CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund)

Annual report and audited financial statements
CT UK Property Authorised Investment Fund
(formerly known as Threadneedle UK Property
Authorised Investment Fund) | May 2022

COLUMBIA THREADNEEDLE INVESTMENTS

Contents

**These pages comprise the Authorised Corporate Director's Report.*

Introduction

This Annual Report reviews the performance of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) and the market background over the year to 15 May 2022.

Columbia Threadneedle Investments has a dynamic, award winning approach to property investment. Our experienced investment team has been investing since 1994, and the focus on maintaining high yields has distinguished us from the market.

Stock picking is key
We believe that specific stock selection within sectors is the primary driver of long-term performance. Our experience, resources and contacts allow us to select the most appropriate and attractively valued properties for our funds while avoiding exposure to property shares.

A preference for high yielding investments
We believe that over the long term, income is the dominant component of property total returns. As such, yield is a key focus of our stock selection process.

Flexible buyers
We do not populate our portfolios with trophy assets, as these frequently offer unappealing yields. Instead, we seek good value and investment potential across all sectors, geographies and lot sizes.

Avoid speculative development
This kind of activity locks up capital for long periods of time and can be risky. We prefer to buy standing investments with the potential to improve returns.

Active asset management unlocks value
We work hard to maximise the returns from the properties we own, refurbishing and updating buildings regularly in order to increase capital value and improve rental growth potential.

We hope that you find this Annual Report informative. If you have any further queries regarding any aspect of your investment or about other Columbia Threadneedle Investments products, please contact us directly on 0800 068 3000 (8am – 6pm Monday to Friday) or speak to your financial adviser. Alternatively, please visit **columbiathreadneedle.com**.

Name Change
On 4 July 2022, the name of the Company was changed to replace "Threadneedle" by "CT". This change was made to align the name of the Company more closely with our global brand name, Columbia Threadneedle Investments.

Company Information

Company
CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) Registered Number IC000976.

Registered Office
Cannon Place, 78 Cannon Street, London EC4N 6AG

Director
There is a sole director, the Authorised Corporate Director (the ACD), which is Threadneedle Investment Services Limited.

Board of Directors of the ACD
K Cates (non-executive)
J Griffiths
A Roughead (non-executive)
R Vincent
L Weatherup

Authorised Corporate Director's Report

The ACD, Threadneedle Investment Services Limited, has pleasure in presenting the Annual Report and Audited Financial Statements for CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) for the year to 15 May 2022.

We hope that you find the report informative. Should you require any further information regarding any aspect of your investment, or about other Columbia Threadneedle products, we would be pleased to help. Alternatively, you may find it helpful to visit columbiathreadneedle.com for further information about Columbia Threadneedle.

Thank you for your continued support.

L Weatherup
Director

DIRECTORS' STATEMENTS

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes (COLL) Sourcebook, we hereby approve the Annual Report and Audited Financial Statements on behalf of the Company.

L Weatherup
Director of the ACD
8 September 2022

R Vincent
Director of the ACD

Investment Report

Investment Objective

It is intended that the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) (the "Company") be a Property Authorised Investment Fund (PAIF) at all times and so its investment objective is to carry on Property Investment Business and to manage cash raised from investors for investment in the Property Investment Business as further described below. HM Revenue & Customs has confirmed to the ACD that the Company meets the requirements to qualify as a PAIF under regulation 69O of the PAIF Tax Regulations.

The objective of the Company is to obtain a total return based on income and capital appreciation predominantly through investment in certain kinds of real estate, property related securities, government and public securities and units in collective investment schemes.

Investment Policy

Where the investment policy of the Company contains the word 'primarily' in the description of its investment policy, the Company will invest not less than two-thirds of the value of the property in the specified kind of assets.

The Company will invest primarily in UK commercial real estate. It may also invest in US or Continental European real estate, property-related securities, property investment companies, collective investment schemes (including other collective investment schemes managed, advised or operated by the ACD or its associates), cash and near cash, warrants, deposits and money market instruments. Derivatives may be used for investment purposes on the giving of 60 days' notice to Shareholders. At the date of this Prospectus derivatives are used for efficient portfolio management purposes only.

Review

This report covers the year from 16 May 2021 to 15 May 2022 however where data is not available for 15 May 2022 end of April and end of March data is used as appropriate for comparative purposes.

Status of the Company

The Company is a non-UCITS retail scheme for the purpose of the Financial Conduct Authority's Collective Investment Schemes Sourcebook (COLL) an alternative investment fund for the purpose of the Alternative Investment Fund Managers Directive (AIFMD), and a standalone company for the purposes of OEIC Regulations, each as amended from time to time.

Property Market Commentary

UK macroeconomic viewpoint

With the relaxation of COVID-19 restrictions for much of 2021, UK GDP grew by a record 8.7% according to ONS statistics, exceeding most mainstream forecasts and representing the highest rate of growth since WWII which provides a salient indication of the scale of recovery throughout 2021 especially when considering the socio-economic disruption of the Omicron wave. While the impacts of COVID-19 on the economy have reduced as a result of the UK's successful vaccination rollout, the outbreak of war in Ukraine and the subsequent rise in global commodity prices has placed further volatility upon global markets. CPI inflation reached a 30-year high of 7% in March 2022 and was 9.0% in April 2022. In response to inflationary pressures, the interest Base Rate has increased to 0.75% in March 2022, with further incremental rises anticipated, although likely to be relatively modest to mitigate against the risk of stalling the economy. Government fiscal spending, however, has continued at substantial levels to support the economy with the total spend for 2020/21 being c.£167 bn higher than originally budgeted pre-pandemic. In addition, the treasury has committed a further £22bn this financial year to help absorb some of the cost-of-living pressures.

Despite early fears of mass-unemployment at the outset of the pandemic, unemployment has remained at low levels, currently at 3.8%, which represents a salient return to its pre-pandemic figure. Labour demand has continued to outpace supply, with job vacancies reaching a record high of 1.29 Million, which may act as a constraint on growth. Household consumption served as the primary source of GDP expenditure throughout 2021, accounting for 59%, with spending increasing by 0.5% in Q4 2021. Growth in average total weekly earnings in the three months to February 2022 reached 5.4%; however, when accounting for high inflation the figure reduces to 0.4%. In a sign of rising confidence among the business community, the number of employees on UK company payrolls increased by 35,000 to a record 29.6 million. With Brexit deadlock now resolved and government pursuing a "Living with Covid" strategy, the outlook for business investment is increasingly positive, with considerable scope for further corporate investment and thus injecting a renewed dynamism into the economy.

