

THE LOCAL AUTHORITIES'
PROPERTY FUND
INTERIM REPORT AND
UNAUDITED FINANCIAL STATEMENTS

Half year ended 30 September 2024

CCLA

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*Collectively, these comprise the Manager's Report.

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 Interim Report and Unaudited Financial Statements are available in large print and audio formats.

STRUCTURE OF THE FUND

for the half year ended 30 September 2024

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 30 September 2024 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 half year ended 30 September 2024

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 is an actively managed, diversified portfolio of UK commercial property. It will principally invest in UK commercial properties but may invest in other assets, which may be either liquid or illiquid in nature.

The Fund may invest a proportion of its assets in liquid instruments and cash in order to obtain appropriate levels of liquidity. Instruments used for this purpose may include cash and near cash equivalents, participation notes, UK real estate investment trusts, regulated or unregulated investment funds, and loan notes.

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, whilst holding some more liquid instruments and cash for liquidity purposes.

A suitable spread is maintained between different types of property and geographic locations. Overriding importance is attached to locations, standard of construction and to covenant quality of the tenants and the occupational lease terms. 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 improvements and 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 20 property funds valued at £18.44bn as at 30 September 2024, ranging in size from £138.3m to £3.31bn.

STRUCTURE OF THE FUND

for the half year ended 30 September 2024

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.

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 redemption requests will be processed after the expiry of the notice period. Unit holders will receive the next price calculated following the expiry of the notice period. 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 half year ended 30 September 2024

We have pleasure in presenting our interim 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
9 December 2024

REPORT OF THE INVESTMENT MANAGER

for the six months to 30 September 2024

Performance

The backdrop for UK property had been challenging since the summer of 2022, but it steadied in the six months to 30 September 2024. A recovery got under way during those six months, as stable to modestly higher capital values and income boosted total returns.

The table below shows the Fund's total returns, which continued to compare favourably to its comparator benchmark, the MSCI/AREF UK Other Balanced Open-Ended Property Fund Index.

Annualised total return against benchmark to 30 September 2024 (after expenses)

| | 6 months % | 1 year % | 3 years % p.a. | 5 years % p.a. | 10 years % p.a. |
|--|---------------|-------------|-------------------|-------------------|--------------------|
| Performance against market indices (after expenses) | | | | | |
| Fund | +2.27 | +2.15 | +0.06 | +2.42 | +5.10 |
| Benchmark | +2.32 | +1.35 | -0.61 | +1.52 | +4.75 |

Source: CCLA, MSCI/AREF UK Quarterly Property Funds Digest Q3 2024

Past performance is not a reliable indicator of future returns.

For the six months to 30 September 2024, the Fund's income return was 2.6% while the income return was 1.9% for the for MSCI/AREF UK Other Balanced Open-Ended Property Fund index. The Fund continued to produce competitive income, and distributions increased slightly, compared to the previous six months.

For the year ended 30 September 2024, the Fund's income return was 5.2%, versus the comparator benchmark's 4.2%. The Fund's higher income yield than its benchmark was a foundation for its positive returns in the period, when market conditions and prospects for capital growth were uncertain. By comparison, the Fund's capital-only return, after expenses, was -0.3%.

The Fund's performance for the six months under review broadly matched its comparator benchmark. On the plus side, the Fund's income advantage over its comparator benchmark and its overweight positioning in better-performing retail warehouses and industrial assets supported performance. Retail warehouses, such as the Fund's Beckton Retail Park in East London, usually consist of units where retailers sell often bulky good such as furniture, usually away from town centres. Industrial assets range from manufacturing sites and small business operations to larger logistics hubs such as assets the Fund owns in Bolton, let to Tesco, and in Huntingdon, let to DHL.

REPORT OF THE INVESTMENT MANAGER for the six months to 30 September 2024

On the downside, valuers remained cautious about offices and the Fund invested capital in several refurbishment and development projects. These investments were a drag on six-month performance but with, we expect, benefits to income and capital growth over the next twelve months. The Fund's cash holding was performance-neutral during the six months under review.

The Fund's value fell to £1.032 billion during the six months under review. Property valuations mostly stabilised and returned to growth during this time. The decline in the Fund's net asset value, therefore, mainly reflects unitholder redemptions lagged by the six-month notice period. In addition, the Fund's capital expenditure on refurbishment and development was higher than usual.

As of 30 September 2024, the Fund held £60.5 million in cash, 5.5% of its assets. The Fund settled £7.6 million of redemption requests during the half year under review. Liquidity demands within the Fund were modest and well managed. The Fund sold just one property during the review period, raising £18.5 million. This was a solid price, relative to the property's carrying valuation, despite continued difficult market conditions. The Fund completed another asset sale after the review period, supplementing liquidity by £9 million.

Strategy

The Fund aims to ensure that its portfolio remains well positioned, given ongoing strategic risks and raised asset-specific risks. The latter typically dominate in an imperfect asset class like investment property.

The Fund's strategy is also income-focused. A robust income stream is important for long-term performance in the property sector. That is particularly the case when market prospects are weak and uncertain, as in recent years.

In addition, a pro-active approach to asset management is vital to control risk, protecting both value and income. A high-quality portfolio offers opportunities to add value through active management, avoiding the need for debt to boost returns.

