07.19	0 yrs	2024	112,300	
	Secomak Ltd	10 yrs 06.02.16	5 yrs	2026	146,800	
	Chevalier Tech Ltd	10 yrs 23.09.22	5 yrs	2027/ 2032	200,000	
	Apatech Ltd	10 yrs 14.12.19	5 yrs	2024/ 2029	241,250	
	Apatech Ltd	10 yrs 14.12.19	5 yrs	2024/ 2029	241,750	
	Jute Trading Ltd	10 yrs 14.11.22	5 yrs	2027/ 2032	164,500	
	Masters Pharmaceuticals Ltd	5 yrs 25.12.20	0 yrs	2025	166,200	
	Lumenis (UK) Ltd	10 yrs 15.05.18	5 yrs	2023/ 2028	77,500	
	Licensed Carriage Hire Ltd	8 yrs 25.07.16	0 yrs	2024	79,468	
	Licensed Carriage Hire Ltd	10 yrs 24.07.14	0 yrs	2024	80,532	
	Entel UK Ltd	5 yrs 21.07.19	0 yrs	2024	111,600	

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

Industrial Property (*continued*)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Cardinal North HUNTINGDON	Co-operative Foodstores Ltd	5 yrs 09.08.19	0 yrs	2024	611,000	10-25
Cardinal North HUNTINGDON	DHL Supply Chain Ltd	10 yrs 25.05.17	5 yrs	2022/ 2027	1,157,572	>25
Stadium Gate LEEDS	Mailing and Marketing Solutions Ltd	20 yrs 11.02.19	5 yrs	2024/ 2039	356,750	5-10
Leeds 27 Industrial Estate LEEDS	AAH Pharmaceuticals	5 yrs 25.03.18	0 yrs	2023	365,000	>25
	Herida Healthcare Ltd	5 yrs 09.09.19	0 yrs	2024	125,844	
	Morley Glass & Glazing Ltd	15 yrs 17.05.16	5 yrs	2026/ 2031	233,000	
	Apleona HSG Ltd	5 yrs 25.09.20	5 yrs	2025	180,000	
	Aptar UK Ltd	5 yrs 09.07.20	0 yrs	2025	209,000	
	Nobia Holdings UK Ltd	5 yrs 07.08.20	0 yrs	2025	292,127	
	Nobia Holdings UK Ltd	5 yrs 07.08.20	0 yrs	2025	360,250	

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

Industrial Property (*continued*)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Watermill Business Centre LONDON	Chevron Distribution Ltd	10 yrs 23.09.20	5 yrs	2025/ 2030	52,650	10-25
	Transport for London	15 yrs 12.12.22	5 yrs	2022/ 2037	125,000	
	Security Fibres UK Ltd	10 yrs 23.06.21	5 yrs	2026/ 2031	129,300	
	Eyre & Elliston Ltd	10 yrs 11.05.16	5 yrs	2026	46,000	
	Riel Chyc (UK) Ltd	5 yrs 29.08.20	0 yrs	2025	45,110	
	DSA Trading Ltd	5 yrs 12.11.21	0 yrs	2026	50,000	
	Eurocell Building Plastics Ltd	5 yrs 29.09.21	0 yrs	2026	44,600	
	Security Fibres UK Ltd	5 yrs 07.06.22	0 yrs	2027	53,680	
	Holemasters Demtech Ltd	10 yrs 10.06.14	5 yrs	2024	43,750	
	Bonvilla Foods Ltd	5 yrs 26.10.20	0 yrs	2025	43,500	
	P Fitzsimmons Ltd	10 yrs 29.11.21	5 yrs	2026/ 2031	28,575	
	Worldwide Automations Ltd	5 yrs 25.03.21	0 yrs	2026	27,525	

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

Industrial Property (*continued*)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Watermill Business Centre LONDON ( <i>continued</i> )	Mega Packaging Ltd	6 yrs 13.03.23	3 yrs	2026/ 2029	32,000	
	Bushfire Ltd	5 yrs 25.03.21	0 yrs	2026	29,000	
	Print4uk Ltd	5 yrs 01.11.21	0 yrs	2026	50,960	
	Comex 2000 (UK) Ltd	5 yrs 22.06.21	0 yrs	2026	59,500	
	Nu Vending Ltd	10 yrs 20.10.21	5 yrs	2026/ 2031	55,250	
	Stars Day Services Ltd	5 yrs 01.06.22	0 yrs	2027	52,920	
5 Pickett's Lock Lane LONDON	Abra Wholesales Ltd	15 yrs 02.09.11	5 yrs	2026	1,135,000	>25
Clayton Business Centre LONDON	Fitted Wardrobes Ltd	10 yrs 14.01.19	5 yrs	2024/ 2029	37,141	10-25
	Lusso Bespoke Joinery Ltd	5 yrs 10.05.21	0 yrs	2026	37,770	
	Eurocell Group Ltd	6 yrs 02.10.17	0 yrs	2023	35,750	
	Eurocell Building Plastics Ltd	10 yrs 13.08.13	5 yrs	2023	37,500	
	Lusso Bespoke Joinery Ltd	5 yrs 10.05.21	0 yrs	2026	37,950	
	Howdens Joinery Properties Ltd	15 yrs 15.09.14	5 yrs	2024/ 2029	99,500	