UK Commercial Property

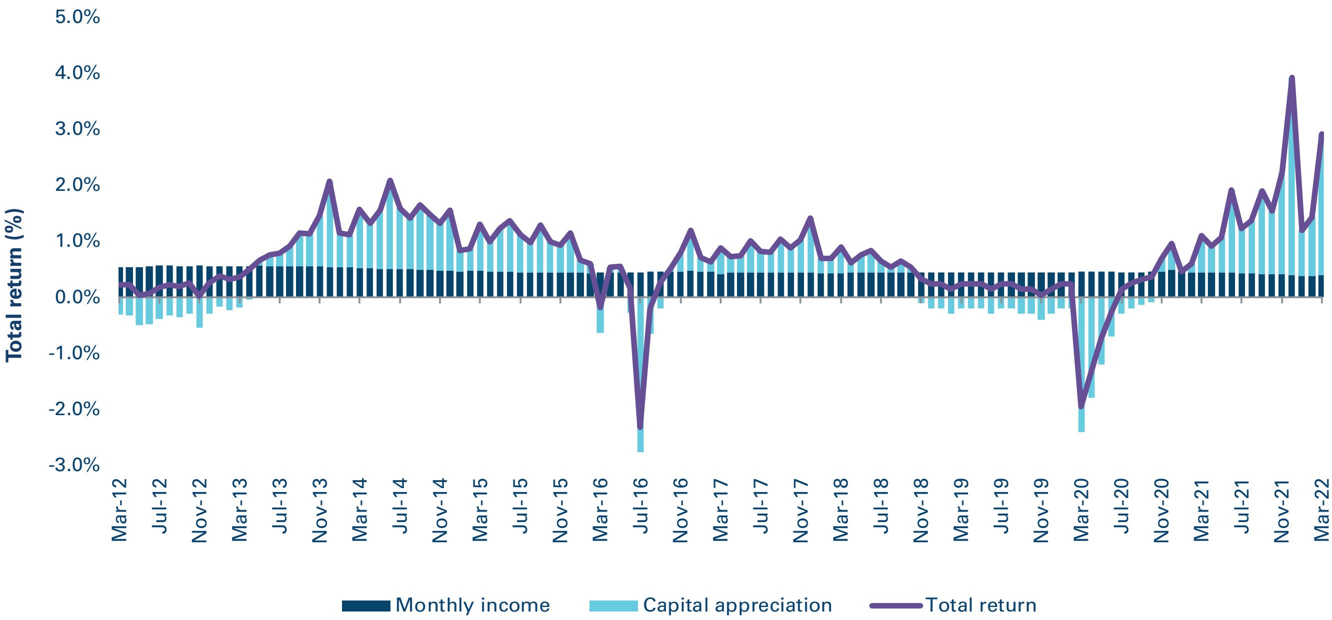
With this context, the MSCI UK Monthly Index recorded a total return of 23.9% in the 12 months to 31 March 2022 (latest available data), which represents an exceptional recovery from the -0.8% in 2020 and saliently the highest 12 month returns since September 1994. Capital growth formed the core component of the total return at 18%, driven by the acceleration of industrial values and a resurgence in the retail sector. Total investment volumes for the 2021 calendar year reached £56.9bn, up 21% on the £47bn transacted in 2020 and 8.5% above the ten-year average. This represents the highest yearly volume since 2018, reflective of the sheer weight of capital attracted to UK real estate as high-performing asset class.

Investment Report

(continued)

MSCI UK Monthly Index All Property Returns to 31 March 2022

10-year UK commercial property total returns



The occupational markets responded positively to the wider economic recovery, with rental value growth for the year across all sectors increasing to 4.1% as at 30 April 2022, up from 0.0% recorded the previous year. The industrial sector was the standout performer delivering 11.9% in the year, as the lack of supply and increasing occupier demand serving as a catalyst for rental growth. In turn, the strong rental growth has driven the capital performance outlined above as investors seek to capture the reversionary potentials.

The office sector has recovered well from the negative rental growth of -0.1% the previous year, delivering modest annual growth of 1.2%, despite the impact of the Plan B working from home government directive and the resulting occupational uncertainly. Whilst changes in shopping behaviours have contributed to a structural decline in retail activity, rental growth improved throughout the year to -1.4% up from -8.0% the previous year.

The Retail Warehouse recovery

A key theme for 2021 has been the resurgence of the out-of-town retail warehouse sector, which has seen renewed investor confidence generate capital returns in excess of 24% for the year ending 30 April 2022. Evidently the sector has proven more resilient than the high street over the course of the pandemic. This is in part due to recognition of the subsector's robust occupational foundations, with tenants benefiting from reduced competition, online resilience and in many instances, online synergies – for example, "click and collect". In addition, the open nature of retail parks is often highly accessible for the consumer in terms of parking and road access. Investment volumes totalled, £2.98bn for 2021 which represents a c.38% increase on the 5 yearly sector average and the highest volume traded in 5 years. As a result of the significant investment into the sector, yields contracted sharply throughout the year as investor appetite increased; however, the sector remains an attractive as an income-led proposition.

The Industrial surge continues

The industrial market continues to deliver record levels of growth with total returns reaching 42.8% in the year ending 30 April 2022, saliently the highest total return since 1988. The impact of the pandemic served to accelerate pre-existing structural trends, which in combination with the wider economic recovery, has led to sustained occupier and investor demand. The scale of demand is most evidently reflected in the 2021 occupier take-up statistics, which hit a new record of 78m sq. ft for the calendar year. Retail Economics have forecasted the proportion of non-food online sales to increase from an estimated 37% in 2021 to 49.7% in 2025, which in turn would indicate further high levels of occupier demand, complemented by the emergence of a new occupier base in the form of "dark kitchens" and grocery delivery services. The impact of the structural supply/demand imbalances has led to rental growth of 11.9% over the past 12 months. Unsurprisingly, investor sentiment has remained very positive towards the sector, with investment volumes reaching a record high of £15.2bn in 2021, almost doubling the previous record in 2018 and accounting for c.27% of the total All-Property volume. Yields continue to compress across the sector, as a consequence of the sheer weight of capital seeking to capture the reversionary potentials. Given that industrials account for more than 40% of the index composition, this has a disproportionately positive impact at market level.

Market context

Following the unprecedented challenges of 2020, the UK commercial property market demonstrated an exceptional recovery, despite the continuation of the COVID-19 pandemic in the form of evolving mutations and socio-economic restrictions. Capital values trended at record positive levels, driven by sustained performance in the Industrial sector and the resurgence of the Retail Warehouse sector. Total returns as measured by the MSCI UK Monthly Index were 24.9% over the 12 months ending 30 April 2022.

Portfolio strategy:

We stock pick assets offering high, sustainable income yields and proactively manage those assets to drive rental growth. The Fund's property portfolio offers a high degree of asset and tenant diversification, which limits volatility, and our focus on smaller lot sizes offers a high level of liquidity, as we can trade with a diverse investor pool to capitalise on prevailing demand and supply sentiment.

Investment Report

(continued)

The portfolio is positively positioned towards sectors we have a high conviction view of, with a bias towards industrial and logistics and retail warehousing. Positive attributes include:

- No speculative development.
- Industrial and Retail Warehouse exposure accounts for over 67% of the Funds real estate exposure with both sectors delivering strong performance.
- Considerable reduction in Fund vacancy rate during 2021 accretive to Fund performance.
- A significant income yield advantage versus the MSCI UK Monthly Property index (5.1% versus 4.1%).
- Diversification at portfolio level (69 properties, 492 tenancies).
- Highly liquid average lot size of c. £7.1m.
- Significant unrealised potential to add value through pro-active asset management across the portfolio.
- Proven track record of delivering relative outperformance in periods of significant macroeconomic volatility.