The Fund aims to maintain a well-diversified portfolio, with a range of exposures to fundamentally strong sub-sectors while avoiding short-term volatility and difficulties in specific assets:

- For example, the Fund is overweighted in favour of industrial warehouse property. This segment is liquid and occupier-market fundamentals are attractive. This position should underpin rental income and support strong rental growth, particularly at lease events (rent reviews, lease renewals etc.).

REPORT OF THE INVESTMENT MANAGER for the six months to 30 September 2024

- The Fund also has a material allocation to the retail warehouse sub-sector. That sub-sector continues to offer value, with defensive qualities including good value, higher yields and non-town centre locations with plentiful car parking. Retail parks are not exposed to the ongoing decline of town centres and high streets, which are impacted by online shopping.
- We aim to increase the Fund's weighting to the 'Other' category, a wide range that includes residential use and hotels. Such assets typically offer attractive long-term income and assured mechanisms for income growth. At rent review, for example, review clauses provide for fixed or known levels of uplift, or rents increase by indices such as the retail price index (RPI). Adding to this category would further diversify the portfolio.
- The Fund continues to be underweight shops and offices, relative to its comparator benchmark. The outlook for these is weak and asset-specific risk is high, due to voids and capital expenditure demands. Only offices in strong locations with the highest-quality specification have the best prospects. At that prime end of the market, occupier demand is strong and drives attractive rates of rental growth.

In the longer term, the Fund aims to control risks and gain from structural trends such as out-of-town and online shopping.

Market review

Property values appear to have stopped falling and this, on top of attractive income returns, has eased total returns back into positive territory.

Two traditional sub-sectors, offices and shops, have been challenged for some time. Investor interest in these assets remains thin, as asset-specific risk remains high. Another trend in recent years is the growing focus on alternative sub-sectors such as residential, hotel and leisure properties. Transaction volumes point to rising demand in these sub-sectors, especially in 'Living', which encompasses residential uses such as student housing, multi- or single-family housing and care homes. Industrial warehousing and retail warehousing remain in demand, and the former continues to produce attractive rates of rental growth.

Transaction volumes have slowly begun to recover in recent quarters, but they remain below their long-term average. Clear progress with interest rates and economic resilience will be needed before activity is likely to show momentum. Overseas buyers continued to dominate activity during the year to 30 September, a reminder of the global attractiveness of UK property. Equally encouraging, recent data in Lambert Smith Hampton's Q3 24 UK Investment Transactions Report shows that demand from a broader range of UK investors has increased. Moreover, the number of assets changing hands is rising.

REPORT OF THE INVESTMENT MANAGER for the six months to 30 September 2024

Confidence that UK interest rates would begin to fall soon was key in improving investor sentiment during the review period. Investors observed that the recovery was nearing, yields peaking, rents growing and that capital values had stabilised. The MSCI Quarterly Capital Index All Property, an index of underlying property values only, returned to growth, up 0.3% over the six months under review. With income added, this produced a total index return of 2.7%.

Activity

Portfolio activity was high over the six months under review. But the Fund completed just one sale, so activity focused on management, lease events, building improvements and capital projects. The Fund aims to maintain asset quality, increase rental values, support income and generate added value to boost total returns.

The Fund's modest disposal activity reflected its already comfortable liquidity. The single asset sold during the review period is an industrial warehouse in Ellesmere Port. That asset's £18.5 million sale price was ahead of its portfolio valuation, an opportunity to dispose of an asset with, in our opinion, limited prospects and boost cash.

Shortly after the six months under review, the Fund sold an office property and re-purposing project in Crawley, for £9.5 million. Despite subdued market conditions, the Fund achieved a sales price that was higher than this asset's prior valuation in the portfolio.

Importantly, lease management activity remained high. Rent collection has returned to pre-Covid normality, which supports reliable property income yields. As a result, the Fund can redeploy its attention and resources to asset management and lease events. That includes opportunities to improve assets, achieve attractive new letting terms and protect existing income streams.

Ongoing major projects include the refurbishment of a vacant industrial warehouse in Huntingdon, Cambridgeshire and an office building at Edinburgh Park, Edinburgh. Such projects require significant capital expenditure but bring benefits such as enhanced environmental and energy features, and specifications that support the asset's value. We expect they will help to support the Fund's total return.

The Fund also completed new leases on units within offices in central London and on industrial estates at Enfield and Orpington in Greater London. These new leases successfully achieved the Fund's rental ambitions for those units. As is typical in an actively managed portfolio, the Fund also experienced vacancy, notably at Imperial House on Kean Street, London WC2. Serviced office provider Knotel went into liquidation in September 2024, which released office space and started another major refurbishment and re-letting project. Encouragingly, significant reviews on several assets resulted in higher rents, which supported the Fund's income distribution.

REPORT OF THE INVESTMENT MANAGER for the six months to 30 September 2024

The portfolio's investment void (i.e. vacancy) rate was 11.7% as of 30 September 2024, compared with the 10.6% investment void rate of MSCI's Monthly Index All Property. Project development vacancy is 5.8%, entirely among office assets, which reflects the scale of activity amongst the Fund's office holdings.