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

Industrial Property (*continued*)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Clayton Business Centre LONDON ( <i>continued</i> )	Sky Telecommunications Services Ltd	15 yrs 22.09.15	5 yrs	2025/ 2030	93,168	
	Hayes Automobiles Ltd	20 yrs 25.09.15	5 yrs	2025/ 2035	131,150	
3310 Hunter Boulevard LUTTERWORTH	DHL Supply Chain Ltd	5 yrs 16.01.19	0 yrs	2024	1,005,810	10-25
Garamonde Drive MILTON KEYNES	Apex Space Solutions Ltd	25 yrs 17.10.17	5 yrs	2022/ 2042	755,110	10-25
Motherwell Bridge MOTHERWELL	MB Engineering Services Ltd	25 yrs 19.04.07	5 yrs	2022/ 2032	134,392	5-10
	MB Engineering Services Ltd	25 yrs 19.04.07	5 yrs	2022/ 2032	100,794	
	MB Aerospace Ltd	25 yrs 19.04.07	5 yrs	2022/ 2032	201,587	
Brackmills Business Park NORTHAMPTON	Stertil UK Ltd	10 yrs 25.03.14	5 yrs	2024	91,200	5-10
	In 'N' Out Centres Ltd	10 yrs 17.04.14	5 yrs	2024	120,540	
	Bourbon Automotive Plastics Northampton	5 yrs 26.06.19	0 yrs	2024	172,128	
	Howden Joinery Ltd	5 yrs 09.05.22	5 yrs	2027	116,413	

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

Industrial Property (*continued*)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Corner Rhosili & Kilvey Road NORTHAMPTON	Johnson & Starley Ltd	15 yrs 25.03.16	5 yrs	2026/ 2031	396,006	5-10
Brackmills 192 NORTHAMPTON	Uniserve Holdings Ltd	10 yrs 04.05.18	5 yrs	2023/ 2028	1,086,428	10-25
Cray Avenue ORPINGTON	Nicholls & Clarke Ltd	10 yrs 13.02.23	5 yrs	2028/ 2033	95,627	10-25
	Tile Giant Ltd	25 yrs 29.09.05	5 yrs	2025/ 2030	58,025	
	Bathroom and Plumbing Superstore Ltd	12 yrs 16.10.18	0 yrs	2025/ 2030	44,800	
	Crown Paints Ltd	26 yrs 29.09.05	0 yrs	2026/ 2031	44,713	
	Carpets 4 Less Ltd	10 yrs 29.09.20	5 yrs	2025/ 2030	97,463	
	Carpets 4 All Ltd	15 yrs 10.07.08	5 yrs	2023	147,000	
	Toolstation Ltd	15 yrs 10.07.08	5 yrs	2023	70,570	
	Giant Floors Ltd	5 yrs 13.11.20	0 yrs	2025	30,627	
	Ranebrook Windows Ltd	5 yrs 01.04.22	0 yrs	2027	34,370	
	Teamframes Ltd	10 yrs 30.10.14	5 yrs	2024	28,560	

\*Date in the past indicates that the review has not been settled yet.



## PROPERTY PORTFOLIO

at 31 March 2023

Industrial Property (*continued*)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Cray Avenue ORPINGTON ( <i>continued</i> )	Fresh Eric's Cakes Company Ltd	10 yrs 22.12.15	5 yrs	2025	48,438	
	Trade Spray Services Ltd	20 yrs 24.10.11	0 yrs	2026/ 2031	49,221	
1 Ivatt Way PETERBOROUGH	Clipper Logistics Plc	15 yrs 28.09.18	5 yrs	2023/ 2033	1,095,000	10-25
Alpha Park ST NEOTS	Applehill Properties Ltd	5 yrs 02.07.20	0 yrs	2025 2033	1,219,900	10-25
Wellingborough Road SYWELL	Premium Warehousing Ltd	16 yrs 07.02.17	5 yrs	2027/ 2033	1,088,300	10-25
Wakefield Eurohub WAKEFIELD	Veralia UK Ltd	10 yrs 19.01.17	5 yrs	2022/ 2027	803,854	10-25
Grandstand WARRINGTON	Ceva Freight (UK) Ltd	8 yrs 25.03.16	5 yrs	2024	310,077	5-10
	Topgrade Sportswear Ltd	5 yrs 29.09.17	0 yrs	2022	190,500	
70 Sinclair Drive WELLINGBOROUGH	IFCO Systems UK Ltd	10 yrs 12.02.18	5 yrs	2023/ 2028	605,000	10-25