Activity:

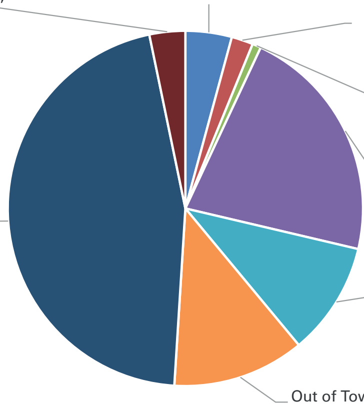
The Fund strategically sold 21 assets in the year ending 15 May 2022, generating sales receipts of £134.7m. Selective sales were made across all sectors to capitalise on market conditions to achieve strong sales receipts. The sales process assisted the continual efforts to maintain a balanced risk profile within the Fund. During the year there were no purchases on the Fund.

As at 30th April 2022, the Fund completed 94 lettings and lease renewals, securing rent of £8.5M p.a. and settled 16 rent reviews achieving an uplift of £0.6M p.a.

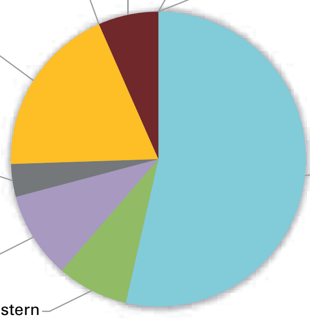
Fund Investment Activity Disposals:

Property Address	Quarter	Sale Proceeds (£)	Sector	Net Initial Yield (Topped up)
The Curve, Langley	Q1	7,920,000	Out of Town Offices	10.0%
Broad Street, Reading	Q1	5,700,000	Unit Shop	7.3%
Broad Street, Reading	Q1	9,850,000	Unit Shop	7.3%
Broad Street, Reading	Q1	950,000	Unit Shop	7.3%
Broad Street, Reading	Q1	4,500,000	Unit Shop	7.3%
Darlington, Haughton Road	Q2	2,624,259	Retail Warehouse	7.4%
Unit 2 South Lancashire Industrial Estate, Wigan	Q2	1,500,000	Industrial / Warehouse	7.8%
One Kings Court, Worcester	Q2	4,600,000	Town Centre Offices	9.9%
Jewson Depot, Spalding	Q2	4,000,000	Industrial / Warehouse	4.8%
President Park, Sheffield	Q2	2,775,000	Industrial / Warehouse	4.7%
ST Johns Retail Park, Taunton	Q2	6,000,000	Retail Warehouse	8.4%
265 Godstone Road, Kenley, Croydon	Q2	4,265,000	Industrial / Warehouse	3.8%
Chelmsford, One Legg Street	Q3	9,000,000	Town Centre Offices	1.1%
Bristol, Aztec West	Q3	2,677,060	Out of Town Offices	6.7%
Chester, Jupiter Drive	Q3	3,690,000	Industrial / Warehouse	5.5%
Unit 11, Tewkesbury business centre	Q3	2,200,000	Industrial / Warehouse	5.78%
Fusion 1,2,3 Parkway, Solent Business Park, Fareham	Q3	24,500,000	Out of Town Offices	9.07%
Winsford, One100 Road One	Q3	7,305,000	Industrial / Warehouse	5.7%
Exchange Walk, Nottingham	Q4	4,150,000	Unit Shop	11.8%
B&Q Llandudno	Q4	4,368,375	Retail Warehouse	4.1%
Prudential Buildings, Bristol	Q4	22,135,772	Town Centre Offices	7.0%
TOTAL		**134,710,466**		

Portfolio Weighting by Sector relative to MSCI UK Monthly Property Index as at 30 April 2022



Portfolio Weighting by Geography relative to MSCI UK Monthly Property Index as at 30 April 2022



Returns

On an annualised basis, All Property returns delivered an exceptional 24.9% at the end of April 2022, driven by significant capital growth of 19% and a consistent income return of 5.0%.

Outlook

ESG factors will rightly continue to influence investment decisions. Investment approaches are split broadly between those passively buying best-in-class, and those willing to actively manage portfolios to deliver building improvements. Prevailing pricing is likely to reward the latter more than the former, while the middle ground gets increasingly squeezed and at risk of stranding.

The industrial sector is expected to continue to compress yields to their lowest point, while office and retail work to shape new requirements of space following the ongoing structural changes. Taken together, UK real estate continues to represent attractive value on an income, sustained growth expected to continue in 2022.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund)

Retail

Less than £1 million in Value	% of Total Assets 0.12 (0.24)	Total Market Value £0.65m	Principal Tenants	Rental Income per annum	Next Rent Review
Bedford **1-3 Silver Street** Freehold retail unit and upper floors totalling 8,619 sq ft.			JD Sports Fashion Plc AM2PM Healthcare Ltd	£50,000 £20,000	N/A N/A

Between £1 million and £2.5 million in Value	% of Total Assets 2.37 (2.14)	Total Market Value £12.55m	Principal Tenants	Rental Income per annum	Next Rent Review
Accrington **Broadway & Market Walk** Freehold, two terraced retail parades with a total of eleven purpose built retail units. Property totals 58,774 sq ft.			Various	£254,244	25/07/2021 (o/s)
Carmarthen **Units 2-12 Red Street** Freehold parade of seven retail units which are arranged over ground and first floors. Property totals 19,134 sq ft.			Various	£185,500	01/05/2019 (o/s)
Carmarthen **15-23 Red Street & Units 1-4, 15 John Street** Leasehold, parade of nine retail units constructed in the 1970s. Predominantly arranged over ground and two upper floors. Property totals 39,465 sq ft.			Various	£259,250	08/08/2021 (o/s)
Cheltenham **108-110 The Promenade** Freehold, Grade II listed semi-detached two storey building with mezzanine and attic floors. Two retail units over ground and mezzanine floors, with ancillary accommodation to the remaining ground and upper floor areas. Property totals 8,963 sq ft.			Joules Vinegar Hill	£155,000 £165,000	N/A N/A
Cheltenham **112/114 &118/120 Promenade** Freehold double corner retail unit totalling 2,287 sq ft.			Roundhouse Holdings Limited	£45,000	04/01/2027
Ipswich **30-36 Tavern Street** Freehold. Four retail units arranged over basement ground and two upper floors. Grade II listed. Property totals 7,736 sq ft.			Various	£93,000	06/05/2025

o/s = Rent review has not been finalised.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) *(continued)*