Outlook

Property yields have risen, and valuations fallen since 2022. Other challenges have included structural change and transitions impacting sub-sectors such as retail and offices. Asset-specific risks are likely to remain high in these sub-sectors, but sector-wide risks are moderating. Yields are peaking and valuations stabilising, with the prospect of higher returns.

The macroeconomic environment appears more settled, but uncertainty persists. Market sentiment is improving, as investors expect more supportive interest rates. Transaction volume in the property market had been depressed for many months but is slowly recovering. If volume continues to pick up, confidence in pricing among buyers and sellers is likely to improve. This, in turn, should further encourage transaction activity.

Occupier-market fundamentals are positive across many sub-sectors, supported by a milder-than-expected economic slowdown. As a result, rental value growth is attractive for investors and supports valuations, but the prospects for capital growth remain uncertain.

The UK property sector appears to have moved into a more positive phase of its cycle. In our view, but by no means guaranteed, investors can therefore expect total returns to improve for the remainder of 2024. We expect that more stable yields and the positive impact of rental value growth on valuations will combine with the attractive income return that is an enduring feature of property.

With capital returns flat and the prospects for yield compression uncertain, we expect that income will continue to dominate total returns. The office sub-sector is likely to remain the main drag on performance. However, with high asset-specific risk, outcomes within many segments and across segments will be unevenly spread.

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 AREF's website: www.ref.org.uk.

Paul Hannam
Head of Property
CCLA Investment Management Limited
9 December 2024

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 dealing day and whilst investors can request a redemption at any time, all such requests are subject to a minimum notice period of 90 days which may be increased to up to 6 months in accordance with the provisions in the Scheme Information. With the effect from 17 October 2022 and until further notice, the redemption notice period has been extended from 90 days to 180 days. In certain circumstances, the rights for Unitholders to redeem Units may be suspended. Unitholders should note that where a suspension is implemented, they may not be able to redeem their Units as quickly as they would like to, and that this may have an impact on redemption and may consequently impact the Unitholder's own liquidity.

REPORT OF THE VALUERS

Dear Sirs,

The Local Authorities' Property Fund
Property valuation as at 30 September 2024

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 30 September 2024. 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 30 September 2024 is **£973,675,000 (Nine Hundred and Seventy Three Million, Six Hundred and Seventy 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 8 October 2024.

Yours faithfully,
Knight Frank LLP
9 December 2024

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. 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 180 days. The Fund normally deals on the last day of 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 | | | | |
|----------------------------------|---|--|--|--|--|
| | Half year to 30.09.2024 pence per Unit | Year to 31.03.2024 pence per Unit | Year to 31.03.2023 pence per Unit | Year to 31.03.2022 pence per Unit | Year to 31.03.2021 pence per Unit |
| Opening net asset value per Unit | 273.89 | 285.04 | 342.44 | 291.21 | 293.85 |
| Return before operating charges | 8.05 | 6.34 | (41.75) | 65.89 | 13.48 |
| Operating charges | (1.73) | (3.19) | (3.36) | (3.44) | (3.50) |
| Return after operating charges | 6.32 | 3.15 | (45.11) | 62.45 | 9.98 |
| Distributions on income Units | (7.06) | (14.30) | (12.29) | (11.22) | (12.62) |
| Closing net asset value per Unit | 273.15 | 273.89 | 285.04 | 342.44 | 291.21 |

Performance

| | | | | | |
|------------------------|-------|-------|----------|--------|-------|
| Return after charges** | 2.31% | 1.11% | (13.17%) | 21.45% | 3.40% |
| Gross yield*** | 5.21% | 4.84% | 3.99% | 3.04% | 4.03% |

Other information

| | | | | | |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|
| Closing net asset value (£'000) | 1,020,333 | 1,030,707 | 1,189,677 | 1,427,774 | 1,192,676 |
| Closing number of Units | 373,544,161 | 376,304,050 | 417,369,030 | 416,943,212 | 409,662,787 |

Prices (pence per Unit)****

| | | | | | |
|----------------------------|--------|--------|--------|--------|--------|
| Highest Unit price (offer) | 301.55 | 308.72 | 387.73 | 368.46 | 313.45 |
| Lowest Unit price (bid) | 271.34 | 272.73 | 283.80 | 289.98 | 278.22 |

| | | | | | |
|-----------------------------------|-------|-------|---------|-------|-------|
| Annual management charge* | 0.61% | 0.63% | 0.64% | 0.63% | 0.62% |
| Other costs | 0.12% | 0.07% | (0.01%) | 0.02% | 0.26% |
| Total Global Expense Ratio (TGER) | 0.73% | 0.70% | 0.63% | 0.65% | 0.88% |
| Real Estate Expense Ratio (REER) | 0.57% | 0.42% | 0.35% | 0.39% | 0.31% |
| Total charges figure | 1.30% | 1.12% | 0.98% | 1.04% | 1.19% |

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

* The Annual Management Charge is 0.65% (plus VAT, which is recoverable) of the net asset value of the Fund and is charged to capital. 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 year 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 30 September 2024

Tenure

| | 30.09.2024 | | 31.03.2024 | |
|-----------------------|------------|--------|------------|--------|
| | £'000 | % | £'000 | % |
| Freehold or heritable | 876,825 | 90.05 | 893,325 | 90.24 |
| Leasehold | 96,850 | 9.95 | 96,600 | 9.76 |
| | 973,675 | 100.00 | 989,925 | 100.00 |

