For professional clients only, not suitable for retail investors.

Royal London Property Trust

Annual Report

For the year ended 31 December 2022

ROYAL LONDON
ASSET MANAGEMENT

Contents

* The Manager's report comprises of these items.

+ The Manager's Investment Adviser's report includes a note on The Value Assessment.

Trust Information

Trust

The Royal London Property Trust (the "Trust") is an authorised unit trust. The Trust is a feeder fund which has been established to facilitate investment into the Royal London Property Fund (the "Master Fund"). For more details, please refer to general information on pages 30 and 31.

Authorised Fund Manager (the "Manager")

The Manager is Royal London Unit Trust Managers Limited which is the sole director.

Place of business and Registered office:
80 Fenchurch Street, London EC3M 4BY

Authorised and regulated by the Financial Conduct Authority; a member of The Investment Association (IA).

T: 020 3272 5000

F: 020 7506 6501

Directors of the Manager

H.I. Georgeson

J.M. Jackson (Non-executive Director, appointed 1 April 2022))

R.A.D. Williams

A.L. Hunt

R. Kumar

S. Spiller

J.M. Brett (Non-executive Director)

Investment Adviser

Royal London Asset Management Limited

Place of business and Registered office:
80 Fenchurch Street, London EC3M 4BY

Authorised and regulated by the Financial Conduct Authority.

Trustee

NatWest Trustee and Depositary Services Limited

1 Princes Street, London EC2R 8BP

Authorised and regulated by the Financial Conduct Authority.

Registrar

SS&C Financial Services Europe Limited

The Register may be inspected at:
SS&C House, St Nicholas Lane, Basildon, Essex SS15 5FS

Authorised and regulated by the Financial Conduct Authority.

Administrator to the Trust

HSBC Bank plc

8 Canada Square, Canary Wharf, London E14 5HQ

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

7 More London Riverside, London SE1 2RT

Authorised Fund Manager's Report

We are pleased to present the Annual Report and Financial Statements for the Royal London Property Trust (the "Trust"), covering the year from 1 January 2022 to 31 December 2022.

About the Trust

The Trust is a feeder fund which has been established to facilitate investment in the Royal London Property Fund (the "Master Fund").

Authorised Status

The Trust was launched and authorised by the Financial Conduct Authority ("FCA") on 28 May 2010. The Trust is a stand-alone Collective Investment Scheme as defined in the Financial Services and Markets Act 2000 which is categorised as a non-Undertaking for Collective Investments in Transferrable Securities retail scheme (NURS) operating under Chapter 5 of COLL. The Trust qualifies as an Alternative Investment Fund within the meaning of Alternative Investment Fund Managers Directive ("AIFMD") for the purposes of the FCA Rules.

The financial statements

The information for the Trust has been included in these financial statements. We have provided a detailed description of the strategy that was adopted during the year under review.

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.

For and behalf of Royal London Unit Trust Managers Limited

Manager

R. Kumar (Director)

S.Spiller (Director)

25 April 2023

Statement of Manager's Responsibilities

Financial statements for the year ended 31 December 2022, and the Manager's Report have been prepared in accordance with the rules of the Collective Investment Schemes Sourcebook ("COLL"), published by the Financial Conduct Authority ("FCA"). These require the Manager to prepare financial statements for each accounting year which give a true and fair view of the financial affairs of the Trust and of its net revenue and the net capital losses on the property of the Trust for the year.

The financial statements are prepared on a going concern basis unless it is inappropriate to presume that the Trust will continue in operation for the foreseeable future. In preparing the financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with all the requirements of the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014 as amended in June 2017 (the "2014 SORP") and the Trust Deed;
- follow UK accounting standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland";
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements and;
- take reasonable steps for the prevention and detection of fraud and other irregularities.

The Manager is responsible for the management of the Trust in accordance with its Trust Deed, Prospectus and the FCA's rules and to use monitoring controls to enable preparation of financial statements free from material misstatements or error.

Manager's Investment Adviser's Report

Objective

The investment objective of the Royal London Property Trust (the "Trust") is to achieve capital growth and income by investing solely in the Royal London Property Fund (the "Master Fund").

As the Trust's sole investment are shares held in the Master Fund, the Trust is subject to the same underlying risks and returns of the Master Fund, and as such, the commentary presented on pages 5 to 9 is consistent with those of the Master Fund. Any performance differential between the feeder and master therefore reflects different management charges that may be applicable, rather than any underlying investment reason.

It is intended that the Trust will be the feeder fund for the Master Fund at all times.

The investment objective of the Master Fund is to carry on Property Investment Business, and to manage cash raised from investors for investment in the Property Investment Business, with the intention of maintaining an overall balance between capital growth and income in the Master Fund.

The Master Fund aims to achieve upper quartile performance against its designated benchmark, the Other Balanced Funds component of the AREF/MSCI UK Quarterly Property Fund Index.

Strategy

The Master Fund invests predominantly in UK commercial properties. The Master Fund aims to maximise returns from an appropriately diversified portfolio consisting of Retail, Industrial Office and Alternative properties. The strategy of the Investment Advisor is to acquire properties of suitable quality for the Master Fund at times in market cycles when relative values are low, and to manage the properties actively and effectively until selected sales can be made to take advantage of buoyant conditions. It is intended that in most cases properties acquired for the Master Fund will be fully let and income producing to tenants of sound financial strength.

Performance

For the year ended 31 December 2022, the Master Fund generated a return of -8.32% (2021: +17.70%), compared to its benchmark, the Other Balanced Funds component of the AREF/MSCI UK Quarterly Property Fund Index which showed a return for the year of -8.72% (2021: +18.00%).

The difference in performance between the Master Fund and its benchmark is the result of higher than average income returns over the year. The Master Fund has also benefitted from holding a higher cash weighting than the benchmark in the second half of the year.

The portfolio's overweight position to West-End & Mid Town offices was beneficial in 2022, with this segment of the market outperforming the All Sector average. Furthermore, the office portfolio outperformed the office average, with total returns of -1.87% compared to -9.07%.

Market review

At the start of 2022, we were relatively optimistic about the outlook for the global economy which appeared well placed to regain the lost ground from two years of disruption caused by the pandemic. At the time, we identified three risks from geopolitical risk, inflation, and elevated asset prices. Nonetheless we had hoped that positive economic momentum would continue and provide a spur to the growth prospects of UK commercial property.

As the year progressed, economic conditions gradually deteriorated, and discussions on the economic outlook are centred around the length and scale of a recession. The war in Ukraine has produced a rapid and sustained rise in inflation and central banks have responded by aggressively tightening monetary policy. Increased volatility has returned to financial markets and prices across many asset classes have seen significant movements over the past twelve months.

At the start of the year, 10-year UK government bond yields were at 1.0%. By October, at the height of the chaos surrounding Liz Truss' brief premiership, they had risen to a high of 4.5%. By the end of the year, they had recovered to 3.7% and at the time of writing were back down to 3.3%. Nonetheless, this represents a profound and sudden shift with ramifications across many areas, including corporate debt and mortgage markets, hitting both business and consumer confidence.

UK commercial property has not been immune to these impacts, with the last 12 months witnessing a clear turnaround in market sentiment. In December 2021, the MSCI UK Monthly Index, which monitors the performance of ungeared real estate investment, saw its highest ever monthly rate as total returns peaked at +3.9%, month-on-month. Strong investor demand was the main driver of this with many sectors – especially industrial and logistics – seeing yields driven to record lows. Momentum inevitably cooled in the first half of 2022 but returns stayed positive. Set against the backdrop of rapidly rising borrowing costs, though, those yields levels proved unsustainable, and since June, investor sentiment has reversed quickly, with allocators reappraising the asset class. Coupled with a more uncertain economic outlook, this has seen the pool of active buyers reduce substantially and those that remain adopting a far more cautious approach.

The latest data from RCA shows that UK investment volumes were £8.8bn in Q4 2022, representing a 64% fall when compared with Q4 2021. All sector yields, as measured by MSCI, have moved out by 108 basis points over the last three months, and have risen by 140 basis points in aggregate, since their lows in Q2. Compared with previous downturns the pace

Manager's Investment Adviser's Report (continued)

Market review – continued

of the correction has been much faster although we might have started to see this slowing as capital values fell by -3.7% in December, marking an improvement from November (-6.0%) and October (-6.8%).