Retail *(continued)*

Between £1 million and £2.5 million in Value	% of Total Assets 2.37 (2.14)	Total Market Value £12.55m	Principal Tenants	Rental Income per annum	Next Rent Review
Ipswich **24/28 Tavern Street and 4/8 Dial Lane** Freehold, block of six retail units arranged over basement ground and three upper floors. Property totals 16,594 sq ft.			Various	£81,500	02/12/2022
Stevenage **9-11 The Forum** Freehold, two retail units constructed in 1975. Property totals 33,178 sq ft.			New Look Retailers Ltd Wawelski Ltd	£0 £43,500	N/A 02/12/2021 (o/s)

Ipswich
4/8 Dial Lane

o/s = Rent review has not been finalised.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) *(continued)*

Retail *(continued)*

Between £2.5 million and £5 million in Value	% of Total Assets 1.51 (2.73)	Total Market Value £8.0m	Principal Tenants	Rental Income per annum	Next Rent Review
Brighton **Units 1-4, The Abacus** Long Leasehold, terrace of four retail units over ground and basement totalling 30,882 sq ft.			Various	£480,900	18/09/2020 (o/s)
Ipswich **18/20/22 Tavern Street & 13-15/17/18-19 Buttermarket** Freehold unbroken block of six retail units, three fronting Tavern Street and three fronting Buttermarket. Property totals 43,762 sq ft.			Various	£495,000	28/06/2023

Over £5 million in Value	% of Total Assets 0.00 (3.76)	Total Market Value £0.0m	Principal Tenants	Rental Income per annum	Next Rent Review
N/A					

Ipswich
Tavern Street

o/s = Rent review has not been finalised.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) *(continued)*

Retail Warehouse

Between £1 million and £2.5 million in Value	% of Total Assets 1.37 (0.93)	Total Market Value £7.25m	Principal Tenants	Rental Income per annum	Next Rent Review
Nuneaton **Newtown Road** Freehold retail warehouse, built in the late 1980s. Externally there is parking for 68 cars. Property totals 13,157 sq ft across two units.			Halfords Ltd Dreams Ltd	£111,852 £55,000	N/A
Wellingborough **Victoria Retail Park** Freehold, L–shaped detached single storey purpose built retail warehouse. Property totals 9,169 sq ft.			Halfords Ltd	£107,226	N/A
Winnersh **612 Reading Road** Freehold modern retail warehouse with mezzanine sales and storage area installed by the tenant. Externally there are 34 parking spaces. Property totals 7,357 sq ft.			Halfords Ltd	£108,663	N/A
Wrexham **36 Mount Street** Freehold retail warehouse, built in the early 1990s totalling 14,955 sq ft. A mezzanine sales and storage area has been installed by the tenant. There are 75 car spaces.			Halfords Ltd	£0	N/A

Between £2.5 million and £5 million in Value	% of Total Assets 0.83 (1.58)	Total Market Value £4.4m	Principal Tenants	Rental Income per annum	Next Rent Review
Coventry **Matalan Wheler Road** Leasehold. Two bay retail warehouse built in 1986. Ground floor sales with tenant fitted mezzanine used for storage. Property totals 36,323 sq ft with 203 car parking spaces.			Matalan Retail Ltd	£327,510	25/12/2026

o/s = Rent review has not been finalised.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) *(continued)*

Retail Warehouse *(continued)*

Over £5 million in Value	% of Total Assets 18.83 (8.52)	Total Market Value £99.9m	Principal Tenants	Rental Income per annum	Next Rent Review
Cardiff **City Link Retail Park** Freehold retail warehouse park providing twelve units totalling 118,623 sq ft., with 469 car parking spaces.			Various	£1,262,721	17/10/2021 (o/s)
Fareham **Collingwood Retail Park** Freehold purpose built retail warehouse park of four units and a restaurant 'pod' totalling 76,520 sq ft. with 372 car parking spaces.			Various	£889,606	29/01/2021 (o/s)
Holyhead **Holyhead Retail Park** Freehold retail warehouse park, built in 2005. The park is configured as a retail terrace of five units with a stand-alone Wilkinsons store and a fast food unit. Externally, there are 206 parking spaces. Property totals 62,750 sq ft.			Various	£523,975	25/03/2020 (o/s)
Reading **Reading Retail Park** Freehold retail warehouse park of eight units totalling 118,352 sq ft with 430 car parking spaces.			Various	£2,135,766	16/01/2024
Southport **Ocean Plaza, Marine Parade** Freehold, large retail and leisure park on the edge of Southport town centre. The retail element comprises a terrace of five units, a detached retail warehouse unit and two restaurants. The leisure element comprises a single detached unit which has been divided to provide a gym, a seven screen cinema, bowling alley and a further eight restaurant and leisure units. The Premier Inn on the site has been sold off on a long lease.			Various	£2,167,335	24/06/2022

Reading Retail Park

o/s = Rent review has not been finalised.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) *(continued)*

Offices

Between £2.5 million and £5 million in Value	% of Total Assets 0.91 (1.10)	Total Market Value £4.85m	Principal Tenants	Rental Income per annum	Next Rent Review
Bristol **1300 Parkway North** Freehold, detached three-storey HQ style building. The property totals 30,175 sq ft with 140 car parking spaces.			The Secretary of State for Defence	£529,480	N/A

Over £5 million in Value	% of Total Assets 16.62 (25.04)	Total Market Value £88.2m	Principal Tenants	Rental Income per annum	Next Rent Review
Bristol **Unit H1, Harlequin Office Park** Freehold, detached three storey office building. Constructed in 2009. Property totals 26,871 sq ft. There are 122 car parking spaces.			ALD Automotive Ltd	£567,693	N/A
Crawley **1 Forest Gate** Freehold, detached office building constructed in 1993. Arranged over ground and two upper floors. There is external car parking totalling 126 spaces. Property totals 23,090 sq ft.			KPMG LLP Instant Managed Offices	£251,966 £349,360	24/06/2023
Fareham **Eagle Point, Segensworth** Leasehold, detached three storey office building built in 2004. Externally there are 109 parking spaces. Property totals 29,228 sq ft.			Various	£207,500	N/A
Guildford **Hays House** Freehold detached modern office building over ground and two upper floors. The property totals 18,428 sq ft. with 21 car parking spaces.			Various	£613,365	30/08/2021 (o/s)

Crawley
1 Forest Gate

Guildford
Hays House

o/s = Rent review has not been finalised.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) *(continued)*

Offices *(continued)*

Over £5 million in Value	% of Total Assets 16.62 (25.04)	Total Market Value £88.2m	Principal Tenants	Rental Income per annum	Next Rent Review
Hemel Hempstead **Hemel One** Freehold, detached office building arranged over ground and three upper floors constructed in the 1980s. There are 434 car parking spaces externally. Property totals 91,742 sq ft.			Various	£754,292	18/07/2020 (o/s)
Luton **400, 450, 475 Capability Green** Freehold office campus of three detached buildings arranged around a central courtyard. The property totals 90,495 sq ft. with a total of 492 car parking spaces.			Various	£1,178,773	08/04/2021 (o/s)
Quinton **Buildings 4,7,8 & 9, Quinton Business Park** Mixed tenure. Four modern business park office buildings built in the mid 2000's. Buildings 4 and 9 are three storey and buildings 7 and 8 are two storey. Property totals 77,451 sq ft, together with 380 external surface parking spaces and 4.5 acres of land adjacent to Unit 1.			Various	£922,768	18/10/2021 (o/s)
Solihull **Birmingham International Park** Freehold, three detached Grade A office buildings arranged over three storeys. The property totals 70,966 sq ft.			Fair Isaac Services Ltd Robert Half Ltd	£525,000 £293,013	25/04/2024