Tenants' unexpired lease terms

| Unexpired term | 30.09.2024 | | 31.03.2024 | |
|----------------|------------|--|------------|--|
| | %* | | %* | |
| Over 10 years | 17.47 | | 16.09 | |
| 5-10 years | 20.38 | | 23.35 | |
| Under 5 years | 62.15 | | 60.56 | |
| | 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

| | 30.09.2024 | | 31.03.2024 | |
|----------------------|------------|--------|------------|--------|
| | £'000 | % | £'000 | % |
| Completed properties | 973,675 | 95.43 | 989,925 | 96.05 |
| Indirect investments | 1,301 | 0.13 | 1,288 | 0.12 |
| Net other assets | 45,357 | 4.44 | 39,444 | 3.83 |
| | 1,020,333 | 100.00 | 1,030,657 | 100.00 |

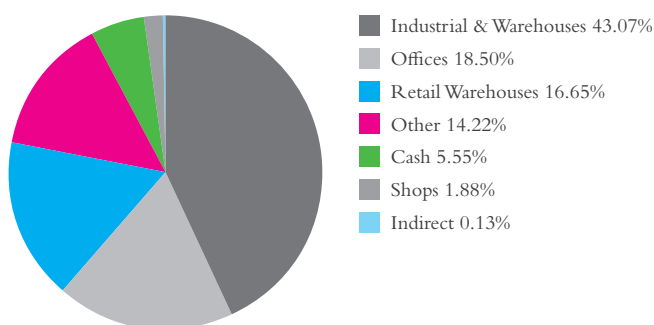
PORTFOLIO ANALYSIS

at 30 September 2024

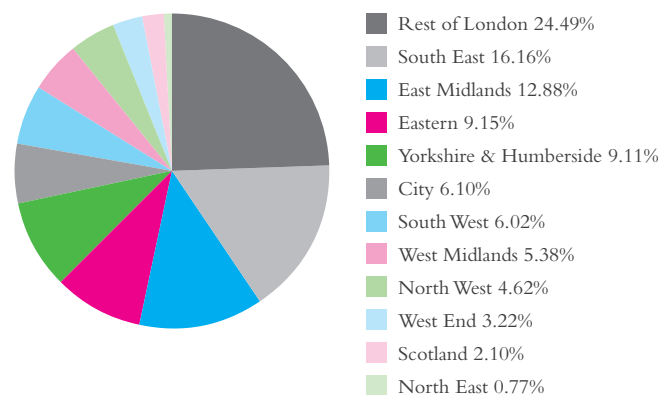
Largest top ten property holdings

| Property | | % Fund |
|--|------------------|--------|
| London, Beckton Retail Park | Retail Warehouse | 6.32% |
| London, 1 Goodman's Yard | Other | 4.36% |
| London, 3 Cathedral Street | Offices | 3.80% |
| Leeds, 27 Industrial Estate | Offices | 3.74% |
| London, Imperial House | Retail & Office | 3.22% |
| Bristol, Gallagher Retail Park | Retail Warehouse | 3.34% |
| London, 5 Pickett's Lock Lane | Industrial | 3.13% |
| Coventry, Torrington Avenue | Industrial | 3.08% |
| Bolton, Great Bank Road | Industrial | 2.95% |
| Huntingdon, DHL Cardinal Distribution Park | Industrial | 2.72% |

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.

| | 30.09.2024 | 30.09.2023 |
|-------------------------|------------|------------|
| Portfolio turnover rate | 0.02% | 0.01% |

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 30 September 2024

Properties

| Total in valuation ranges | £'000 | % of Fund |
|--|------------------|---------------|
| Valued between £0 and £5m 11 properties | 35,500 | 3.48 |
| Valued between £5 and £10m 21 properties | 162,325 | 15.91 |
| Valued between £10 and £25m 24 properties | 418,950 | 41.05 |
| Valued at over £25m 10 properties | 356,900 | 34.98 |
| Other investments | 1,301 | 0.13 |
| Net other assets/(liabilities) | 45,357 | 4.45 |
| | 1,020,333 | 100.00 |

OWNERSHIP OF THE FUND
at 30 September 2024

| | Number of investors | Number of Units in issue | % of Units in issue |
|--------------------------------|------------------------|-----------------------------|---------------------------|
| Less than 1% | 231 | 197,847,289 | 52.96 |
| 1% or greater but less than 2% | 13 | 64,987,388 | 17.40 |
| 2% or greater but less than 4% | 9 | 90,829,593 | 24.32 |
| 4% or greater but less than 8% | 1 | 19,879,891 | 5.32 |
| | 254 | 373,544,161 | 100.00 |
| Held by the largest investor | 1 | 19,879,891 | 5.32 |
| Held by top 5 investors | 5 | 68,124,774 | 18.24 |