The low levels of recent investment volumes suggest that pricing might fall further the first few months. If forecasters are correct about the UK entering a recession during 2023, then investor sentiment will be dampened by weaker occupational demand as job losses start coming through. The first sign of weaker occupational demand has already emerged, which could lead to rental falls, although we expect prime assets to be much more resilience.

Encouragingly, the latest economic indicators have been more positive than anticipated. Stock markets have had a positive start to the year as signs of an easing in inflationary pressures spurred hopes that we're close to the peak in interest rates and of a soft landing. UK GDP rose unexpectedly in November, up 0.1% month-on-month, after a 0.5% rise in October. Several UK retailers have reported good Christmas sales data. That reduces the chance that the UK is already in a technical recession.

Nevertheless, the UK economy still faces several challenges: household incomes are forecast to fall as earnings fail to keep pace with prices. Against the backdrop of a weaker economic outlook, consumer confidence remains very weak. Recent large increases in mortgage rates are compounding cost of living pressures and reducing activity in the housing market. Fiscal policy will be tightening over coming years, as well as ongoing challenges around Brexit.

Portfolio review and activity

At a property portfolio level, capital growth during the year, was behind the benchmark at an all sector level (-12.41% vs -12.05%). This was offset by a higher than average income return. Overall, across all sectors, the Master Fund's income return was ahead of the benchmark by 66 basis points (4.56% vs 3.90%).

Portfolio level total returns for the year were -8.38% (2021: 20.25%) compared to the benchmark level at -8.58% (2021: 19.99%. Vacancy rate in the Master Fund as at year-end was 4.3% (2021: 6.2%) and is below the benchmark at 10.1% (2021: 9.7%).

Industrial assets saw the largest declines in value over the 12 months, following the wider trends seen across the market. Industrial values fell by -17.41% across the portfolio, which was behind the rate seen in the benchmark at -13.73%. Some of this shortfall in performance was offset by having a higher income return, but in aggregation industrial total returns lagged the benchmark by 320 basis points (-14.07% vs -10.87%).

The office sector delivered total returns ahead of the benchmark average over the course of the year. The office portfolio delivered a total return of -1.87%, which compares favourably against the sector average of -9.07% for the benchmark. Income return was marginally higher, but capital values were supported by letting success at Rathbone Place, London and some yield compression at 44-45 Great Marlborough Street.

The retail sector underperformed by 54 basis points (-5.88% vs -5.34%). Retail warehouses outperformed with returns of -1.09% but returns in the supermarket segment were lower and our holding at Waitrose, Raynes Park saw its value decline by -19.42% which dragged the sector average down.

Rent collection

The Master Fund has a collection rate to date of 98.06% (2021: 97.19%) of the rent demanded for the year. The remainder is subject to either ongoing discussions with tenants, agreements that have been reached or potential legal action to pursue recovery.

Balance Sheet management

As at the 31 December 2022, the Master Fund held £26.66m (2021: £35.48m) in cash equating to 6.56% (2021: 7.57%) of the Master Fund's net asset value.

The Master Fund currently has no gearing.

Acquisition

In February, the Master Fund acquired 231 additional units in the Industrial Property Investment Fund for £0.45m.

In September, the Master Fund acquired indirect holdings in the Medic Health Fund II for a total of £0.45m.

Disposals

The Master Fund has continued to disinvest in retail with the sale in February of Waterloo Square in South Shields for £4.10m, which has further increased the underweight position in this sector. The high street retail sector is challenged at present and maintaining an underweight position to this is considered advisable.

Asset management and lettings

The following are the key asset management activities completed by the Master Fund during the year.

Industrial

Lodge Farm Trade Park, Northampton: Lodge Farm Trade Park is a well located, light industrial asset, located in close proximity to Junction 16 of the M1. It comprises of 9 units, totalling 173,243 sq ft.

Manager's Investment Adviser's Report (continued)

Portfolio review and activity – continued

Asset management and lettings – continued

Industrial – continued

In Q2 2022, an Agreement for Lease was exchanged with the tenant of unit 18, A Bell & Co Ltd, on a new 5-year lease at a rent of £41,531 per annum (£8.50 psf). As part of the lease renewal, the Master Fund will undertake works to replace the existing asbestos sheeted roof with a new metal sheeted one.

The new roof will have superior insulation in comparison to the existing one so it is anticipated that the EPC rating will improve following the completion of the works. The proposed works can be undertaken sectionally so the tenant can remain in occupation and will continue to pay rent. The rent on the new lease is 80.6% ahead of the previous passing rent and provides very strong rental evidence to assist with future lease events.

As at Q3 2022, this property has generated a 12-month total return of 24.2% compared to the MSCI monthly index All Property and Industrial sector returns of 13.5% and 19.9% respectively.

St Georges Industrial Estate, Eastleigh: The Master Fund had a great opportunity with Unit 1, whereby the tenant previously exercised their break, further down the line their strategy changed and intended to remain on the estate. The Master Fund saw this as a great opportunity, minimum spend and securing the relationship with an existing occupier. The occupier could remain on the basis that the February 2023 was settled before 31 December 2022, the risk in settling the review early was that the market could have increased in Q4 2022, however this was quite the opposite and we had agreed a higher psf in a falling market. Successfully the Master Fund documented the rent review at £12.25 psf / £96,714 pax - resulting in a 11.4% uplift against ERV and a massive 53.5% uplift from the current rental at £63,000 pax.

Offices

44 Great Marlborough Street, London: The property comprises a Squire and Partners designed mid-terrace office and retail building constructed in the early 2000s and provides 14,968 sq ft of office accommodation over part ground to sixth floors, together with 4,327 sq ft of retail/restaurant accommodation over lower ground and ground floors.

The Master Fund purchased the property in April 2021, with 1st, 4th and 5th floors vacant. Since that time, the Master Fund has designed and delivered three floors of the best Category A Plus fit-out in the central London market, and have refurbished reception to a new high quality contemporary style, together with refurbishing and repositioning the amenities at Lower ground floor level.

All three floors were under offer within two weeks of the launch and at rents between £7.50 and £12.50 per sq ft ahead of the ERVs that were set in the business plan, which demonstrates occupiers focus on the flight to quality and that design is a key driver of value. The three new tenants have since taken possession of their suites and the team are working closely with them through the onboarding process. There was a very high level of demand for the suites, and there may be the opportunity to carry out a back-to-back surrender and new letting on one of the other floors via carrying another Landlord CAT A plus, to secure further accretive value going forward.

This strategic acquisition of a prime office building offering positive asset management opportunities occurred at the height of a Covid-impacted market. This asset has generated a 12-month total return of 21.8% outperforming the MSCI monthly index All Property and Office return of 17.0% and 12.8% respectively.

41 Eastcheap, London: The property is a high quality office building of c.20,000 sq ft located in the City of London's insurance district EC3. The offices are arranged over basement, lower ground and six upper floors. The lower ground and 5th floor became vacant in 2020. A high quality CAT A+ refurbishment was undertaken on both floors, which enabled the space to be let in the challenging market. The LG was let to Business Critical Solutions in August 2021 at £39 psf, the 5th floor let to Euclid Transactional Ltd in February 2022 at a rent of £65 psf which is a strong rent for the location. Euclid are a leading underwriter of transactional insurance products used by strategic and financial investors and wanted to be located in a high quality office in EC3.

The 2nd floor became vacant in Q3 2021 and we recently completed another CAT A+ refurbishment. The fit-out has been designed to reflect occupier requirements post Covid which provide a greater amount of collaboration space. We will formally launch the floor to the market in early May, with the aim of exceeding the rental level agreed on the 5th floor. Improved amenities in the basement, including upgraded showers and additional provision of bike racks, will positively support the marketing campaign. Demand is strong for quality CAT A+ space in the City as occupiers for sub 5,000 sq ft do not want to invest significant capex upfront. The next lease event is on the 6th floor, where Accenture (UK) Ltd have an expiry in February 2023. We are establishing if they wish to extend through regular tenant engagement.