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

## Retail Warehouses

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Goodliffe Park BISHOPS STORTFORD	Wickes Building Supplies Ltd	42 yrs 29.09.89	5 yrs	2021/ 2031	517,110	5-10
Gallagher Retail Park BRISTOL	B&Q Plc	33 yrs 29.09.98	5 yrs	2026/ 2031	1,730,000	>25
	DSG Retail Ltd	10 yrs 24.05.13	5 yrs	2023	292,600	
Wincheap Retail Park CANTERBURY	Mothercare UK Ltd	30 yrs 24.06.96	5 yrs	2021/ 2026	317,811	5-10
	Boots UK Ltd	10 yrs 12.04.16	5 yrs	2021/ 2026	143,700	
Tewkesbury Road CHELTENHAM	HHGL Ltd	15 yrs 05.03.21	5 yrs	2026/ 2036	500,000	5-10
Victoria Street North GRIMSBY	CDS (Superstores International) Ltd	20 yrs 25.03.15	5 yrs	2025/ 2035	323,443	0-5
Birstall Retail Park LEEDS	CDS (Superstores International) Ltd	10 yrs 21.06.19	0 yrs	2029	429,390	5-10
Beckton Retail Park LONDON	Iceland Food Ltd	10 yrs 15.07.13	5 yrs	2018/ 2023	125,000	>25
	Fresh Bazar Ltd	8 yrs 22.11.17	0 yrs	2025	234,000	
	Multi-Tile Ltd	10 yrs 29.09.12	5 yrs	2022	135,000	
	Fresh Bazar Ltd	5 yrs 09.11.20	0 yrs	2025	150,000	
	TJ Morris Ltd	15 yrs 09.09.13	5 yrs	2018/ 2028	250,000	

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

Retail Warehouses (*continued*)

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
Beckton Retail Park LONDON ( <i>continued</i> )	Selco Trade Centres Ltd	15 yrs 12.10.16	5 yrs	2026/ 2031	442,603	
	Dreams Ltd	20 yrs 29.09.03	5 yrs	2018/ 2023	150,000	
	Lituanica UK Ltd	15 yrs 17.07.08	5 yrs	2013/ 2023	144,540	
	Fresh Bazar Ltd	6 yrs 20.09.19	0 yrs	2025	107,579	
	Matalan Retail Ltd	5 yrs 07.02.21	0 yrs	2026	316,360	
	Lituanica UK Ltd	7 yrs 19.12.16	0 yrs	2023	10,000	
Stafferton Way MAIDENHEAD	Halfords Ltd	20 yrs 24.06.05	5 yrs	2025	195,000	10-25
	Pure Gym Ltd	10 yrs 10.10.22	5 yrs	2027/ 2032	267,000	
	Hobbycraft Trading Ltd	10 yrs 06.03.23	5 yrs	2028/ 2033	125,760	
	Pets at Home Ltd	21 yrs 31.07.06	5 yrs	2027	135,244	
	HHGL Ltd	25 yrs 22.08.05	0 yrs	2030	749,850	
27 Tollbar Way SOUTHAMPTON	TJX UK	15 yrs 08.06.15	5 yrs	2025/ 2030	742,847	10-25
Albion Mills Retail Park WAKEFIELD	Wickes Building Supplies Ltd	25 yrs 25.05.05	5 yrs	2015/ 2030	602,325	5-10

\*Date in the past indicates that the review has not been settled yet.

## PROPERTY PORTFOLIO

at 31 March 2023

## Other

Property	Tenant	Term/ from	Lease review period	Next review/ expiry	Rent £	Mkt value range £m
14 West Street BRIGHTON	Travelodge Hotels Ltd	41 yrs 20.12.07	5 yrs	2027/ 2048	1,469,594	10-25
Bickley Road BROMLEY	DC Management Services Ltd	32 yrs 31.12.15	5 yrs	2027/ 2047	518,556	5-10
Locomotive Way DERBY	Derby College	20 yrs 20.10.09	5 yrs	2024/ 2029	960,066	10-25
Mobberley Road KNUTSFORD	R Stratton & Co Ltd	50 yrs 24.06.08	5 yrs	2023/ 2058	412,859	5-10
A10 Great Cambridge Road LONDON	DC Management Services Ltd	32 yrs 31.12.15	5 yrs	2027/ 2047	804,769	10-25
1 Goodman's Yard LONDON	Travelodge Hotels Ltd	40 yrs 15.12.08	5yrs	2023/ 2048	2,014,550	>25
	UK Broadband Ltd	20 yrs 30.09.14	5yrs	2019/ 2034	6,188	
Duke of Wellington Avenue LONDON	DC Management Services Ltd	32 yrs 31.12.15	5 yrs	2027/ 2047	385,382	5-10
Queens Drive NOTTINGHAM	Car Shops Ltd	20 yrs 22.05.19	5 yrs	2024/ 2039	1,100,000	10-25
52-55 Friar St & 12 Greyfriars READING	Sainsbury's Supermarkets Ltd	20 yrs 29.09.18	5 yrs	2023/ 2038	485,000	5-10
Maidstone Road SIDCUP	DC Management Services Ltd	32 yrs 31.12.15	5 yrs	2027/ 2047	510,064	5-10
Grand Total			65,486,965			

\*Date in the past indicates that the review has not been settled yet.