PROPERTY PORTFOLIO

at 30 September 2024

Standard Retail

| Property | Tenant | Term/ from | Lease review period | Next review/ expiry* | Rent £ | Mkt value range £m |
|--|---------------------------------|--------------------|---------------------------|----------------------------|-----------|--------------------------|
| 84, 85 & 86 East St CHICHESTER | Mountain Warehouse Ltd | 10 yrs 07.12.23 | 5 yrs | 2028/ 2033 | 210,000 | 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 | Gadgets4UK Enterprises Ltd | 10 yr 27.09.23 | 5 yrs | 2028/ 2033 | 55,000 | 0-5 |
| | Waterstones Booksellers Ltd | 10 yrs 24.06.16 | 5 yrs | 2021/ 2026 | 270,000 | |

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

PROPERTY PORTFOLIO

at 30 September 2024

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 | 10-25 |
| | 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 | 2027 | 2,033,000 | 10-25 |
| Compass & Alexandra House CRAWLEY | Permasense Ltd | 10 yrs 12.06.23 | 5 yrs | 2028/ 2033 | 376,065 | 5-10 |
| | Rentokil Initial 1927 Plc | 10yrs 23.04.21 | 5 yrs | 2031 | 587,685 | |
| Lakeview East & West DARTFORD | Kuehne & Nagel | 10 yrs 12.10.19 | 5 yrs | 2029 | 408,432 | 5-10 |
| | Swan Staff Recruitment Ltd | 11 yrs 12.12.14 | 5 yrs | 2019/ 2025 | 202,092 | |
| | Launch Diagnostics Ltd | 10 yrs 26.10.23 | 5 yrs | 2028/ 2033 | 247,588 | |
| 9-10 Lochside Place EDINBURGH | Ooni Ltd | 10 yrs 20.09.22 | 5 yrs | 2027/ 2032 | 449,050 | 5-10 |
| | Ecojet Airlines Ltd | 5 yrs 30.07.24 | 0 yrs | 2029 | 78,591 | |
| | Dalkia Operations Ltd | 16 yrs 21.01.16 | 0 yrs | 2027/ 2032 | 48,994 | |

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

PROPERTY PORTFOLIO

at 30 September 2024

Offices (continued)

| Property | Tenant | Term/ from | Lease review period | Next review/ expiry* | Rent £ | Mkt value range £m |
|---|------------------------------------|--------------------|---------------------------|----------------------------|-----------|--------------------------|
| 9-10 Lochside Place EDINBURGH (continued) | Computacenter Plc | 10 yrs 27.04.20 | 5 yrs | 2025/ 2030 | 133,043 | |
| Edinburgh Park EDINBURGH | Vacant | | | | | 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 | Preact Ltd | 10 yrs 19.10.18 | 5 yrs | 2023/ 2028 | 97,254 | 0-5 |
| Castle Boulevard NOTTINGHAM | GTT EMEA Ltd | 10 yrs 01.12.15 | 0 yrs | 2025 | 328,763 | 5-10 |
| | Telefonica UK Ltd | 15 yrs 08.03.01 | 0 yrs | 2016 | 18,186 | |
| | 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 | | | | | 0-5 |
| | Vacant | | | | | 0-5 |
| 3 Longwalk Road WEST LONDON | Marks & Spencer Plc | 16 yrs 29.09.10 | 5 yrs | 2021/2026 | 2,600,000 | 10-25 |

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

PROPERTY PORTFOLIO

at 30 September 2024

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 | 5 yrs 17.05.23 | 0 yrs | 2028 | 77,500 | |
| | SV London Ltd | 10 yrs 31.01.19 | 5 yrs | 2024/ 2029 | 30,700 | |
| | LiveRamp UK Ltd | 3 yrs 26.06.24 | 0 yrs | 2027 | 372,260 | |
| | 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 | |
| | 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 | |
| | SV London Ltd | 5 yrs 24.10.23 | 0 yrs | 2028 | 3,000 | |
| | 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 | 2,700 | |
| SV London Ltd | 10 yrs 24.08.18 | 5 yrs | 2023/ 2028 | 8,660 | | |

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

PROPERTY PORTFOLIO

at 30 September 2024

Offices/Shops (continued)

| Property | Tenant | Term/ from | Lease review period | Next review/ expiry* | Rent £ | Mkt value range £m |
|----------------------------------|--|--------------------|---------------------------|----------------------------|-----------|--------------------------|
| 34 Threadneedle Street LONDON | Replete Ltd | 30 yrs 29.09.07 | 5 yrs | 2022/ 2037 | 106,500 | 0-5 |
| | Replete Ltd | 24 yrs 19.07.13 | 5 yrs | 2023/ 2037 | 55,350 | |
| | Korea Money Brokerage Corporation | 5 yrs 08.08.24 | 0 yrs | 2029 | 51,531 | |
| | W T Partnership Ltd | 5 yrs 06.07.22 | 0 yrs | 2027 | 64,000 | |
| 3 Cathedral Street LONDON | Nero Holdings Ltd | 10 yrs 11.06.22 | 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 | 660,699 | |
| | 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 | 575,368 | |
| | Kaplan Estates Ltd | 14 yrs 01.09.18 | 5 yrs | 2022/ 2032 | 76,980 | |
| | 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 30 September 2024

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 | 10 yrs 13.07.23 | 5 yrs | 2028/ 2033 | 300,000 | 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 24.08.24 | 0 yrs | 2029 | 62,160 | |
| | API Software Ltd | 5 yrs 05.08.24 | 0 yrs | 2029 | 66,386 | |