Manager's Investment Adviser's Report (continued)

Responsible Property Investment (RPI)

In 2022, the Master Fund's focus has been on implementing our Responsible Property Investment strategy (RPI) and Net Zero Carbon pathway which were both launched in 2021. Throughout the year, we have undertaken a significant number of projects, enabling us to embed these strategies.

- Initiated Net Zero Carbon audits across four of the Master Fund's multi-let offices that need to be Net Zero Carbon by 2030. These audits analyse the performance of the buildings in comparison to the 1.5-degree pathway set out by the Carbon Risk Real Estate Monitor (CRREM). This identifies the interventions required to meet likely decarbonisation targets and energy reduction targets out to 2035.
- Commenced a solar photovoltaic (PV) feasibility study across the Master Fund's retail parks and industrial assets to determine where we can maximise onsite renewable energy generation. This is key to fulfilling our aim of generating 9.5 GWh of onsite renewable energy by 2040.
- Continued expansion of our smart logger programme to collect utility and water consumption data cross our single-let units, along with the deployment of Automatic Meter Readers (AMRs) across all developments and refurbishments.
- Began our programme of undertaking Energy Performance Certificate (EPC) Improvement Cost Assessments across all units with an EPC rating of C, D or E. This is in response to potential legislation requiring all commercial buildings to achieve an EPC B rating by 2030.
- Developed our new Sustainable Acquisition Checklist to ensure that potential investments meet the Investment Advisor's commitments to RPI. This more stringent process helps to mitigate Environmental, Social & Governance (ESG) risks and maximise opportunities for adding value, whilst enhancing sustainability performance.

In 2022, the Master Fund received excellent results across a range of ESG benchmarks and certifications.

- Maintained our rating of three stars within the annual GRESB assessment. GRESB is the leading ESG global benchmark for real estate and infrastructure investments. The Master Fund achieved a score of 73 out of 100, ranking 28th out of 80 peers.
- Achieved a five star rating in the real estate module of the United Nations Principles of Responsible Investment (UNPRI) assessment, scoring 98%, against a median score of 69%.
- Maintained compliance with the ISO 14001 Standard across eight of the Master Fund's largest commercial properties within the Environmental Management System (EMS).

The Master Fund also continues to be active members participating and contributing to the Better Buildings Partnership (BBP), the UK Green Building Council (UKGBC), the British Property Federation (BPF) and the Investment Property Forum (IPF) Sustainability Interest Group.

Economic overview

Business surveys suggest that Q4 2022 was another period of weak global economic activity. Growth in developed economies was constrained by high inflation and central bank tightening, while China's economy continued to be disrupted by Covid outbreaks. However, by the end of the year, surveys reported improving business optimism, likely helped by lower inflation and natural gas prices, improving supply chain problems and the abandonment of China's zero-Covid tolerance policies.

Against this backdrop December's global composite PMI business survey improved to 48.2, but remained at relatively weak levels and still among the weakest readings seen for 15 years (excluding the pandemic). Taken at face value, that signals very subdued global GDP growth in Q4 overall.

Inflation remained at extremely high levels across many developed economies throughout Q4 but showed increasing signs of peaking, especially in the US where headline CPI inflation fell every month in 2022 from June onwards. However, compared with headline inflation, core inflation and services inflation in the G7, which remains a major concern of central banks, showed fewer convincing signs of peaking.

Central banks continued to hike rates. Q4 saw 125bps of interest rate hikes in the US, with more signalled for 2023. The ECB raised rates 125bps over the same period and signalled further "significant" rate increases to come. The Bank of England also hiked rates another 125bps over Q4.

After falling in Q3, real UK GDP rebounded in October and rose unexpectedly in November which might have kept the UK out of recession in Q4 2022. However, the UK economic performance on average over the second half of 2022 was relatively poor. Business surveys pointed to a modest decline in private sector output in December; the UK PMI composite headline measure ended the year at 49.0. However, that was off the lows reached in October during the aftermath of the mini-Budget.

UK consumer price inflation peaked in Q4 in October after a large rise in household energy bills. Energy inflation fell in November and December, as did 'core' goods inflation (likely helped by lower commodity prices and easing supply chain problems). Business surveys pointed to lower input and output price inflation. However, by December, core inflation was only slightly weaker than it was in October and services inflation had risen. Headline regular pay growth recorded 6.4% 3M/Y in November, extraordinarily strong by post-financial crisis standards. All that leaves domestically driven inflation still looking strong at the end of 2022 and is a key reason UK economists expect more rate hikes in 2024 from the Bank of England. We forecast that the base rate will peak at 4.5% although it may peak lower should earnings growth moderate faster than anticipated.

Manager's Investment Adviser's Report (continued)

Economic overview – continued

Unemployment rates remained at exceptionally low levels in the US, UK and Euro area and businesses continued to report difficulties in recruitment. However, there were more signs of marginally less tightness. In the UK, for example, job vacancies continued to fall (albeit from still extremely high levels).

UK recession remains a concern in the face of multiple challenges heading into 2023. Cost of living pressures remain intense. The government (under a new Chancellor and Prime Minister) increased the amount of fiscal policy tightening planned for coming years in November's Autumn Statement. Mortgage rates may be off their mini-Budget highs, but by the end of 2022 remained elevated by the standards of recent years. The housing market appeared to slow over Q4. Consumer confidence remained very weak at the turn of the year. Strikes become more disruptive for the economy in Q4, and a poorly performing health service may be dragging on potential growth, alongside Brexit challenges. Against this backdrop, we expect the UK economy will contract by 0.8% in 2023, returning to growth in 2024 with 2.6% penciled in.

Our outlook

As we look ahead into 2023, our expectation is that investment sentiment toward property will remain weak. We are continuing to see relatively low levels of investment volumes, which suggests to us that pricing has further to fall. Compounding this negative investor sentiment will be weaker occupational demand as a domestic and global recession fully takes hold and job losses start coming through. We are already seeing some early signs of weaker occupational demand which will lead to rental falls although we expect prime assets to show more resilience.

To borrow a football analogy, we see 2023 as a year of two halves. The first half should see a continuation of those sentiment-based trends experienced over the last few months, as investors draw back further. However, we expect to see some form of stabilisation in values as we move towards the latter part of the year or the early part of 2024.

There are several themes within property markets that will help lead this recovery phase, where we expect to see increased demand for new, high quality space, against a backdrop of limited supply of such space. For example, the demand for good quality office space will continue to gather momentum. Post-pandemic, employers have sought to encourage their workforce back to the office by improving the office environment in a process that has been described as 'magnetising the workplace'. This has involved giving employees a higher quality space to work in, making space more flexible and adaptable, enhancing wellness features such as light, air and opportunities for activity, and improving internal connectivity within a building. These outcomes are best delivered through a new or refurbished building.

The growing importance of ESG and commitment to net zero carbon targets are translating through to the demand for higher quality and efficient space. For office occupiers, their choice of building is closely aligned with their ESG strategy and is a crucial consideration when seeking to recruit and retain staff. Occupiers now expect buildings to be able to satisfy their firm's corporate responsibility strategies and demonstrate their sustainability and environmental credentials from an operational perspective. This theme is playing out across all sectors and is best satisfied through high quality prime buildings. Investors are similarly focused on investing responsibly with investment decisions guided by ESG global benchmarks such as GRESB. This is partially being reflected in premium pricing as investors look to 'future-proof' new investments. This is only likely to become more critical as we move through the current cycle.

Urbanisation remains another core theme. We believe that major UK cities, including Manchester, Birmingham and Bristol, as well as London, will continue to see their economies outperform relative to the rest of the UK. Agglomeration effects – whereby clusters of business activity and people thrive due to proximity to one another – are one of the main drivers of productivity and economic growth. The competitive advantages of these knowledge hubs will persist and serve as one of the key drivers of outperformance of larges cities over the rest of the UK.