**STATEMENT OF TOTAL RETURN**  
for the year ended 31 March 2023

		Year ended 31.03.2023		Year ended 31.03.2022	
	Notes	£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains	2		(240,240)		210,476
Revenue	3	66,840		63,352	
Expenses	4	(15,390)		(16,858)	
Net revenue before taxation		51,450		46,494	
Taxation	5	(156)		(163)	
Net revenue after taxation			51,294		46,331
<b>Total return before distributions</b>			(188,946)		256,807
Finance costs: distributions	6		(51,294)		(46,331)
<b>Change in net assets attributable to Unitholders from investment activities</b>			(240,240)		210,476

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**  
for the year ended 31 March 2023

	Year ended 31.03.2023		Year ended 31.03.2022	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to Unitholders</b>		1,427,774		1,192,976
Amounts receivable on issue of Units	15,433		24,332	
Amounts payable on cancellation of Units	(13,290)		(10)	
		2,143		24,322
<b>Change in net assets attributable to Unitholders from investment activities</b>		(240,240)		210,476
<b>Closing net assets attributable to Unitholders</b>		1,189,677		1,427,774

The notes on pages 48 to 59 and the distribution table on page 60 form part of these financial statements.

**BALANCE SHEET**  
at 31 March 2023

	Notes	31.03.2023		31.03.2022	
		£'000	£'000	£'000	£'000
<b>ASSETS</b>					
Investment assets	7		1,108,400		1,350,372
Debtors	8	18,109		18,718	
Cash and bank balances	9	10,983		9,138	
Cash equivalents	9	81,455		79,455	
Total other assets			110,547		107,371
<b>Total assets</b>			<b>1,218,947</b>		<b>1,457,683</b>
<b>LIABILITIES</b>					
Creditors	10	16,453		18,391	
Distribution payable on income Units		12,817		11,518	
<b>Total liabilities</b>			<b>29,270</b>		<b>29,909</b>
<b>Net assets attributable to Unitholders</b>			<b>1,189,677</b>		<b>1,427,774</b>

The financial statements on pages 45 to 60 were approved and authorised for issue on behalf of the Board by R Kemp CBE, Chairman, on 17 July 2023.

The notes on pages 48 to 59 and the distribution table on page 60 form part of these financial statements.

**CASH FLOW STATEMENT**  
for the year ended 31 March 2023

	<i>Notes</i>	31.03.2023		31.03.2022	
		£'000	£'000	£'000	£'000
Net revenue for the year			51,294		46,409
Net cash inflow from operating activities					
Decrease in accrued revenue		2,694		1,609	
Increase in debtors		(2,086)		(1,035)	
Decrease in creditors		(1,938)		(1,018)	
			(1,330)		(444)
Net cash-flow from investment activities					
Capital expenses		(2,974)		(4,281)	
Payments to acquire investments		(93)		(55,983)	
Proceeds on disposal of investments		4,800		59,380	
			1,733		(884)
Net cash inflow from financing activities					
Issue of Units	15	15,433		24,332	
Cancellation of Units	15	(13,290)		(10)	
Distributions paid		(49,995)		(47,006)	
			(47,852)		(22,684)
Increase in cash			3,845		22,397
			31.03.2023		31.03.2022
			£'000		£'000
Net cash and cash equivalents at beginning of the year			88,593		66,196
Movement during the year			3,845		22,397
Net cash and cash equivalent at the end of the year			92,438		88,593

The notes on pages 48 to 59 and the distribution table on page 60 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2023

#### 1. Accounting policies

##### *(a) Basis of preparation*

The financial statements have been prepared on a going concern basis, in compliance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” and in accordance with the Statement of Recommended Practice for UK Authorised Funds (“SORP”) issued by the Investment Association in May 2014 (and amended in June 2017) and the Trust Deed. The financial statements have been prepared under the historical cost basis, as modified by revaluation of investment property.

##### *(b) Revenue recognition*

Rental revenue, interest on bank deposits and The Public Sector Deposit Fund are accrued on a monthly basis. Dividends on unit trusts are accrued on the dates when the investments are first quoted ex-dividend.

In accordance with FRS 102 the rent free period is recognised over the entire term of the lease. Lease incentives in the form of capital contributions are also shown as capital debtors and are amortised over the entire term of the lease.

##### *(c) Expenses*

During the year, the Manager’s periodic charge, paid by the Trustee to the Manager and recharged to the Fund, was deducted from revenue of the Fund before distribution. The fee is based on a fixed percentage of the value of the Fund, which is currently 0.65% p.a. plus VAT. Each month, the value at the end of the previous month is taken to calculate the fee due. This fee covers the provision of investment services and other expenses incurred by the Manager. The audit, insurance, property valuation fees and direct property fees are paid either directly by the Fund or by the Trustee and recharged to the revenue of the Fund before distribution.

##### *(d) Distributions*

Distributions are prepared quarterly and paid one month after each quarter end. Each month the revenue is applied to unitholders in the Fund and no revenue is included in the unit price. A net distribution is paid after deduction of expenses.



## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2023

#### 1. Accounting policies (continued)

##### (e) Capitalised costs

All costs associated with buying, selling and the development of properties are charged to capital. Other expenses, including the property valuation fees payable to Knight Frank LLP, are deducted from revenue.

##### (f) Basis of valuation

Freehold and leasehold properties are valued at each month end, on the basis of Fair Value in accordance with the current RICS Appraisal and Valuation Standards (The Red Book) as advised by Knight Frank LLP, Chartered Surveyors. In addition, the Manager reviews these values at each intervening month end and makes adjustments where necessary. Additions to the portfolio are valued externally after acquisition. The UK Retail Warehouse Fund is valued monthly as advised by Nuveen Property Management (Jersey) Limited. (please refer to note 18 for more details).