Supermarket

Between £2.5 million and £5 million in Value	% of Total Assets 0.75 (0.01)	Total Market Value £4.0m	Principal Tenants	Rental Income per annum	Next Rent Review
Boscombe **The Former Superstore, Sovereign Centre** Freehold. Former Safeway supermarket located in The Sovereign Centre. Divided into two sublet retail units. Ground and first floor levels. Totals 50,235 sq ft.			Safeway Stores Ltd	£454,500	N/A

o/s = Rent review has not been finalised.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) *(continued)*

Industrial

Less than £1 million in Value	% of Total Assets 0.05 (0.18)	Total Market Value £0.25m	Principal Tenants	Rental Income per annum	Next Rent Review
Stowmarket **Development Site D, Gipping Way** Freehold development site extending to approximately 1.54 acres.			Development Site D	£0	N/A

Between £1 million and £2.5 million in Value	% of Total Assets 0.78 (1.45)	Total Market Value £4.15m	Principal Tenants	Rental Income per annum	Next Rent Review
Stanley **Tanfield Lea North Estate** Freehold, purpose built production facility with ancillary and office space. Property totals 58,197 sq ft after significant extension.			KP Snacks Ltd	£95,000	22/04/2021 (o/s)
Sunderland **Pennywell Industrial Estate** Freehold. The property comprises ten originally constructed units, which have subsequently been modified to provide five self-contained units. Property totals 45,747 sq ft.			Various	£157,475	N/A

Between £2.5 million and £5 million in Value	% of Total Assets 6.23 (9.28)	Total Market Value £33.05m	Principal Tenants	Rental Income per annum	Next Rent Review
Barnard Castle **Harmire Enterprise Park** Freehold, multi-let industrial estate, providing 29 office and industrial/warehouse units, 11 of which have been sold on long leases. The remaining units total 40,626 sq ft.			Various	£232,645	N/A
Crowborough **April Court Sybron Way** FH, 1980s built industrial complex comprising 16 units with a total floor area of 31,410 sq ft. Generally configured with ground floor industrial/trade counter space and office accommodation at first floor level.			Various	£152,620	04/12/2022
Jarrow **Viking Industrial Park** Freehold. Two detached industrial units, constructed in 2002. Property totals 38,117 sq ft.			UTS Engineering Ltd Libra Seafood Processing Ltd Northern Electric plc	£97,000 £68,900 £0	N/A N/A 23/02/2024
Southampton **Units 29 & 30 Solent Industrial Estate** Freehold, the property comprises two 1970s built industrial units on a broadly rectangular site, extending to 1.85 acres with a site coverage of 47%. Property totals 39,303 sq ft.			Vacant	£0	N/A
Stevenage **Unit 11, Babbage Road** Freehold, standalone single storey warehouse with adjoining brick built office building. External yard with customer parking area. Property totals 16,900 sq ft.			Arriva UK BUS Investments Limited	£ 72,301	07/01/2027
Stroud **Units 10-15 Stonehouse IE** Freehold, a terrace of six industrial units. Varying in size, each has ancillary office accommodation and parking to the front. Property totals 39,041 sq ft.			Various	£235,709	01/11/2021 (o/s)

o/s = Rent review has not been finalised.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) *(continued)*

Industrial *(continued)*

Between £2.5 million and £5 million in Value	% of Total Assets 6.23 (9.28)	Total Market Value £33.05m	Principal Tenants	Rental Income per annum	Next Rent Review
Swindon **Cheney Manor Industrial Estate** Freehold, seven modern industrial units arranged in two terraces and a standalone unit. Property totals 39,143 sq ft. Each unit has 8 car parking spaces to the front.			Various	£220,183	14/03/2022 (o/s)
Waterlooville **Brambles House, Waterberry Drive** Leasehold, detached industrial warehouse building constructed in 1992 totalling 55,154 sq ft.			Stan Chem International Ltd	£317,150	16/06/2021 (o/s)
Wellingborough **Units D-F, Whittle Close** Leasehold. Three detached industrial warehouse units, all with two storey offices. The property totals 58,177 sq ft. Externally there are 58 car parking spaces.			RML Group Limited	£274,455	N/A

Over £5 million in Value	% of Total Assets 37.27 (20.03)	Total Market Value £197.75m	Principal Tenants	Rental Income per annum	Next Rent Review
Basildon **Bakers Court Industrial Estate** Freehold, multi-let industrial/trade counter estate of 22 units totalling 68,260 sq ft.			Various	£462,572	23/09/2020 (o/s)
Basildon **MSX International House** Freehold, vacant. The property provides office and warehouse accommodation totalling 34,874 sq ft.			Vacant	£0	N/A
Basildon **Wollaston Industrial Estate** Freehold, large multi-let industrial estate, various unit sizes and types. Let on a mixture of leaseholds and long leaseholds. Property totals 176,727 sq ft.			Various	£404,066	27/07/2022
Coventry **Siskin Parkway East** Leasehold, two adjoining warehouse units occupied as one totalling 83,051 sq ft.			Gefco UK Ltd	£470,000	07/11/2021 (o/s)
Cramlington **South Nelson Industrial Estate** Freehold. 44 units, consisting of industrial / distribution warehouse accommodation. One unit has been sold on a long lease. Property totals 197,320 sq ft.			Various	£1,076,106	9/03/2023
Eastleigh **Avalon, Parham Drive** Freehold, a purpose built high bay warehouse dating to 1970/1980's with additional production and dispatch areas with lower eaves. Property totals 100,206 sq ft.			Garmin (Europe) Ltd Southern Electric Power Distribution	£835,000 £1	25/01/2027
Gloucester **11C Barnett Way, Barnwood** Freehold. Detached warehouse unit with integral two storey office accommodation. Constructed in 1982. Property totals 52,877 sq ft.			WS Specialist Logistics Limited	£0	21/12/2026
Knottingley **A1 Business Park, Unit A1** Freehold, a detached industrial/ warehouse unit with integral single storey office and kitchen/ staff facilities. Constructed in 1997. Property totals 53,077 sq ft.			Joule Hot Water Systems UK Ltd	£260,000	25/09/2021 (o/s)

o/s = Rent review has not been finalised.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) *(continued)*