Stephanie Hacking
Portfolio Fund Manager
Royal London Asset Management Limited
25 April 2023

This report covers investment performance, activity and outlook. For a wider look at the Trust, our Annual Value Assessment report is available on www.rlam.com. Portfolio holdings are subject to change, for information only and are not investment recommendations.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Trust's performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Portfolio Statement

As at 31 December 2022

Holding	Investment	Fair/Market value (£'000)	Total net assets (%)
Property Authorised Investment Fund 100.00% (31/12/21 – 100.00%)			
33,421,241	Royal London Property Fund Class 'A'	254,105	100.00
Total value of investments		**254,105**	**100.00**
Net other assets		**–**	**–**
Total net assets		**254,105**	**100.00**

As a clarification to the SORP the amounts disclosed in a Feeder fund Portfolio Statement should reflect the accounts value in the underlying Master Fund. The Master Fund is a Related Party.

Summary of Material Portfolio Changes

For the year ended 31 December 2022

Significant Purchases

	Cost £'000
There have been no purchases during the year	–

Significant Sales

	Proceeds £'000
There have been no sales during the year	–

Comparative Table

Class A Accumulation

Change in net assets per unit	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per unit	834.78	714.13	738.92
Return before operating charges	(74.47)	120.65	(24.79)
Operating charges	0.00	0.00	0.00
Return after operating charges	(74.47)	120.65	(24.79)
Closing net asset value per unit	760.31	834.78	714.13
Retained distribution on accumulation units	23.49	20.87	22.08
Performance			
Return after charges	(8.92)%	16.89%	(3.36)%
Other information			
Closing net asset value (£'000)	254,105	278,994	141,966
Closing number of units	33,421,241	33,421,241	19,879,542
Operating charges	0.00%	0.00%	0.00%
Prices			
Highest unit price	888.90	823.37	730.86
Lowest unit price	749.69	706.05	689.88

It should be remembered that past performance is not a reliable indicator of future performance and that the value of units, and the income derived from them, can vary.

Statement of the Trustee's Responsibilities in Relation to the Financial Statements of the Trust

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

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

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

The Trustee must ensure that:

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

Report of the Trustee to the Unitholders of the Royal London Property Trust

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

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Regulations and the Scheme documents; and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Trust.

NatWest Trustee and Depositary Services Limited

25 April 2023

Independent Auditors' Report to the Unitholders of Royal London Property Trust

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Royal London Property Trust (the Trust):

- give a true and fair view of the financial position of the Trust as at 31 December 2022 and of the net revenue and the net capital losses on its scheme property for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 December 2022; the Statement of Total Return and the Statement of Change in Net Assets Attributable to Unitholders for the year then ended; the Distribution Table and the Notes to the Financial Statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 Trust's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Trust's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

Manager's Report

In our opinion, the information given in the Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditors' Report to the Unitholders of Royal London Property Trust (continued)

Report on the audit of the financial statements – continued

Responsibilities for the financial statements and the audit

Responsibilities of the Manager for the financial statements

As explained more fully in the Statement of Manager's Responsibilities, the Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Manager is also responsible for such internal control as they determine 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 Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to wind up or terminate the Trust, or has no realistic alternative but to do so.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Based on our understanding of the Trust/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Trust. Audit procedures performed included:

- Discussions with the Manager, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Manager's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent Auditors' Report to the Unitholders of Royal London Property Trust (continued)

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

25 April 2023

Financial Statements

Statement of Total Return

For the year ended 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2022 £'000	31 Dec 2021 £'000	31 Dec 2021 £'000
Income					
Net capital (losses)/gains	4		(32,738)		27,935
Revenue	5	9,423		6,575	
Expenses	6	–		–	
Net revenue before taxation		9,423		6,575	
Taxation	7	(1,574)		(1,119)	
Net revenue after taxation			7,849		5,456
Total (deficit)/return before distributions			(24,889)		33,391
Distributions	8		(7,849)		(5,456)
Change in net assets attributable to unitholders from investment activities			**(32,738)**		**27,935**

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31 December 2022

	31 Dec 2022 £'000	31 Dec 2022 £'000	31 Dec 2021 £'000	31 Dec 2021 £'000
Opening net assets attributable to unitholders		**278,994**		**141,966**
Amounts receivable on creation of units	–		103,637	
Amounts payable on cancellation of units	–		–	
		–		103,637
Change in net assets attributable to unitholders from investment activities		(32,738)		27,935
Retained distributions on accumulation units		7,849		5,456
Closing net assets attributable to unitholders		**254,105**		**278,994**

Balance Sheet

As at 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Assets			
Fixed assets:			
Investments	14	254,105	278,994
Current assets:			
Debtors		–	–
Cash and bank balances	9	–	–
Total assets		254,105	278,994
Liabilities			
Creditors:			
Other creditors		–	–
Distribution payable		–	–
Total liabilities		–	–
Net assets attributable to unitholders		**254,105**	**278,994**

Notes to the Financial Statements

For the year ended 31 December 2022

1. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements of the Trust have been prepared in compliance with the FCA's Collective Investment Schemes Sourcebook ("COLL") and in accordance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102, ''The Financial Reporting Standard applicable in the UK and the Republic of Ireland'' (''FRS 102''), the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by The Investment Association in May 2014 and amended in June 2017 (the "2014 SORP"), the Prospectus and Trust Deed. These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of land and buildings and certain financial assets and liabilities measured at fair value through the profit or loss.

Going concern

The Manager has undertaken a detailed assessment, and continues to monitor the Trust's ability to meet its liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the Trust continues to be open for trading and the Manager is satisfied the Trust has adequate financial resources to continue in operation and meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. The Manager has also considered the Master Fund's strategy, forecasted cash flows, liquidity, borrowing facilities, redemptions and subscriptions, operational resilience of its service providers and expected investment activities of the Master Fund and has not identified any material uncertainty that casts significant doubt upon the Master Fund's ability to continue as a going concern for a period of not less than twelve months from the date of the approval of the financial statements. The Manager has satisfied themselves that the Trust has adequate resources to continue in operational existence for the foreseeable future. Accordingly, it is appropriate to adopt the going concern basis in preparing the financial statements.

Cash flow statement

The Trust is required to produce a cash flow statement in accordance with FRS 102 7.IA as the Trust's investments in the Master Fund are made up mainly of immovable property which are highly illiquid. However, as the Trust does not hold cash or have a bank account, it would not be possible to prepare a cash flow statement.

Basis of valuation of investments

The Trust invests all of its capital in Class A Accumulation Units (institutional) of the Master Fund. This is valued at fair value, which is deemed to be the net asset value per share reported in the comparative table in the Trust's Annual Report and financial statements at the end of the current accounting period.

Revenue recognition

Distributions from collective investment schemes (the "Master Fund") are credited to revenue when the security is quoted ex-dividend. Accumulation of revenue relating to accumulation units or shares held in underlying funds is recognised as revenue and included in the amount available for distribution.

Distributions received from the underlying investment in the Master Fund are recognised on an accrual basis. Distributions received from the Master Fund are in three streams (dividend, interest and property).

Revenue is accrued in line with the Master Fund and is recognised when the Master Fund is priced ex-dividend.

Treatment of expenses

All expenses (other than those relating to the purchase and sale of units in the Master Fund) are charged to, and paid for, by the Master Fund. These include the annual management charge and fund administration charge of 0.75%.

Taxation

The sole investment of the Trust is its holding of A Accumulation Shares in the Master Fund which qualifies as a Property Authorised Investment Fund ("PAIF").

In outline, the relevant tax treatment of the PAIF is that it is not liable to tax on capital gains realised on the disposal of its investments. The income generated by its underlying property investment business is exempt from tax in the Master Fund, as are any dividends received on underlying equity instruments. Its other income (which will mainly comprise interest) although technically taxable will be distributed as a tax-deductible payment so no tax should in practice be payable on it.

The Trust is an authorised scheme and accordingly is not liable to tax on capital gains on the disposal of any of its property, that it shares in the Master Fund.

The Trust will be deemed to receive the appropriate proportion of the income accumulated on its holding of A Accumulation Shares in the Master Fund. This will be streamed (for tax purposes only) into up to three parts depending on the nature of the income generated by the PAIF. The property income accumulations stream will be accumulated net of basic rate of tax (20%) withheld by the Master Fund, and this will satisfy the corporation tax liability of the Trust.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

1. Significant accounting policies – continued

Taxation – continued

Any dividends received by the Master Fund will constitute a separate stream of PAIF dividend accumulations for tax purposes. No further tax will be payable by the Trust on this income, and the remaining income will be PAIF interest accumulations which will be accumulated net of basic rate of income tax (20%) withheld by the Master Fund, which will satisfy the Trust's corporation tax liability on it.