##### (g) Unit pricing policy

The Fund follows AREF's fund pricing recommendations and is priced at the Standard (NAV). Any adjustments around the Mid price (Bid/Offer) would follow AREF's fund pricing recommendations as required.

##### (h) Cash equivalents

The manager has treated some assets as Cash equivalents for the purpose of the Balance Sheet disclosure. Investments are regarded as Cash equivalents if they meet all of the following criteria:

- highly liquid investments held in sterling that are readily convertible to a known amount of cash;
- are subject to an insignificant risk of change in value; and
- provide a return no greater than the rate of a three month high quality government bond.

#### 2. Net capital gains

	31.03.2023 £'000	31.03.2022 £'000
The net capital gains during the period comprise:		
Unrealised (losses)/gains on investment properties*	(238,808)	186,167
Realised (losses)/gains on investment properties*	(1,231)	23,736
Unrealised (losses)/gains on collective investment schemes*	(200)	573
Net capital (losses)/gains	(240,239)	210,476

\* Where net realised gains include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised gains/(losses).

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2023

3. Revenue

	31.03.2023 £'000	31.03.2022 £'000
Rental revenue	62,718	59,727
Service charge income	2,226	3,170
Interest on the Public Sector Deposit Fund	1,583	90
Bank Interest	115	26
Income from collective investment schemes	109	195
Other revenue	89	144
	66,840	63,352

4. Expenses

	31.03.2023 £'000	31.03.2022 £'000
i) Property expenses:		
Services charge expenses	4,339	4,977
Property ground rent and empty rates	1,251	1,902
Other property outgoings	713	678
Property legal and professional fees	641	647
Property valuation fees	165	165
Property repairs and maintenance	66	120
	7,175	8,489
ii) Management expenses:		
Payable to The Local Authorities' Mutual Investment Trust:		
Manager's periodic charge – see note 1(c)	8,729	8,311
Audit fee	81	113
Investment Property Database fee	77	102
Insurance fee	32	20
Taxation fees	27	8
Miscellaneous expenses	23	6
Depositary fee	15	15
Legal fees	2	29
Bad debt	(771)	235
	8,215	8,369
Total expenses	15,390	16,858

The above expenses include irrecoverable VAT where applicable.

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2023

#### 5. Taxation

The Fund has been approved as an Exempt Unauthorised Unit Trust ("EUUT") under Regulation 3 of the Unauthorised Unit Trusts (Tax) Regulations 2013 (the "UUT Regulations"). Under the UUT Regulations, the Fund, as an EUUT is exempt from capital gains tax on its chargeable gains.

With regard to income arising to the Fund, such income will be treated as income of the Trustee and not of the unitholders, and will be chargeable to income tax at the basic rate. Under Regulation 18 of the UUT Regulations, where unitholders are treated as receiving income from an EUUT in respect of a period of account, the trustees are treated as making a deemed payment of the same amount on the final day of the period of account. Relief is available for the deemed payment against the income of the EUUT that is subject to income tax in the Trustees' hands.

	31.03.2023 £'000	31.03.2022 £'000
Income tax	156	94
Income tax is calculated as follows:		
Net taxable revenue at 20%	79	119
Prior year tax adjustment	77	44
Income tax	156	163

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2023

#### 6. Finance Costs: interest and distributions

##### *Distributions*

Distributions take account of revenue received on the issue of Units and revenue deducted on the cancellation of Units, and comprise:

	31.03.2023 £'000	31.03.2022 £'000
30 June – interim distribution	11,983	11,799
30 September – interim distribution	13,614	11,111
31 December – interim distribution	12,880	11,903
31 March – final distribution	12,817	11,518
Distribution for the year	51,294	46,331
<i>Interest</i>		
Interest for the year	–	–
Total finance costs	51,294	46,331
Net revenue for the year	51,294	46,331

Details of the distribution per Unit are set out in the distribution table on page 60.

There were no unclaimed distributions as at 31 March 2023 (31.03.2022, £nil).

Value of distributions paid in the year to 31 March 2023 excludes current year's final distribution for the quarter ended 31 March 2023, and includes prior year's final distribution for the quarter ended 31 March 2022. This is due to the final distribution being paid post year end.

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2023

7. Investment property

	31.03.2023 £'000	31.03.2022 £'000
Market value at the start of the year	1,350,372	1,139,012
Capitalised expenses	2,974	4,281
Acquisitions at cost	93	55,983
Disposals at cost	(6,031)	(35,644)
Unrealised (losses)/gains on revaluation	(239,008)	186,740
Market value at the end of the year	1,108,400	1,350,372
Historical cost at the end of the year	1,205,489	1,208,453

Property portfolio valuation, provided by our independent valuer Knight Frank LLP (page 20), is made of Investment property recorded within this note and adjusted for the value of indirect property investments, and Property Incentives included within debtors (note 8).