Industrial *(continued)*

Over £5 million in Value	% of Total Assets 37.27 (20.03)	Total Market Value £197.75m	Principal Tenants	Rental Income per annum	Next Rent Review
Middleton **Plot C Touchet Hall Road** Freehold. Purpose built warehouse unit constructed in 1991 with car parking to the front and loading yard at the rear. Property totals 64,265 sq ft.			Booker Ltd	£305,950	14/10/2021 (o/s)
North Shields **West Chirton Industrial Estate** Freehold, six detached and three terraced industrial units constructed in the 1980s. Mixture of dedicated and shared service and car parking areas. Property totals 110,778 sq ft.			Various	£396,194	01/08/2022
North Tyneside **New York Industrial Estate** Freehold, multi-let industrial estate, providing 20 industrial/ distribution warehouse units. 12 have been sold on long leases. The remaining units total 81,334 sq ft.			Various	£342,480	16/08/2021 (o/s)
Norwich **Link 47, Longwater Business Park** Freehold. Three modern trade-counter/warehouse units totalling 41,240 sq ft together with 1 acre of storage land.			Various	£361,000	02/02/2021 (o/s)
Poole **D'Oriel House Halton Road** Freehold, large detached mid-1980s built warehouse unit with integral two storey offices to the front. Property totals 76,413 sq ft.			Ashley Pollock Ltd, Wyderington Ltd and Parley	£420,000	N/A

Poole
D'Oriel House Halton Road

o/s = Rent review has not been finalised.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) *(continued)*

Industrial *(continued)*

Over £5 million in Value	% of Total Assets 37.27 (20.03)	Total Market Value £197.75m	Principal Tenants	Rental Income per annum	Next Rent Review
Rochester **Trident Close, Medway City Estate** Freehold, detached stand alone industrial unit with offices to the first floor. Property totals 45,069 sq ft.			Key Promotions (UK) Ltd	£250,000	N/A
Royston **Hottinger, Bruel & Kjaer, Jarman Way** Freehold, purpose built industrial warehouse unit constructed in 2008 with ancillary office arranged over three floors. Property totals 57,320 sq ft.			Hottinger, Bruel & Kjaer UK Ltd	£0	09/05/2024
Stowmarket **Bosch Facility & development sites A,B,C, Gipping Way** Freehold, a production, research and testing warehouse plus adjoining office and development sites. Property totals 192,003 sq ft.			Bosch Lawn & Garden Ltd	£615,000	01/01/2023
Sunderland **Boldon Business Park** Freehold. Comprising 28 units, of which 15 are sold on long leases. The remaining units comprise industrial/distribution warehouse accommodation totalling 139,494 sq ft.			Various	£646,850	10/01/2021 (o/s)
Sunderland **West Quay Court** Freehold industrial estate, comprising a well specified production facility/distribution warehouse. Eight units totalling 124,450 sq ft.			Various	£305,113	04/08/2022
Swindon **Amazon, Unit 7, South Marston** Leasehold detached industrial warehouse unit totalling 209,239 sq ft. with surface yard and car parking areas.			Amazon UK Services Ltd	£1,255,975	N/A

Swindon
Amazon, Unit 7, South Marston

o/s = Rent review has not been finalised.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) *(continued)*

Industrial *(continued)*

Over £5 million in Value	% of Total Assets 37.27 (20.03)	Total Market Value £197.75m	Principal Tenants	Rental Income per annum	Next Rent Review
Thornbury **The Hemingway Business Centre** Leasehold, 15 light industrial units arranged in three terraces, constructed in the early 1970s. Primarily provide ground floor warehouse accommodation with ancillary office blocks. Property totals 68,317 sq ft.			Various	£365,782	21/06/2023
Thornbury **Units 17-30 Thornbury IE** Long leasehold, 14 industrial units of varying age located throughout Thornbury Industrial Estate. Property totals 57,546 sq ft.			Various	£340,256	08/10/2023

Leisure

Between £2.5 million and £5 million in Value	% of Total Assets 0.57 (0.60)	Total Market Value £3.05m	Principal Tenants	Rental Income per annum	Next Rent Review
Brighton **The Boardwalk Restaurants** Long leasehold, The Boardwalk development comprises a modern mixed-use leisure scheme of 7 restaurant units totalling 26,850 sq ft (2,494 sq m) and 8 upper floors comprising 195 residential units across two towers. The residential units have been separately sold off.			Thursdays (UK) Ltd Five Guys JV Ltd	£162,045 £115,080	01/04/2021 (o/s)

Over £5 million in Value	% of Total Assets 2.53 (5.73)	Total Market Value £13.4m	Principal Tenants	Rental Income per annum	Next Rent Review
Bradford **Gallagher Leisure Park, Dick Lane** Freehold, a modern, refurbished mixed use leisure scheme comprising an Odeon cinema, a gym, KFC and Costa Drive-Thru. Property totals 79,783 sq ft with 758 car parking spaces.			Various	£1,179,239	26/02/2023

o/s = Rent review has not been finalised.

Property Portfolio of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) *(continued)*

Shopping Centres

Over £5 million in Value	% of Total Assets 1.88 (1.43)	Total Market Value £9.95m	Principal Tenants	Rental Income per annum	Next Rent Review
Braintree **George Yard Shopping Centre** Freehold town centre open shopping centre of 33 retail units and 3 office suites.			Various	£1,029,579	Various

George Yard Braintree

o/s = Rent review has not been finalised.

Financial Statements

STATEMENT OF TOTAL RETURN

for the accounting period 16 May 2021 to 15 May 2022

	Notes	2022 £000	2021 £000
Income			
Net capital gains/(losses)	2	58,516	(36,406)
Revenue	3	42,341	65,483
Expenses	4	(16,303)	(28,355)
Net revenue before taxation		26,038	37,128
Taxation	5	–	–
Net revenue after taxation		26,038	37,128
Total return before distributions		84,554	722
Distributions	6	(27,306)	(38,971)
Change in net assets attributable to shareholders from investment activities		**57,248**	**(38,249)**

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 16 May 2021 to 15 May 2022

	2022 £000	2021 £000
Opening net assets attributable to shareholders	655,115	1,032,843
Amounts receivable on the issue of shares	115,726	102,912
Amounts payable on the cancellation of shares	(328,444)	(486,310)
	(212,718)	(383,398)
Dilution adjustment	5,975	11,648
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	57,248	(38,249)
Retained distribution on accumulation shares	24,921	32,271
Closing net assets attributable to shareholders	**530,541**	**655,115**

BALANCE SHEET

as at 15 May 2022

	Notes	2022 £000	2021 £000
Assets:			
Fixed assets:			
Tangible assets:			
Investment properties	18	489,505	554,351
		489,505	554,351
Current assets:			
Debtors	7	13,295	19,642
Cash and bank balances	8	45,085	105,515
Cash equivalents	8	14	14
Total assets		547,899	679,522
Liabilities:			
Creditors:			
Distribution payable		(340)	(1,147)
Other creditors	9	(17,018)	(23,260)
Total liabilities		(17,358)	(24,407)
Net assets attributable to shareholders		**530,541**	**655,115**