Corporate unitholders holding accumulation units in the Trust which are within the charge to corporation tax will be treated for tax purposes as receiving income which, depending on the breakdown of the income of the underlying Master Fund, may be streamed into two parts (in these cases, the amounts will be indicated on the tax voucher). The income accumulated that represents income other than the Master Fund dividend accumulations, should be treated by corporate investors as an annual payment (made after deduction of income tax at the rate of 20%). Unitholders subject to corporation tax on the income allocation may offset the basic rate income tax credit against their tax liability, while corporate investors that are exempt from corporation tax on the income, for example where a life office holds the units as pension business, may reclaim the amount specified on their tax voucher from HMRC. Income allocations representing the Master Fund dividend accumulation will not generally be subject to corporation tax when received by a corporate shareholder but the notional tax credit attached cannot be reclaimed from HMRC. Income tax has been provided for at an appropriate rate for distribution to shareholders and the calculation of the share price is net of tax. Income received from investment in the Master Fund is taxed depending on the income stream. Property Income is taxed at 20%, interest income being taxed at 20% and dividend income at 0%.

Deferred tax is provided on all timing differences that have originated but not reversed by the Balance Sheet date.

Deferred tax assets are recognised only to the extent that it is more likely than not that there will be taxable profits from which the future reversal of the underlying timing differences can be deducted.

2. Distribution policies

Basis of distribution

The Trust invests in accumulation shares in the Master Fund. Accordingly, it does not receive income distribution (although it is treated for accounting and tax purposes as doing so). Instead the Master Fund's accumulating income will be reflected monthly in the increasing value of the units in the Trust.

Unitholders are treated for tax purposes as receiving income on accumulation shares and units for every distribution period, even though the income has actually been accumulated, so unitholders will be deemed to receive dividend distributions with their accompanying tax credits, reflecting the income accumulated in the Master Fund.

Revenue attributable to accumulation unitholders is retained at the end of the distribution period and represents a reinvestment of revenue.

Expenses

In determining the net revenue available for distribution, expenses that are deemed to be capital in nature or are related to the purchase and sale of investments are ultimately charged to the capital of the Master Fund.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

3. Risk management policies

The sole investment in the Trust is units in the Master Fund and is subject to the same underlying risks of the Master Fund. The Trust has a concentrated portfolio (it invests 100% of its assets in the "Master Fund") and if this investment declines in value or is otherwise adversely affected, it will have a direct effect on the Trust's value.

With the exception of the above, the risk factors applicable to the "Master Fund" also apply to the Trust as follows:

Market price risk and valuation of property

The Trust invests solely in the A Accumulation Shares of the Master Fund which is a collective investment scheme. The value of this collective investment scheme is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual property or investment within the Master Fund or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser of the Master Fund seeks to minimise these risks by holding a diversified portfolio of direct property and other investments spread across all market sectors in line with the Master Fund's objectives. In addition, the management of the Master Fund complies with the Financial Conduct Authority COLL sourcebook, which includes rules limiting the size of investment in any particular holding. As a NURS invested in a single, qualifying property authorised investment fund, the aforementioned limit is not applicable to the Trust's own investment in the Master Fund.

Sensitivity analysis

The only investment within the Trust is in the Master Fund and is dependent on the same sensitivities. The values of investment properties are driven by their expected rental yield. The current expected yield by sector is shown in the following table, along with the potential impact to values if all the properties in the sector increased or decreased based on a risk based percentage.

Sector	Equivalent Yield	Risk % by Sector	Value if increase by risk %	NAV impact	Value if increase by risk %	NAV impact
Industrial	5.60%	0.25%	6,794,000	1.77%	(6,191,000)	(1.61)%
Offices	4.70%	0.25%	6,986,000	1.82%	(6,260,000)	(1.63)%
Retail	5.87%	0.25%	2,344,000	0.61%	(2,146,000)	(0.56)%
Others	5.88%	0.25%	1,506,000	0.39%	(1,382,000)	(0.36)%

Liquidity risk

The Trust does not hold cash or have a bank account. The Trust's assets comprise holding of A Accumulation Shares in the Master Fund which qualifies as a PAIF. Accordingly, it does not receive income payments (although it is treated for accounting and tax purposes as doing so). Instead the Master Fund's accumulating income will be reflected monthly in the increasing value of the units in the Trust.

Since the Trust solely invests in the Master Fund that comprises immovable property, which is relatively illiquid and more difficult to realise than most equities or bonds, it can be exposed to liquidity risk surrounding its Master Fund's capacity to maintain sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to meet its obligations to fund its distribution payments and redemptions.

In normal circumstances, the Trust permits redemptions on a monthly basis but with unitholders required to provide 3 months' advance notice of their intention to redeem, although the Manager may waive this notice period at its discretion provided that this does not materially prejudice unitholders. The Manager also has additional tools to deal with liquidity constraints which could arise. The Master Fund may (i) borrow cash to meet redemptions within the limits, that is, the value of the assets involved in property investment business will be at least 60% of the total value of the assets held by the Master Fund at the end of each of its accounting periods; (ii) defer a redemption request to the next dealing day where requested redemptions exceed 5% of the Net Asset Value or (iii) apply the in specie redemption provisions issue in which shares in the Master Fund are exchanged for assets as well as cash in excess of £10m.

The Manager has established a liquidity management policy and procedures for the qualitative and quantitative assessment of existing positions taken by the Trust and to assess whether intended investments would have a material impact on the overall liquidity profile of the Trust. In following these procedures, the assessment by the Manager takes account of actual and anticipated subscription and redemption flows, investor concentration, the current level of readily realisable assets in the Trust and the time required to realise further assets, prices and or spreads of investments in both normal and exceptional liquidity conditions. These factors are monitored and managed to ensure the liquidity profile of the Trust is aligned appropriately with the anticipated redemption flows. The Manager conducts regular stress testing (at least annually) of the Trust's portfolio in order to fully understand the liquidity profile of the Trust.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

3. Risk management policies – continued

Liquidity risk – continued

The following table provides a profile of the Trust's liquidity:

	Within three months	Over three months but not more than one year	Over one year
As at 31 December 2022	**£'000**	**£'000**	**£'000**
Cash at bank	–	–	–
	%	**%**	**%**
Unitholding that can be redeemed	–	–	100.00
Portfolio capable of being liquidated	–	100.00	–
As at 31 December 2021	**£'000**	**£000**	**£'000**
Cash at bank	–	–	–
	%	**%**	**%**
Unitholding that can be redeemed	–	–	100.00
Portfolio capable of being liquidated	–	100.00	–

Credit and counterparty risk

Credit risk is the risk that counterparty will default on their contractual obligations resulting in financial loss to the Master Fund. The Master Fund will be subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes.

Concentration of credit risk refers to disproportionally large risk exposure to specific credit risks, such as, certain individual tenants, specific industry sectors and or regions of the counterparty. The Master Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the counterparty.

In managing counterparty and concentration of credit risk, rental income from any one tenant or tenants, specific industry sectors and or regions within the Master Fund is monitored so that it does not exceed a certain threshold of the aggregate revenue in relation to the property investments in any accounting period as determined from time to time by the Manager. Rent is collected from tenants in advance, usually quarterly. Cash is placed on deposit with reputable financial institutions and is subject to limits as disclosed in the Prospectus.

In the event of the insolvency of a counterparty, the Master Fund might not be able to recover cash or assets of equivalent value in full. The Master Fund has been closely monitoring the ability of tenants to pay their rent and adjusting bad debt provision accordingly. The ACD also works with the tenants to determine any rent concessions on a case-by-case basis.

There are no significant concentrations of credit risk, whether through exposure to certain individual tenants, specific industry sectors and or regions. The credit ratings of the investments are monitored frequently for credit deterioration. By diversifying the portfolio, where this is appropriate and consistent with the Master Fund's objectives, the risk that a significant change in the credit risk or quality of certain individual tenants, particular sector, specific industry and or regions will have a material impact on the Net Asset Value of the Master Fund is minimised. The investment concentrations within the portfolio are disclosed in the portfolio statement by investment type.