8. Debtors

	31.03.2023 £'000	31.03.2022 £'000
Unamortised rent free periods	8,725	9,151
Unamortised lease incentives	4,679	2,056
Rents receivable	3,522	6,216
Property payments recoverable	954	732
Prepayments	150	381
Accrued Revenue	52	79
Due from The Local Authorities' Mutual Investment Trust	27	103
	18,109	18,718

9. Cash and bank balances and Cash equivalents

	31.03.2023 £'000	31.03.2022 £'000
Cash in the Public Sector Deposit Fund	81,455	79,455
Cash at bank	10,983	9,138
Total cash	92,438	88,593

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2023

#### 10. Creditors

	31.03.2023 £'000	31.03.2022 £'000
Rent received in advance	13,786	14,302
VAT payable	2,070	1,573
Accrued expenses	597	2,516
	16,453	18,391

#### 11. Financial instruments

The main risks arising from the Fund's financial instruments and Manager's policies for managing these risks are summarised below. These policies have been applied throughout the year and the comparative year.

##### *Market price risk*

Whilst the value of direct property is independently valued on a monthly basis, such valuations are a matter of the valuer's opinion and such values may or may not be achieved on disposal. The Fund seeks to minimise the impact of these risks by maintaining a well diversified property portfolio, both geographically and by sector.

At 31 March 2023, if the value of investment held by the Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to unitholders, and profit or loss, would increase or decrease respectively by approximately £55,420,000.00 (31.03.2022, £67,519,000.00).

##### *Financial assets*

All cash and bank balances earn interest at a floating rate based on either SONIA or base rate. Debtors and creditors of the Fund do not pay or receive interest.

##### *Financial liabilities*

Under the Scheme of the Fund, the Manager may borrow a maximum of 25% of the value of the property of the Fund to assist with investing in, improvements to, or the managing of property and the short-term financing of, or meeting payments to be made out of the Fund.

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2023

#### 11. Financial instruments (continued)

##### *Liquidity risk*

By their very nature, direct properties are less liquid and therefore the investments may not be readily realisable. The Fund's liquidity may be affected by unexpected or high levels of redemptions. Under these circumstances, redemptions are subject to a notice period of 180 calendar days and which can be increased to up to six months if so determined by the Manager. The units are realisable only on each monthly dealing day.

##### *Currency risk*

There is no exposure to foreign currency fluctuations as all investments, revenue and short term debtors and creditors are denominated in sterling.

##### *Interest rate risk*

The majority of the Fund's assets are direct property investments and therefore do not pay interest or have maturity dates. As a consequence any changes in interest rates will not significantly affect the Fund, except in so far as they affect rental levels generally. The Fund also invests in cash deposits, the revenue of which may be affected by changes to interest rates. A sensitivity analysis for interest rate risk is not shown as the impact is unlikely to be significant.

The total exposure at 31 March 2023 was:

Currency	Floating rate financial assets* £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Sterling	92,438	—	1,126,509	1,218,947

Currency	Floating rate financial liabilities** £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
Sterling	—	—	29,270	29,270

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2023

#### 11. Financial instruments (continued)

##### Interest rate risk (continued)

31 March 2022

Currency	Floating rate financial assets* £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Sterling	88,593	—	1,369,090	1,457,683

Currency	Floating rate financial liabilities** £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
Sterling	—	—	29,909	29,909

\* The floating rate financial assets of the Fund earn interest at rates based on either SONIA, base rate or the interest rate of The Public Sector Deposit Fund.

\*\* All financial liabilities are due to be settled within one year or on demand.

There were no derivatives held by the Fund as at 31 March 2023 (31.03.2023, £nil).

#### 12. Commitments and contingent liabilities

There were no contingent liabilities as at 31 March 2023 (31 March 2022, £nil). At 31 March 2023 there were no redemption notices outstanding (31 March 2022, nil units).

As at 31 March 2023 there were pending redemption notices totalling £11,333,944.

#### 13. Trustee remuneration

The Trustee is controlled by the Members of the Council who receive no remuneration from the Fund.

#### 14. Related party transactions

CCLA FM the Manager, charges an annual management charge for the management of LAPF to LAMIT, the Trustee of LAPF. CCLA IM is a parent company of the Manager (CCLA FM) and both these companies are related parties of both, LAPF and LAMIT. There were no outstanding balances due to or from CCLA FM and CCLA IM as of 31.03.2023 (31 March 2022, £nil).



## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2023

#### 14. Related party transactions (*continued*)

The annual charge is paid by LAMIT on behalf of LAPF. LAMIT receives reimbursement from LAPF to cover these management expenses. LAMIT holds shares in CCLA IM and the dividends received by LAMIT in respect of these shares may be used to offset the reimbursement. In the year to 31.03.2023 LAMIT contributed £308,750 of its dividend income towards these costs (31.03.2022, £325,000). The amounts received by LAMIT from LAPF in respect of the recharges were £10,660,196 (31.03.2021, £10,176,177). There was an outstanding balance of £27,216 due from LAMIT to LAPF (31.03.2022, £102,916).