CASH FLOW STATEMENT

for the accounting period 16 May 2021 to 15 May 2022

	Notes	2022 £000	2021 £000
Cash flows from operating activities			
Net revenue before taxation		26,038	37,128
Decrease/(increase) in debtors		6,894	(5,168)
(Decrease)/increase in creditors		(4,152)	1,257
Cash from operations	15	**28,780**	**33,217**
Taxation		(440)	(764)
Net cash inflows from operating activities		**28,340**	**32,453**
Cash flows from investing activities			
Capital Expenditure		(9,851)	(18,171)
Payments to acquire investments		–	(21,557)
Receipts from the sale of investment properties		133,056	273,695
Receipts from the sale of investments		–	115,840
Net cash from investing activities		**123,205**	**349,807**
Cash flows from financing activities			
Distributions paid		(1,750)	(4,066)
Amounts received on issue of shares		122,859	114,342
Amounts paid on cancellation of shares		(333,084)	(485,234)
Net cash used in financing activities		**(211,975)**	**(374,958)**
Net (decrease)/increase in cash and cash equivalents	17	(60,430)	7,302

DISTRIBUTION TABLE

for the accounting period 16 May 2021 to 15 May 2022

Dividend distribution in pence per share

Class 1 – Income shares

Distribution Period	Gross Revenue	Income Tax	Net Revenue	Equalisation	Distribution Paid/Payable 2021/2022	Distribution Paid 2020/2021
Group 1						
16/05/21 to 15/08/21	0.7852	0.0957	0.6895	–	0.6895	0.5744
16/08/21 to 15/11/21	0.6196	0.0496	0.5700	–	0.5700	0.5856
16/11/21 to 15/02/22	0.6951	0.0556	0.6395	–	0.6395	0.6911
16/02/22 to 15/05/22	0.7607	0.0441	0.7166	–	0.7166	0.6279
Group 2						
16/05/21 to 15/08/21	0.3725	0.0454	0.3271	0.3624	0.6895	0.5744
16/08/21 to 15/11/21	0.1606	0.0129	0.1477	0.4223	0.5700	0.5856
16/11/21 to 15/02/22	0.3418	0.0273	0.3145	0.3250	0.6395	0.6911
16/02/22 to 15/05/22	0.3563	0.0207	0.3356	0.3810	0.7166	0.6279
Total distributions in the period					**2.6156**	**2.4790**

Class 1 – Accumulation shares

Distribution Period	Gross Revenue	Income Tax	Net Revenue	Equalisation	Gross Revenue Accumulated 2021/2022	Gross Revenue Accumulated 2020/2021
Group 1						
16/05/21 to 15/08/21	1.4443	0.1768	1.2675	–	1.2675	1.0140
16/08/21 to 15/11/21	1.1520	0.0922	1.0598	–	1.0598	1.0433
16/11/21 to 15/02/22	1.3035	0.1039	1.1996	–	1.1996	1.2431
16/02/22 to 15/05/22	1.4422	0.0853	1.3569	–	1.3569	1.1422
Group 2						
16/05/21 to 15/08/21	0.7364	0.0901	0.6463	0.6212	1.2675	1.0140
16/08/21 to 15/11/21	0.4271	0.0342	0.3929	0.6669	1.0598	1.0433
16/11/21 to 15/02/22	0.4957	0.0395	0.4562	0.7434	1.1996	1.2431
16/02/22 to 15/05/22	0.5128	0.0303	0.4825	0.8744	1.3569	1.1422
Total distributions in the period					**4.8838**	**4.4426**

Class 1 – Gross income shares

Distribution Period	Gross Revenue	Income Tax	Net Revenue	Equalisation	Distribution Paid/Payable 2021/2022	Distribution Paid 2020/2021
Group 1						
16/05/21 to 15/08/21	0.7855	–	0.7855	–	0.7855	0.6452
16/08/21 to 15/11/21	0.6205	–	0.6205	–	0.6205	0.6578
16/11/21 to 15/02/22	0.6945	–	0.6945	–	0.6945	0.7843
16/02/22 to 15/05/22	0.7614	–	0.7614	–	0.7614	0.6852
Group 2						
16/05/21 to 15/08/21	0.7855	–	0.7855	–	0.7855	0.6452
16/08/21 to 15/11/21	0.6205	–	0.6205	–	0.6205	0.6578
16/11/21 to 15/02/22	0.2045	–	0.2045	0.4900	0.6945	0.7843
16/02/22 to 15/05/22	0.7614	–	0.7614	–	0.7614	0.6852
Total distributions in the period					**2.8619**	**2.7725**

Financial Statements

(continued)

Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Income Tax	Net Revenue	Equalisation	Gross Revenue Accumulated 2021/2022	Gross Revenue Accumulated 2020/2021
Group 1						
16/05/21 to 15/08/21	1.4891	–	1.4891	–	1.4891	1.1688
16/08/21 to 15/11/21	1.1900	–	1.1900	–	1.1900	1.2039
16/11/21 to 15/02/22	1.3471	–	1.3471	–	1.3471	1.4508
16/02/22 to 15/05/22	1.4928	–	1.4928	–	1.4928	1.2839
Group 2						
16/05/21 to 15/08/21	0.9620	–	0.9620	0.5271	1.4891	1.1688
16/08/21 to 15/11/21	1.1356	–	1.1356	0.0544	1.1900	1.2039
16/11/21 to 15/02/22	0.3982	–	0.3982	0.9489	1.3471	1.4508
16/02/22 to 15/05/22	0.9238	–	0.9238	0.5690	1.4928	1.2839
Total distributions in the period					**5.5190**	**5.1074**

Class 2 – Income shares

Distribution Period	Gross Revenue	Income Tax	Net Revenue	Equalisation	Distribution Paid/Payable 2021/2022	Distribution Paid 2020/2021
Group 1						
16/05/21 to 15/08/21	0.9160	0.1380	0.7780	–	0.7780	0.6464
16/08/21 to 15/11/21	0.7254	0.0861	0.6393	–	0.6393	0.6539
16/11/21 to 15/02/22	0.8142	0.0931	0.7211	–	0.7211	0.7763
16/02/22 to 15/05/22	0.8935	0.0803	0.8132	–	0.8132	0.7055
Group 2						
16/05/21 to 15/08/21	0.4712	0.0710	0.4002	0.3778	0.7780	0.6464
16/08/21 to 15/11/21	0.2774	0.0329	0.2445	0.3948	0.6393	0.6539
16/11/21 to 15/02/22	0.4957	0.0567	0.4390	0.2821	0.7211	0.7763
16/02/22 to 15/05/22	0.4281	0.0385	0.3896	0.4236	0.8132	0.7055
Total distributions in the period					**2.9516**	**2.7821**