The Master Fund adhere to regulatory and fund management guidance and investment strategy and that mitigates any risk of excessive exposure to any particular type of sector or tenant type.

The Master Fund's cash and short term deposits at 31 December 2022 amounted to £26.66m (31/12/21: £35.48m). Deposits and interest rate deposits were placed with financial institutions with BBB+ or better credit ratings.

At 31 December 2022, the fair value of all interest rate derivative assets by held by the Master Fund was £nil (31/12/21: £nil).

At 31 December 2022, taking into consideration any offset arrangements, the largest combines credit exposure by the Master Fund to a single counterparty arising from money market deposits, liquid investments and derivatives was £26.66m (31/12/21: £34.48m). This represents 6.80% (31/12/21: 7.85%) of gross assets of the Master Fund.

The deposit exposures are with UK banks.

Currency risk

All financial assets and financial liabilities of the Trust are in sterling, thus the Trust has no exposure to currency risk at the Balance Sheet date.

Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts held by the Master Fund will be affected by fluctuations in interest rates and hence the accumulation income receivable by the Trust from the Master Fund. The Manager continuously reviews interest rates and the assessment of this may result in a change in investment strategy.

The interest rate risk is low for the Trust and therefore no sensitivity analysis has been performed.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

3. Risk management policies – continued

Inflation risk

Inflationary risk is the risk that the future value of an investment, asset, or income stream, in real terms, will be reduced by unanticipated inflation.

A key to the effectiveness of managing inflationary risk associated with the fall in real income or returns lies in the Trust's ability to raise rents in markets with low vacancy rates, thus outpacing rising inflation and potentially increasing income distribution to unitholders/shareholders. The Master Fund also use built-in rent escalators that are tied to inflation that can directly drive rental income which protects the income-generation of existing leases. The Master Fund also allow new leases to capitalise on rising market rents when the leases are being agreed. In general, Property investment has served as a hedge against inflation over the long term and tend to be less sensitive to inflationary risk and may even benefit from unanticipated inflation.

The Manager address inflationary risk associated with increased costs by adjusting its cash flows for inflation to prevent changes in purchasing power especially in relation to capital expenditure such as construction and refurbishment costs. The Manager employ various risk management measures such as, the use of fixed price contract sums; inflation contingency in budgets and in appraisals; early procurement of risk packages; and protection against amendments in construction contracts where the contractor may seek to include an exclusion related to material inflation or supply chain issues.

On the other hand, sharp increase in construction and building costs may constrain the growth of new property stocks to some degree which would support property values. In fact, construction cost inflation has outrun other measures of inflation in recent years since high construction costs imply increased replacement costs for buildings and making existing property investments more valuable. The inflation risk is low for the Trust and therefore no sensitivity analysis has been performed.

Leverage risk

In managing the assets of the Trust, the Manager may from time to time use leverage, either in the form of borrowings (for example, for the purposes of funding acquisitions in anticipation of receiving subscriptions) or to meet redemption requests as part of the liquidity management of the Trust. Currently the Trust has no borrowings of cash or securities and as such no disclosure is required under the AIFM Directive.

Climate risk

Climate risk is the risk that asset valuations and the wider economy are negatively impacted by the transition to a low-carbon economy, as well as the physical risk to asset holdings as a result of severe weather events and longer-term shifts in climate.

The built environment is particularly susceptible to the effects of climate change. It affects the exposure of our assets to physical risks, such as flooding. It influences transition risks, such as divestment away from high-risk assets. It contributes to urban heat islands and impacts the health and wellbeing of occupants and local communities.

The Master Fund has reviewed the carbon footprint and emissions trajectory of its property portfolio for the coming decades. Based on this review, it has developed an informed pathway to decarbonise the property portfolio and achieve net zero carbon. This pathway is aligned with the latest industry guidance and principles for the built environment on how to reduce and compensate for its emissions meaningfully and accountably.

A key element of the Master Fund's risk mitigation strategy is set out within its new Responsible Property Investment (RPI) framework which covers four strategic focus areas:

- Investing in a resilient portfolio
- Developing for the future
- Managing assets for positive impact
- Responsible decision making.

Ten material Environmental, Social & Governance (ESG) issues form the foundation of the RPI framework, of which one was identified as the 'Transition to net zero carbon'. A set of Key Performance Indicators (KPIs) will be developed to track quantitative performance against achieving net zero carbon and actions will be undertaken as necessary to ensure fulfilment of the Master Fund's goals.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

3. Risk management policies – continued

Economic and geopolitical risk

The performance of the Trust may be adversely affected by the impact of geopolitical and general economic conditions under which the Trust operates.

Political risks include changes in landlord and tenant, planning, trust or other law in the UK could also materially affect the investment returns.

Geopolitical risk feeds through into real economic activity because uncertainty over future economic conditions, particularly when caused by a large-scale war, causes firms and consumers to adopt a ‘wait and see’ approach, cutting back on investment and consumption plans. Russia’s invasion of Ukraine carries huge risks for a world economy that’s yet to fully recover from the pandemic shock. The UK has few direct economic links to Russia since trade between the two is small relative to the size of either economy, Moreover, Russia is not closely integrated in the global financial system. However, sanctions imposed on Russia as a response by the UK and its allies could still have a significant impact on the UK economy. Since any disruption to the supply of energy to Europe will affect wholesale prices in the UK to a greater extent than implied by direct trade links. The economic impact of the war on Western economies including the UK with higher inflation, volatile financial markets and adverse economic environment will depend on the extent to which the conflict, and therefore the severity of sanctions and economic disruption, escalates and how long it lasts. In the most disruptive scenario Russia could turn off its supply of natural gas to Europe. This has the potential to push the Europe and possibly the UK into recession.

The returns that are likely to be achieved on an investment in the Master Fund, which has its assets predominantly based in the UK, are not likely to be materially affected by the situation in Ukraine but by the political and economic climate in the UK. However, if the situation in Ukraine worsened this would lead to energy shortages and high prices which could lead to higher interest rates to offset the resultant higher inflation. Changes in rates of inflation could affect the Trust’s income and capital value or the value of an investment.

The Manager recognises that the Ukraine invasion is a human tragedy, and hope that it is resolved swiftly. The Manager has a responsibility to investors in the Trust and are monitoring the situation closely and will comply with all restrictions and sanctions issued by relevant authorities. The Master Fund has no exposure to Russian companies as commercial tenants or investment.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

4. Net capital (losses)/gains

	31 Dec 2022 £'000	31 Dec 2021 £'000
The net capital (losses)/gains during the year comprise:		
Unrealised (losses)/gains on non-derivative securities	(32,738)	27,935
Net capital (losses)/gains	**(32,738)**	**27,935**

5. Revenue

	31 Dec 2022 £'000	31 Dec 2021 £'000
Property income distribution	7,868	5,596
Dividend income distribution	1,509	977
Interest income distribution	46	2
Total revenue	**9,423**	**6,575**

6. Expenses

All fees and expenses of the Trust will be paid by the Master Fund to ensure parity of Unit prices in the Funds and share prices of the relevant classes of the Master Fund. As a result of this arrangement, Unitholders will bear their proportionate share of the fees and expenses of the Master Fund through their indirect investment in the Master Fund. No charges or expenses for their establishment and ongoing administration will be payable by the Trust. In the event that this arrangement is changed, the applicable fees will be set out in this section of the Prospectus.

The audit fee for the Trust was paid by the Master Fund. The audit fee was £7,931 (31/12/21: £7,296) excluding VAT.

7. Taxation

a) Analysis of charge for the year

	31 Dec 2022 £'000	31 Dec 2021 £'000
Corporation tax	1,574	1,119
Current tax charge	**1,574**	**1,119**

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/12/21: lower) than the standard rate of corporation tax in the UK for authorised unit trusts (AUT) (20%) (31/12/21: 20%).

The differences are explained below:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue before taxation	9,423	6,575
Corporation tax at 20%	1,885	1,315
Effects of:		
Revenue not subject to taxation	(311)	(196)
Total tax charge for the year	**1,574**	**1,119**

c) Deferred tax

There was no provision required for deferred tax at the Balance Sheet date (31/12/21: same).