#### 15. Turnover of Units

The number and net asset value of units in the Fund issued, cancelled and transferred in the year to 31 March 2023 was as follows:

	Number of Units	Value £'000	% of NAV
Units issued	4,143,305	15,433	1.30%
Units cancelled	3,717,487	13,290	1.12%

Year to 31 March 2022 was as follows:

	Number of Units	Value £'000	% of NAV
Units issued	7,283,694	24,332	1.70%
Units cancelled	3,269	10	0.00%

At 31 March 2023 there were no redemption notices outstanding (31 March 2022, nil).

#### 16. Reconciliation of net cash flow to movement in cash balances

	31.03.2023 £'000	31.03.2022 £'000
Net cash and cash equivalents at beginning of the year	88,593	66,196
Movement during the year	3,845	22,397
Net cash and cash equivalents at the end of the year	92,438	88,593

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2023

17. Unitholders' funds – reconciliation of Units

	31.03.2023 Income Units	31.03.2022 Income Units
Opening number of Units at beginning of year	416,943,212	409,662,787
Units issued in period	4,143,305	7,283,694
Units cancelled in period	(3,717,487)	(3,269)
Closing number of Units at end of year	417,369,030	416,943,212

18. Fair value of financial assets and financial liabilities

In respect of financial assets and liabilities other than investments, there is no material difference between their value, as shown on the balance sheet, and fair value.

Investment property is held at fair value. The fair value of all investments are derived from valuation techniques using non-observable data.

The Fund's freehold and leasehold investment properties were independently valued by Knight Frank LLP, Chartered Surveyors, acting in the capacity of external valuers. As described in note 1(f), the valuation was to fair value in accordance with the Professional Standards of The Royal Institution of Chartered Surveyors (the 'Red Book'). Knight Frank LLP's opinions were primarily derived from comparable recent market transactions on arm's length terms. The Manager discusses these valuations with Knight Frank LLP at least once every quarter to assess them.

The UK Retail Warehouse Fund is valued monthly, at fair value, as advised by Nuveen Property Management (Jersey) Limited. Prior months' end valuation is used each month.

The fair value of investment property has been determined using the following hierarchy:

- Level 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date
- Level 2 Inputs other than quoted prices included above that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly
- Level 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2023

18. Fair value of financial assets and financial liabilities (*continued*)

For the year ended 31 March 2023:

Category	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment property	—	—	1,119,925	1,119,925
Indirect investments	—	—	1,880	1,880
	—	—	1,121,805	1,121,805

For the year ended 31 March 2022:

Category	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment property	—	—	1,359,500	1,359,500
Indirect investments	—	—	2,080	2,080
	—	—	1,361,580	1,361,580

**DISTRIBUTION TABLE**  
for the year ended 31 March 2023

Period ended	Date paid/payable	Dividends paid/payable pence per Unit	
		2023	2022
<b>Income Units</b>			
30 June	29 July	2.85	2.87
30 September	31 October	3.26	2.69
31 December	31 January	3.09	2.87
31 March	28 April	3.09	2.79
		12.29	11.22

The distributions for income Units were paid in the same year, apart from the distribution declared on 31 March, which is payable on 30 April in the subsequent year.

## STATEMENT OF TRUSTEE AND MANAGER RESPONSIBILITIES

**Responsibilities of the Trustee and Manager**

The Trustee of the Fund is required by the Trust Deed to prepare accounts which give a true and fair view of the financial position of the Fund at the end of each half-yearly accounting period and the movement in net assets for the period then ended, together with the information set out in clause 15(1) of the Trust Deed. In preparing these accounts the Trustee is required to:

- select accounting policies that are appropriate for the Fund and apply them on a consistent basis;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to Authorised Funds issued by The Investment Association (IA) in May 2014 (and amended in June 2017);
- follow generally accepted accounting principles and applicable United Kingdom accounting standards;
- keep proper accounting records which enable the Manager to demonstrate that the accounts, as prepared, comply with the above requirements;
- make judgments and estimates that are reasonable and prudent; and
- prepare the accounts on a going concern basis that the Fund will continue in operation unless it is inappropriate to presume this.

The Trustee has delegated to the Manager the day-to-day management, accounting and administration as permitted by the Trust Deed and the Manager is required to carry out these duties in accordance with the terms of the Trust Deed

The Trustee is also required to manage the Fund in accordance with the Trust Deed and take reasonable steps for the prevention and detection of fraud and other irregularities.

Under AIFMD the Manager acquired certain additional responsibilities including, ensuring compliance with AIFMD and that any delegation by the Manager is in accordance with AIFMD.

Should the Manager wish to retire, the Manager can only be discharged from its duties under the Scheme following the appointment of a replacement Manager who is eligible under AIFMD to act as Manager of the Fund.

## STATEMENT OF DEPOSITARY RESPONSIBILITIES AND REPORT OF THE DEPOSITARY for the year ended 31 March 2023

### Responsibilities of the Depositary

The Depositary must ensure that the Fund is managed in accordance with the Financial Conduct Authority's Investment Funds Sourcebook, ("the Sourcebook"), the Alternative Investment Fund Managers Directive ("AIFMD") (together "the Regulations") and the Fund's Scheme Information.

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

The Depositary is responsible for the safekeeping of the assets of the Fund in accordance with the Regulations.