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

PROPERTY PORTFOLIO

at 30 September 2024

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 |
| The Boulevard ASHFORD | Menzies Distribution Ltd | 10 yrs 25.03.16 | 5 yrs | 2026 | 283,500 | 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 | 11 yrs 01.01.17 | 0 yrs | 2028 | 1,914,000 | >25 |
| Plot 5 Interlink Park COALVILLE | MTS Logistics Ltd | 5 yrs 15.05.20 | 0 yrs | 2028 | 466,050 | 5-10 |
| Torrington Avenue COVENTRY | Peugeot Motor Company Plc | 15 yrs 13.12.13 | 3 yrs | 2025/ 2028 | 1,752,887 | >25 |
| | Western Power Distribution | 99 yrs 14.09.22 | 0 yrs | 2121 | 1 | |
| Unit 4 500 Purley Way CROYDON | Vacant | | | | | 10-25 |
| Cardinal North HUNTINGDON | Vacant | | | | | 10-25 |
| Cardinal North HUNTINGDON | DHL Supply Chain Ltd | 10 yrs 25.05.17 | 5 yrs | 2027 | 1,600,000 | >25 |
| Stadium Gate LEEDS | Mailing and Marketing Solutions Ltd | 20 yrs 11.02.19 | 5 yrs | 2029/ 2039 | 490,000 | 5-10 |
| Leeds 27 Industrial Estate LEEDS | AAH Pharmaceuticals | 10 yrs 22.03.24 | 0 yrs | 2029/ 2034 | 600,000 | >25 |

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

PROPERTY PORTFOLIO

at 30 September 2024

Industrial Property (*continued*)

| Property | Tenant | Term/ from | Lease review period | Next review/ expiry* | Rent £ | Mkt value range £m |
|---|-----------------------------------|--------------------|---------------------------|----------------------------|-----------|--------------------------|
| Leeds 27 Industrial Estate LEEDS (<i>continued</i>) | 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 | |
| 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 | 150,000 | |
| | 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 | |
| | The Blinking Lamp co. Ltd | 10 yrs 17.05.24 | 5 yrs | 2029/ 2034 | 71,663 | |
| | 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 | |

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

PROPERTY PORTFOLIO

at 30 September 2024

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>) | Bakers Crafts Ltd | 5 yrs 24.06.24 | 0 yrs | 2029 | 48,020 | |
| | P Fitzsimmons Ltd | 10 yrs 29.11.21 | 5 yrs | 2026/ 2031 | 28,575 | |
| | 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 |
| 3310 Hunter Boulevard LUTTERWORTH | DHL Supply Chain Ltd | 10 yrs 16.01.19 | 0 yrs | 2029 | 1,366,225 | 10-25 |
| Garamonde Drive MILTON KEYNES | Whittan Industrial Ltd | 25 yrs 17.10.17 | 5 yrs | 2027/ 2042 | 1,208,172 | 10-25 |
| Motherwell Bridge MOTHERWELL | MB Engineering Services Ltd | 25 yrs 19.04.07 | 5 yrs | 2027/ 2032 | 155,797 | 0-5 |
| | MB Engineering Services Ltd | 25 yrs 19.04.07 | 5 yrs | 2027/ 2032 | 116,847 | |

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

PROPERTY PORTFOLIO

at 30 September 2024

Industrial Property (continued)

| Property | Tenant | Term/ from | Lease review period | Next review/ expiry* | Rent £ | Mkt value range £m |
|--|--|--------------------|---------------------------|----------------------------|-----------|--------------------------|
| Motherwell Bridge MOTHERWELL (continued) | MB Aerospace Ltd | 25 yrs 19.04.07 | 5 yrs | 2027/ 2032 | 233,695 | |
| 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 | 171,030 | |
| | Howden Joinery Ltd | 5 yrs 09.05.22 | 5 yrs | 2027 | 116,413 | |
| 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 | 2028 | 1,400,000 | 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 | 2028/ 2038 | 149,500 | |

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

PROPERTY PORTFOLIO

at 30 September 2024

Industrial Property (*continued*)

| Property | Tenant | Term/ from | Lease review period | Next review/ expiry* | Rent £ | Mkt value range £m |
|--|-----------------------------------|--------------------|---------------------------|----------------------------|-----------|--------------------------|
| Cray Avenue ORPINGTON (<i>continued</i>) | Toolstation Ltd | 15 yrs 05.10.23 | 5 yrs | 2028/ 2033 | 76,986 | |
| | Giant Floors Ltd | 5 yrs 13.11.20 | 0 yrs | 2025 | 30,627 | |
| | Hamilton Villiers Ltd | 4 yrs 12.12.23 | 0 yrs | 2027 | 37,587 | |
| | Ranebrook Windows Ltd | 5 yrs 01.04.22 | 0 yrs | 2027 | 34,370 | |
| | Teamframes Ltd | 13 yrs 30.10.14 | 5 yrs | 2024/ 2027 | 28,560 | |
| | 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 | GXO Logistics UK II Ltd | 15 yrs 28.09.18 | 5 yrs | 2028/ 2033 | 1,289,516 | 10-25 |
| Alpha Park ST NEOTS | Applehill Properties Ltd | 5yrs 02.07.20 | 0yrs | 2025 | 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 | Verallia UK Ltd | 10 yrs 19.01.17 | 5 yrs | 2027 | 1,073,846 | 10-25 |
| Grandstand WARRINGTON | Topgrade Sportswear Ltd | 3 yrs 29.09.23 | 0 yrs | 2026 | 318,000 | 5-10 |
| 70 Sinclair Drive WELLINGBOROUGH | IFCO Systems UK Ltd | 10 yrs 12.02.18 | 5 yrs | 2028 | 756,250 | 10-25 |