8. Distributions

	31 Dec 2022 £'000	31 Dec 2021 £'000
Accumulation units		
Interim	7,040	4,778
Final	809	678
Net distribution for the year	**7,849**	**5,456**

Details of the distribution per unit are set out on page 27.

9. Cash and bank balances

The Royal London Property Trust does not have a separate bank account. It is an integral part of the Property Authorised Investment Fund (PAIF) structure as corporate investors are required by the FCA and HMRC to invest into the Master Fund via a trust known as a feeder fund.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

10. Reconciliation of number of units

	Class A Accumulation
Opening units at 01/01/22	33,421,241
Units issued	–
Closing units at 31/12/22	**33,421,241**

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the Balance Sheet date (31/12/21: same).

12. Related party transactions

The Trust's Manager, Royal London Unit Trust Managers Limited (the "Manager") is a related party to the Trust as defined by Section 33 "Related Party Disclosures" of FRS 102.

The Trust hold units in Royal London Property Fund (the "Master Fund"), the details of which are shown in the Portfolio Statement.

Revenue from the Master Fund is disclosed in note 5. All the fees and expenses of the Trust are paid by the Master Fund, details are disclosed in note 6.

The distribution received from the Master Fund reflect those that are paid out by the Master Fund, the details of which are shown in note 8.

Management fees charged by the Manager are paid by the Master Fund and details of units created and cancelled by the Manager are shown in the Statement of Change in Net Assets Attributable to Unitholders. At the year end, the balance due to the Manager in respect of these transactions was £nil (31/12/21: £nil).

Royal London Asset Management (Nominees) Limited, as a material unitholder, is a related party holding units comprising 100% of the total net assets of the Trust as at 31 December 2022 (31/12/21: 100%).

13. Portfolio transaction costs

For the year ended 31 December 2022

There were no purchases or sales during the year.

For the year ended 31 December 2021

Analysis of total purchase costs	Value £'000	Commissions and legal fees £'000	%
Purchases in the year	103,637	–	0.00
Total	**103,637**	**–**	
Total purchases including commissions	**103,637**		

At the balance sheet date the portfolio dealing spread was 6.88% (31/12/21: 6.83%).

14. Fair value of investments

The primary financial instruments held by the Trust at 31 December 2022 were property related investments, cash, short term assets and liabilities to be settled in cash. The Trust did not hold, and was not a counterparty to, any derivative instruments either during the year or at the year end.

The policies applied to the management of the financial instruments are set out in note 2. The fair values of the Trust's assets and liabilities are represented by the values shown in the Balance Sheet on page 17. There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair value.

The Master Fund is dual priced. Valuations of property of the Master Fund for the purpose of the calculation of issue and cancellation and sale and redemption prices will be carried out on both an issue and cancellation basis.

The price of units in the Trust is intended to match exactly the price of shares in the Master Fund. This is because the Trust invests solely in the Master Fund.

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

Category 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Category 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Category 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

For the year ended 31 December 2022

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Collective Investment Schemes	–	–	254,105	254,105
Total	**–**	**–**	**254,105**	**254,105**

For the year ended 31 December 2021

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Collective Investment Schemes	–	–	278,994	278,994
Total	**–**	**–**	**278,994**	**278,994**

At the current and prior year end, the level 3 assets held were the Royal London Property Fund (the "Master Fund"). These assets have been included as level 3 due to the possibility of restrictions being imposed on their redemption rights.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

15. Events after the end of reporting year

The final distribution for the year ended 31 December 2022 was paid on 13 January 2023.

There have been no significant redemptions since the balance sheet date.

The impact of the volatility on the Trust's NAV between the end of the reporting period and the date of which the financial statements were authorised for issue are shown below:

	Price 31 Dec 2022 (p)	Price 31 Mar 2023 (p)	Movement (%)
Royal London Property Trust, Class A Accumulation	749.69	746.64	(0.41)

As per the letter to shareholders dated 19 April 2023, the ACD of the Master Fund intends to amend the Fund's investment objective to remove the performance target, removal of the performance fee and reduction in the periodic management charge from 0.75% to 0.60% with effect from 1 July 2023.

For further details please refer to the updated Prospectus available on our website.

Distribution Table

For the year ended 31 December 2022

Class A Accumulation

Distributions in pence per unit

Distribution period	Distribution per unit	Equalisation	Total distribution per unit 2022	Total distribution per unit 2021
January				
Group 1	1.8311		1.8311	1.0089
Group 2	1.8311	–	1.8311	1.0089
February				
Group 1	1.7355		1.7355	2.2866
Group 2	1.7355	–	1.7355	2.2866
March				
Group 1	2.0630		2.0630	1.1448
Group 2	2.0630	–	2.0630	1.1448
April				
Group 1	2.7503		2.7503	3.4235
Group 2	2.7503	–	2.7503	3.4235
May				
Group 1	2.2137		2.2137	0.8766
Group 2	2.2137	–	2.2137	0.8766
June				
Group 1	1.6089		1.6089	1.9934
Group 2	1.6089	–	1.6089	1.9934
July				
Group 1	1.5091		1.5091	1.8963
Group 2	1.5091	–	1.5091	1.8963
August				
Group 1	1.5571		1.5571	1.1684
Group 2	1.5571	–	1.5571	1.1684
September				
Group 1	1.9127		1.9127	1.6271
Group 2	1.9127	–	1.9127	1.6271
October				
Group 1	2.0820		2.0820	1.6535
Group 2	2.0820	–	2.0820	1.6535
November				
Group 1	1.8018		1.8018	1.7630
Group 2	1.8018	–	1.8018	1.7630
December				
Group 1	2.4213		2.4213	2.0295
Group 2	2.4213	–	2.4213	2.0295

Fact File

Royal London Property Trust

Launch date	Class A – Accumulation units (Institutional)	28 May 2010
Accounting end dates	31 December (Final)	
	30 June (Interim)	
Distribution dates	31 January (Final)	
	Last business day of every month (Interim)	
Minimum investment	£100,000	
Management charges	Preliminary charge	0.00%
	Manager's periodic management charge	0.75%
	Performance fee	-0.10% to +0.30%

The Trust was launched following the conversion of the Royal London Exempt Property Unit Trust on 28 May 2010 into the Royal London Property Fund.

Remuneration Policy (unaudited)

The Authorised Fund Manager (the "Manager") of the Royal London Property Trust, Royal London Unit Trust Managers Limited ("RLUTM"), is subject to remuneration policies, procedures and practices (together, the "Remuneration Policy"), as required under the UCITS Directive ("UCITS V"). RLUTM has appointed Royal London Asset Management Limited ("RLAM") as the Investment Adviser to the Company.

RLUTM and RLAM are wholly owned subsidiaries of The Royal London Mutual Insurance Society, "the Group". The Group maintains a "Group Remuneration Policy" that RLUTM has adopted which is consistent with and promotes sound and effective risk management. It is designed so that risk-taking is not encouraged where this is inconsistent with the risk profiles or the instrument constituting the fund or the prospectus, as applicable, of the UCITS it manages. The Group has appointed a Remuneration Committee which is made up of Non-Executive Directors and is advised by independent remuneration consultants. The Committee considers the advice by independent remuneration consultants and the implications of remuneration policies across the Group, including for RLUTM.

The Remuneration Policy is in line with the business strategy, objectives, values and the interests of the Manager and the interests of the Royal London Property Trust and includes measures to avoid conflicts of interest. The Remuneration Policy adopts performance related pay, with salaries determined by reference to both individual performance and the external market. Total Remuneration comprises of a mix of fixed remuneration (including base salary and benefits), and variable remuneration in the form of incentives. The ratio between fixed and variable pay (both short-term and long-term incentives) is set by the Group to ensure that there is appropriate balance between the fixed and variable remuneration components. The Group Remuneration Policy applies to staff of the Manager whose professional activities have a material impact on the risk profile of the Manager or the Company and ensures that an individual cannot be involved in determining or approving their own remuneration. The UCITS Directive requires RLUTM to identify employees whose professional activities have a material impact on the risk profile of the RLUTM and the Company. Identified staff includes senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers.