The Depositary must ensure that:

- the Fund's cash flows are properly monitored and that cash of the Fund is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of Units are carried out in accordance with the Regulations;
- the assets under management and the net asset value per share of the Fund are calculated in:
- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits;

- that the Fund's income is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

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

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Fund, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Fund, acting through the AIFM has been managed in accordance with the rules in the Sourcebook, the Scheme Information of the Company and as required by the AIFMD.

HSBC Bank plc  
Trustee and Depositary Services  
8 Canada Square  
London E14 5HQ

*HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.*  
17 July 2023

## AIFMD DISCLOSURES (UNAUDITED)

**Manager Remuneration**

The Manager has no employees, but delegates the performance of its services to employees of its parent company, CCLA Investment Management Limited.

Recharges for the services of CCLA IM to the Manager are levied in respect of the year ending on 31 March each year. The recharge for the year to 31 March 2023 was £35,420,000. A recharge of £34,400,000 was levied in the year to 31 March 2022.

The average number of full time equivalent staff of CCLA IM, including temporary staff, for the year ended 31 March 2023 was 175 (year ended 31 March 2022: 155).

During the year ended 31 March 2023 and the prior year, remuneration was paid to CCLA IM staff as shown below. Totals for staff whose actions have a material impact on the risk profile of the Fund ("identified staff") are shown separately.

	Year to 31 March 2023			Year to 31 March 2022		
	Fixed remuneration £000	Variable remuneration £000	Total £000	Fixed remuneration £000	Variable remuneration £000	Total £000
Identified staff	1,035	1,287	2,322	1,166	1,552	2,718
Other staff	15,918	7,135	23,053	13,289	6,678	19,967
Total	16,953	8,422	25,375	14,455	8,230	22,685

Remuneration above is the total remuneration for CCLA IM; it is not possible to separate the element of that relating only to this Fund. The components of remuneration are appropriately balanced and do not create a conflict of interest for the Fund.

## TRUSTEE AND MANAGER

**Members of the Council and the Trust****Chairman**

R Kemp CBE

**Secretary**

J Fox

**Local Government Association**

R Kemp CBE (Acting Chairman)

R Love OBE

G Macgregor

S Pickup – resigned on 27 March 2023

K Stevens

C West

R Woodley

B Ingram – appointed 27 March 2023

**Unitholder Member**

P Clokie OBE – resigned 4 October 2021

**Northern Ireland Local Government Officers'****Superannuation Committee**

D Donnelly

**Welsh Local Government Association**

C Weaver – appointed on 23 September 2022

**Convention of Scottish Local Authorities**

G Macgregor

**The Manager/Alternative Investment Fund Manager (AIFM)**

CCLA Fund Managers Limited

*Authorised and regulated by the Financial Conduct Authority*

One Angel Lane

London EC4R 3AB

Telephone: 0207 489 6000

Client Service:

Freephone: 0800 022 3505

Email: [clientservices@ccla.co.uk](mailto:clientservices@ccla.co.uk)[www.ccla.co.uk](http://www.ccla.co.uk)**Investment Manager, Administrator and Registrar**

CCLA Investment Management Limited

*Authorised and regulated by the Financial Conduct Authority*

One Angel Lane

London EC4R 3AB

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Client Service:

Freephone: 0800 022 3505

Email: [clientservices@ccla.co.uk](mailto:clientservices@ccla.co.uk)[www.ccla.co.uk](http://www.ccla.co.uk)**Executive Directors of the Manager**

D Sloper (Chief Executive)

E Sheldon (Chief Operating Officer)

**Non-Executive Directors of the Manager**

R Horlick (Chair)

J Jetsy

A Roughhead

**Head of Property**

P Hannam

**Company Secretary**

J Fox

**Chief Risk Officer**

J-P Lim

**Third party Advisers****External Property Valuer**

Knight Frank LLP

55 Baker Street

London W1U 8AN

**Managing Agents**

BNP Paribas Real Estate

5 Aldermanbury Square

London EC2V 7BP

**Depository**

HSBC Bank plc

8 Canada Square

London E14 5HQ

**Banker**

HSBC Bank plc

60 Queen Victoria Street

London EC4N 4TR

**Solicitors**

Farrer &amp; Co LLP

66 Lincoln's Inn Fields

London WC2A 3LH

Hogan Lovells LLP

Atlantic House, Holborn Viaduct

London EC1A 2FG

DLA Piper Scotland LLP

Collins House

Rutland Square

Edinburgh EH1 2AA

**Independent Auditors**

Deloitte LLP

110 Queen Street

Glasgow G1 3BX



## ABOUT CCLA

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Founded in 1958, CCLA is now the UK's largest charity fund manager. Well known for managing investments for charities, religious organisations and the public sector, CCLA began a new phase in its development in 2022, now welcoming other types of investor.

Our purpose is to help our clients maximise their impact on society by harnessing the power of investment markets. This requires us to provide a supportive and stable environment for our staff and deliver trusted, responsibly managed and strongly performing products and services to all organisations, irrespective of their size.

# CCLA

**CCLA Investment Managements Limited**

One Angel Lane, London EC4R 3AB

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[www.ccla.co.uk](http://www.ccla.co.uk)

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and CCLA Fund Managers Limited (Registered in England and Wales No. 8735639)

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