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

PROPERTY PORTFOLIO

at 30 September 2024

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 | 2026/ 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 |
| | Currys Group Ltd | 5 yrs 01.02.24 | 0 yrs | 2029 | 292,600 | |
| Wincheap Retail Park CANTERBURY | Mothercare UK Ltd | 30yrs 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 | |
| | Hobbycraft Trading Ltd | 10 yrs 16.06.23 | 5 yrs | 2028/ 2033 | 185,259 | |
| 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 |
| | Kacha Bazar International Ltd | 11 yrs 22.11.17 | 5 yrs | 2028 | 234,000 | |
| | Multi-Tile Ltd | 10 yrs 29.09.12 | 5 yrs | 2022 | 135,000 | |
| | Kacha Bazar International Ltd | 8 yrs 09.11.20 | 5 yrs | 2028 | 150,000 | |

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

PROPERTY PORTFOLIO

at 30 September 2024

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>) | Kacha Bazar International Ltd | 5 yrs 10.07.23 | 0 yrs | 2028 | 323,000 | |
| | TJ Morris Ltd | 15 yrs 09.09.13 | 5 yrs | 2018/ 2028 | 250,000 | |
| | Selco Trade Centres Ltd | 4 yrs 04.01.24 | 0 yrs | 2028 | 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 | |
| | Kacha Bazar International Ltd | 9 yrs 20.09.19 | 5 yrs | 2028 | 107,579 | |
| | Matalan Retail Ltd | 5 yrs 07.02.21 | 0 yrs | 2026 | 316,360 | |
| | Lituanica UK Ltd | 1 yr 17.07.23 | 0 yrs | 2024 | 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 | |

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

PROPERTY PORTFOLIO

at 30 September 2024

Retail Warehouses (*continued*)

| Property | Tenant | Term/ from | Lease review period | Next review/ expiry* | Rent £ | Mkt value range £m |
|--|---------------------------------|--------------------|---------------------------|----------------------------|-----------|--------------------------|
| 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 30 September 2024

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 | 5-10 |
| Mobberley Road KNUTSFORD | R Stratton & Co Ltd | 50 yrs 24.06.08 | 5 yrs | 2023/ 2058 | 467,109 | 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 | 40yrs 15.12.08 | 5 yrs | 2028/ 2048 | 2,675,209 | >25 |
| Duke of Wellington Avenue LONDON | DC Management Services Ltd | 32 yrs 31.12.15 | 5 yrs | 2027/ 2047 | 385,380 | 5-10 |
| Queens Drive NOTTINGHAM | Car Shops Ltd | 20 yrs 22.05.19 | 5 yrs | 2024/ 2039 | 1,338,370 | 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 |

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

STATEMENT OF TOTAL RETURN
for the half year ended 30 September 2024

| | Half year to 30.09.2024 | | Half year to 30.09.2023 | |
|--|----------------------------|----------------|----------------------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Income | | | | |
| Net capital gains | | (2,884) | | (15,431) |
| Revenue | 34,488 | | 37,428 | |
| Expenses | (7,582) | | (7,820) | |
| Finance Costs: Interest | – | | – | |
| Net revenue before taxation | 26,906 | | 29,608 | |
| Net revenue after taxation | | 26,906 | | 29,608 |
| Total return before distributions | | 24,022 | | 14,177 |
| Finance costs: distributions | | (26,906) | | (29,608) |
| Change in net assets attributable to Unitholders from investment activities | | (2,884) | | (15,431) |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
for the half year ended 30 September 2024

| | Half year to 30.09.2024 | | Half year to 30.09.2023 | |
|--|----------------------------|------------------|----------------------------|------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Opening net assets attributable to Unitholders | | 1,030,707 | | 1,189,677 |
| Amounts receivable on issue of Units | 11 | | 85 | |
| Amounts payable on cancellation of Units | (7,501) | | (1,216) | |
| | | (7,490) | | (1,131) |
| Change in net assets attributable to Unitholders from investment activities | | (2,884) | | (15,431) |
| Closing net assets attributable to Unitholders | | 1,020,333 | | 1,173,115 |

The note on page 37 and the distribution table on page 38 form part of these financial statements.