The Remuneration Policy is updated annually and reviewed and approved by the Remuneration Committee. The most recent review include increases to the maximum incentive opportunities for executive directors of the Group, updates to reflect the Financial Conduct Authority's (FCA) Consumer Duty principle and supporting rules which comes into effect in July 2023, as well as minor wording changes to improve clarity. Details of the Remuneration Policy (provided in the form of the "UCITS Summary Remuneration Policy"), includes a description on the purpose of the policy, how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits. The UCITS Summary Remuneration Policy will be made available for inspection and a paper copy may be obtained, free of charge, at the registered office of the Manager, upon request.

RLUTM has a board of directors (the "Directors"). The Directors of the Company who are also employees of the Group do not receive any remuneration in respect of their services as directors of RLUTM. The other Non-Executive Directors receive fixed remuneration in respect of their services which is set at a level determined by the Group and is not performance related. None of the Directors are currently in receipt of variable remuneration in respect of their services as Directors of RLUTM. RLUTM has no employees and therefore there are no other controlled functions, or senior management employed and paid by RLUTM. However, for the financial year ending 31 December 2022, total remuneration of £27,513,761 was paid to 50 individuals whose actions may have a material impact on the risk profile of RLUTM, of which £6,685,030 related to senior management. The fixed element of the total remuneration mentioned above is £10,370,339 and the variable element is £17,143,422. In addition, the Company does not make any payments directly to any staff of the delegates.

In accordance with the Remuneration Policy and the requirements of UCITS V, staff working for RLAM are not remunerated by the Manager but they are subject to remuneration requirements which are equally as effective as those in place under the UCITS Directive. RLAM is also subject to the Financial Conduct Authority's Remuneration Codes.

General Information

The Royal London Property Trust (the "Trust") is an authorised unit trust. The Trust is a feeder fund which has been established to facilitate investment into the Royal London Property Fund (the "Master Fund").

The Master Fund is a Property Authorised Investment Fund ("PAIF"). The PAIF is an open ended investment company ("OEIC") and PAIFs may invest in real property (commercial and residential) and units in UK Real Estate Investment Trusts (UK REITs).

The Trust was created because corporate investors are required by the FCA and HMRC to invest into PAIFs via a feeder fund in order to counter potential tax avoidance rules which prevent corporate investors from holding 10% or more of a PAIF but the rules allow them to participate through an intermediate feeder fund. Therefore, the feeder fund's sole investment comprises shares in the PAIF. As the feeder fund owns only shares of the PAIF, it will have the same ultimate investments, assets and liabilities as the PAIF. It will also have the same price, charges and performance as the PAIF. Consequently, these financial statements should be read in conjunction with the financial statements for the PAIF.

Pricing and dealing

The buying (offer) price and selling (bid) price of units are determined by reference to the underlying market value of the net assets of the Trust at the relevant valuation point. Unit prices are normally calculated monthly however, if the markets are exceptionally volatile the Manager may conduct more frequent valuations to reflect any significant changes in the value of the Trust's underlying assets.

Dealing in units conducted on a monthly basis; on the seventh business day following the end of the previous month, between 9:00 a.m. and 5:00 p.m.

Buying units

Investors should complete an application form available from the Manager and send it to the Manager, on or before the 15th of the month prior to the Dealing Day, at its administration centre with a cheque payable to Royal London Unit Trust Managers Limited. On acceptance of the application, units will be sold at the relevant sale price, and a contract note confirming the sale price and the number of units sold together with, in appropriate cases, a notice of the applicant's right to cancel, will be issued. An order for the purchase of units will only be deemed to have been accepted by the AFM once it is in receipt of cleared funds for the application.

Selling units

To redeem units, investors should provide a written instruction, three months in advance of a monthly Dealing Day, to the Manager at its administration centre with instructions to redeem the relevant number (if known) or value of units. The units will be repurchased at the price calculated at the valuation point on the appropriate Dealing Day. Proceeds of redemption (less, if the proceeds are to be remitted abroad, the cost of such remittance) will be paid no later than the close of business on the fourth business day following receipt of a signed form of renunciation.

Cancellation rights

Where a person purchases units the Conduct of Business Sourcebook (as amended from time to time) may give the investor the right to cancel the relevant purchase within 14 days of receipt of the requisite notice of a right to cancel. The right to cancel does not arise if (a) the investor is not a private customer, (b) the investor is not an execution-only customer, (c) the agreement to purchase is entered into through a direct offer financial promotion, or (d) the agreement is entered into under a customer agreement or during negotiations (which are not ISA related) intended to lead to a client agreement.

Accumulation of income

All net income is automatically accumulated within the Trust and reflected in the price of units.

UK taxation

This information is based on United Kingdom law and practice known at the date of this document. Unitholders are recommended to consult their professional adviser if they are in any doubt as to their tax position.

The sole investment of the Trust is its holding of A Accumulation Shares in the PAIF.

In outline, the relevant tax treatment of the PAIF is that it is not liable to tax on capital gains realised on the disposal of its investments. The income generated by its underlying property investment business is exempt from tax in the PAIF, as are any dividends received on underlying equity instruments. Its other income (which will mainly comprise interest) although technically taxable will be distributed as a tax-deductible payment so no tax should in practice be payable on it.

The Trust is an authorised scheme and accordingly is not liable to tax on capital gains on the disposal of any of its property, that it shares in the PAIF.

General Information (continued)

UK taxation – continued

The Trust will be deemed to receive the appropriate proportion of the income accumulated on its holding of A Accumulation Shares in the Master Fund. This will be streamed (for tax purposes only) into up to three parts depending on the nature of the income generated by the PAIF. The property income accumulations stream will be accumulated net of basic rate of tax (20%) withheld by the PAIF, and this will satisfy the corporation tax liability of the Trust. Any dividends received by the PAIF will constitute a separate stream of PAIF dividend accumulations for tax purposes. No further tax will be payable by the Trust on this income, and the remaining income will be PAIF interest accumulations which will be accumulated net of basic rate of income tax (20%) withheld by the PAIF, which will satisfy the Trust's corporation tax liability on it.

Corporate unitholders holding accumulation units in the Trust which are within the charge to corporation tax will be treated for tax purposes as receiving income which, depending on the breakdown of the income of the underlying PAIF, may be streamed into two parts (in these cases, the amounts will be indicated on the tax voucher). The income accumulated that represents income other than the PAIF dividend accumulations, should be treated by corporate investors as an annual payment (made after deduction of income tax at the rate of 20%). Unitholders subject to corporation tax on the income allocation may offset the basic rate income tax credit against their tax liability, while corporate investors that are exempt from corporation tax on the income, for example where a life office holds the units as pension business, may reclaim the amount specified on their tax voucher from HMRC. Income allocations representing the PAIF dividend accumulation will not generally be subject to corporation tax when received by a corporate shareholder but the notional tax credit attached cannot be reclaimed from HMRC.

For any individual unitholders who are taxpayers, the gross dividend accumulations will be subject to UK income tax. A dividend accumulation is normally treated as being the top slice of income. The tax credit can be used to reduce the tax liability. A unitholder taxable at either the basic rate of tax (10% on dividends) will have no further tax to pay, whilst a unitholder taxable at the higher rate of tax (32.5% on dividends) will be liable to further tax equal to 22.5% of the gross income (equivalent to 25% of the net receipt), and unitholders liable to the additional rate of tax (42.5% on dividends) will be liable to further tax equal to approximately 36% of the gross income. UK resident individuals not liable to tax on all or part of their income allocation are unable to reclaim any part of the notional tax credit.

For all income allocations: A tax voucher showing the amount of the income distributed or deemed to be distributed to the unitholders and the notional tax credits and tax deducted will be sent to the unitholders at the time of the distribution.

Capital gain: The sale of units by unitholders will constitute a disposal for the purposes of tax on capital gains. For unitholders within the charge to corporation tax, net capital gains on disposal of holdings in the Trust will normally be added to their profits chargeable to corporation tax or exempt from it, depending on the circumstances of each unitholder. Individual unitholders resident or ordinarily resident in the UK will not be liable to tax on their capital gains, unless their chargeable gains from all sources are in excess of the annual exemption.

Trust reports and Prospectus

Copies of the latest yearly and half yearly financial statements and copies of the Prospectus may be obtained from Royal London Unit Trust Managers Limited upon request.

Contact Us

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