BALANCE SHEET
at 30 September 2024

| | 30.09.2024 | | 31.03.2023 | |
|---|------------|------------------|------------|------------------|
| | £'000 | £'000 | £'000 | £'000 |
| ASSETS | | | | |
| Investment assets | | 964,198 | | 979,547 |
| Debtors | 23,402 | | 19,621 | |
| Cash and bank balances | 12,529 | | 13,720 | |
| Cash equivalents | 48,015 | | 48,068 | |
| Total current assets | | 83,946 | | 81,409 |
| Total assets | | 1,048,144 | | 1,060,956 |
| LIABILITIES | | | | |
| Creditors | 14,988 | | 16,296 | |
| Distribution payable on Income Units | 12,823 | | 13,953 | |
| Total liabilities | | 27,811 | | 30,249 |
| Net assets attributable to Unitholders | | 1,020,333 | | 1,030,707 |

The financial statements on pages 34 to 36 were approved on behalf of the Trustee by R Kemp CBE, Chairman, on 9 December 2024.

The note on page 37 and the distribution table on page 38 form part of these financial statements.

CASH FLOW STATEMENT

for the half year ended 30 September 2024

| | 30.09.2024 | | 31.03.2023 | |
|--|------------|----------|------------|-----------|
| | £'000 | £'000 | £'000 | £'000 |
| Net revenue for the year | | 26,906 | | 58,333 |
| Net cash inflow from operating activities | | | | |
| Decrease in accrued revenue | 125 | | 1,273 | |
| Increase in debtors | (3,906) | | (2,785) | |
| Decrease in creditors | (1,308) | | (157) | |
| | | (5,089) | | (1,669) |
| Net cash-flow from investment activities | | | | |
| Capital expenses | (5,830) | | (53) | |
| Payments to acquire investments | (256) | | (931) | |
| Proceeds on disposal of investments | 18,551 | | 83,702 | |
| | | 12,465 | | 82,718 |
| Net cash inflow from financing activities | | | | |
| Issue of Units | 11 | | 145 | |
| Cancellation of Units | (7,501) | | (112,980) | |
| Distributions paid | (28,036) | | (57,197) | |
| | | (35,526) | | (170,032) |
| Increase/(decrease) in cash | | (1,244) | | (30,650) |

| | 30.09.2024 | 31.03.2023 |
|--|------------|------------|
| | £'000 | £'000 |
| Net cash and cash equivalents at beginning of the year | 61,788 | 92,438 |
| Movement during the year | (1,244) | (30,650) |
| Net cash and cash equivalents at the end of the year | 60,544 | 61,788 |

The note on page 37 and the distribution table on page 38 form part of these financial statements.

NOTE TO THE FINANCIAL STATEMENTS
for the half year ended 30 September 2024

1. **Accounting policies**

Basis of preparation

The financial statements have been prepared on a going concern basis, in compliance with FRS 102 and in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association (IMA) in May 2014 and the Scheme. The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments.

Unless otherwise stated, all other accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2024 and are described in those financial statements.

DISTRIBUTION TABLE

for the half year ended 30 September 2024

| Period ended | Date payable/paid | Dividends payable/paid pence per Unit | |
|---------------------|-------------------|--|-------------|
| | | 2024 | 2023 |
| Income Units | | | |
| 30 June | 31 July | 3.62 | 3.35 |
| 30 September | 31 October | 3.44 | 3.74 |
| | | 7.06 | 7.10 |

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 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 half year ended 30 September 2024

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 unit of the Fund are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits;

- 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
9 December 2024

TRUSTEE AND MANAGER

Members of the Council and the Trustee**Chairman**

R Kemp CBE

Local Government Association

M Evemy

B Ingram

J Lewis

R Love

R Woodley

Independent

R Kemp CBE

K Stevens

C West

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

T Andrews

Convention of Scottish Local Authorities

G Macgregor

Welsh Local Government Association

C Weaver

**The Manager/Alternative Investment Fund
Manager (AIFM)****CCLA Fund Managers Limited***Authorised and regulated by the Financial Conduct Authority*

One Angel Lane

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Email: clientservices@ccla.co.ukwww.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

Telephone: 0207 489 6000

Client Service:

Freephone: 0800 022 3505

Email: clientservices@ccla.co.ukwww.ccla.co.uk**Executive Directors of the Manager**

D Sloper (Chief Executive)

E Sheldon (Chief Operating Officer)

J Berens

Non-Executive Directors of the Manager

J Bailie (Chair)

N McLeod-Clarke

R Fuller

Head of Property

P Hannam

Company Secretary

J Fox

Chief Risk Officer

J-P Lim

Head of Sustainability

J Corah

Third party Advisers**External Property Valuer**

Knight Frank LLP

55 Baker Street, London W1U 8AN

Managing Agents

BNP Paribas Real Estate

10 Harewood Avenue, London NW1 6AA

Custodian, Trustee and Depository

HSBC Bank plc

8 Canada Square, London E14 5HQ

Banker

HSBC Bank plc

60 Queen Victoria Street, London EC4N 4TR

Solicitors

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DLA Piper Scotland LLP

Collins House

Rutland Square, Edinburgh EH1 2AA

Independent Auditors

Deloitte LLP

110 Queen Street, Glasgow G1 3BX

Transfer Agency Provider

FNZ London

7th Floor, 2 Redman Place, London, E20 1JQ

ABOUT CCLA

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 means we must provide a supportive and stable environment for our staff, and deliver trusted, responsibly managed products and services to our clients, irrespective of their size.

CCLA

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CCLA is the trading name for CCLA Investment Management Limited (Registered in England and Wales No. 2183088) and CCLA Fund Managers Limited (Registered in England and Wales No. 8735639)

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