Class 2 – Accumulation shares

Distribution Period	Gross Revenue	Income Tax	Net Revenue	Equalisation	Gross Revenue Accumulated 2021/2022	Gross Revenue Accumulated 2020/2021
Group 1						
16/05/21 to 15/08/21	1.6344	0.2448	1.3896	–	1.3896	1.1102
16/08/21 to 15/11/21	1.3095	0.1555	1.1540	–	1.1540	1.1346
16/11/21 to 15/02/22	1.4829	0.1693	1.3136	–	1.3136	1.3575
16/02/22 to 15/05/22	1.6432	0.1485	1.4947	–	1.4947	1.2472
Group 2						
16/05/21 to 15/08/21	0.9071	0.1359	0.7712	0.6184	1.3896	1.1102
16/08/21 to 15/11/21	0.6569	0.0780	0.5789	0.5751	1.1540	1.1346
16/11/21 to 15/02/22	1.2267	0.1401	1.0866	0.2270	1.3136	1.3575
16/02/22 to 15/05/22	1.0085	0.0911	0.9174	0.5773	1.4947	1.2472
Total distributions in the period					**5.3519**	**4.8495**

Class 2 – Gross income shares

Distribution Period	Gross Revenue	Income Tax	Net Revenue	Equalisation	Distribution Paid/Payable 2021/2022	Distribution Paid 2020/2021
Group 1						
16/05/21 to 15/08/21	0.9168	–	0.9168	–	0.9168	0.7579
16/08/21 to 15/11/21	0.7256	–	0.7256	–	0.7256	0.7662
16/11/21 to 15/02/22	0.8144	–	0.8144	–	0.8144	0.9119
16/02/22 to 15/05/22	0.8940	–	0.8940	–	0.8940	0.7985
Group 2						
16/05/21 to 15/08/21	0.4501	–	0.4501	0.4667	0.9168	0.7579
16/08/21 to 15/11/21	0.2351	–	0.2351	0.4905	0.7256	0.7662
16/11/21 to 15/02/22	0.4862	–	0.4862	0.3282	0.8144	0.9119
16/02/22 to 15/05/22	0.4625	–	0.4625	0.4315	0.8940	0.7985
Total distributions in the period					**3.3508**	**3.2345**

Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Income Tax	Net Revenue	Equalisation	Gross Revenue Accumulated 2021/2022	Gross Revenue Accumulated 2020/2021
Group 1						
16/05/21 to 15/08/21	1.7028	–	1.7028	–	1.7028	1.3451
16/08/21 to 15/11/21	1.3651	–	1.3651	–	1.3651	1.3733
16/11/21 to 15/02/22	1.5475	–	1.5475	–	1.5475	1.6530
16/02/22 to 15/05/22	1.7178	–	1.7178	–	1.7178	1.4662
Group 2						
16/05/21 to 15/08/21	0.8247	–	0.8247	0.8781	1.7028	1.3451
16/08/21 to 15/11/21	0.5882	–	0.5882	0.7769	1.3651	1.3733
16/11/21 to 15/02/22	0.7599	–	0.7599	0.7876	1.5475	1.6530
16/02/22 to 15/05/22	1.1788	–	1.1788	0.5390	1.7178	1.4662
Total distributions in the period					**6.3332**	**5.8376**

Class F – Gross accumulation shares

Distribution Period	Gross Revenue	Income Tax	Net Revenue	Equalisation	Gross Revenue Accumulated 2021/2022	Gross Revenue Accumulated 2020/2021
Group 1						
16/05/21 to 15/08/21	7.4236	–	7.4236	–	7.4236	5.8342
16/08/21 to 15/11/21	5.9738	–	5.9738	–	5.9738	5.9636
16/11/21 to 15/02/22	6.7818	–	6.7818	–	6.7818	7.1803
16/02/22 to 15/05/22	7.5355	–	7.5355	–	7.5355	6.3845
Group 2						
16/05/21 to 15/08/21	3.4400	–	3.4400	3.9836	7.4236	5.8342
16/08/21 to 15/11/21	2.8850	–	2.8850	3.0888	5.9738	5.9636
16/11/21 to 15/02/22	4.3029	–	4.3029	2.4789	6.7818	7.1803
16/02/22 to 15/05/22	3.9527	–	3.9527	3.5828	7.5355	6.3845
Total distributions in the period					**27.7147**	**25.3626**

Group 2: shares purchased during a distribution period.

Financial Statements

(continued)

Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	15/05/2022	15/05/2021	15/05/2020	15/05/2022	15/05/2021	15/05/2020
Change in net assets per share						
Opening net asset value per share (p)	60.44	63.02	69.75	111.09	111.25	117.71
Return before operating charges (p)	10.87	2.37	(1.45)	20.38	4.25	(2.58)
Operating charges (p)	(0.98)	(0.98)	(1.11)	(1.83)	(1.75)	(1.91)
Property expenses (p)	(0.78)	(1.19)	(0.71)	(1.46)	(2.13)	(1.22)
Return after operating charges (p)*	9.11	0.20	(3.27)	17.09	0.37	(5.71)
Distributions (p)	(2.86)	(2.78)	(3.46)	(5.34)	(4.97)	(5.94)
Retained distributions on accumulation shares (p)[#]	–	–	–	4.88	4.44	5.19
Closing net asset value per share (p)	66.69	60.44	63.02	127.72	111.09	111.25
*after direct transaction costs of (p)	0.19	0.26	0.23	0.36	0.46	0.39
Performance						
Return after charges (%)	15.07	0.31	(4.68)	15.38	0.33	(4.85)
Other information						
Closing net asset value (£000)	516	557	863	10,840	11,495	13,924
Closing number of shares	773,713	922,432	1,368,439	8,486,984	10,348,279	12,515,957
Operating charges (%)**	1.57	1.58	1.62	1.57	1.58	1.62
Property expenses (%)***	1.25	1.93	1.04	1.25	1.93	1.04
Direct transaction costs (%)****	0.31	0.42	0.33	0.31	0.42	0.33
Prices						
Highest share price (p)	67.39	63.05	70.12	127.70	111.45	118.34
Lowest share price (p)	60.45	60.53	68.55	111.11	109.98	116.94

	Class 1 – Gross income shares			Class 1 – Gross accumulation shares		
	15/05/2022	15/05/2021	15/05/2020	15/05/2022	15/05/2021	15/05/2020
Change in net assets per share						
Opening net asset value per share (p)	60.42	63.01	69.74	114.53	114.16	120.02
Return before operating charges (p)	10.91	2.35	(1.44)	21.08	4.37	(2.66)
Operating charges (p)	(1.00)	(0.98)	(1.11)	(1.89)	(1.80)	(1.95)
Property expenses (p)	(0.80)	(1.19)	(0.71)	(1.51)	(2.20)	(1.25)
Return after operating charges (p)*	9.11	0.18	(3.26)	17.68	0.37	(5.86)
Distributions (p)	(2.86)	(2.77)	(3.47)	(5.52)	(5.11)	(6.08)
Retained distributions on accumulation shares (p)[#]	–	–	–	5.52	5.11	6.08
Closing net asset value per share (p)	66.67	60.42	63.01	132.21	114.53	114.16
*after direct transaction costs of (p)	0.19	0.26	0.23	0.37	0.47	0.39
Performance						
Return after charges (%)	15.08	0.29	(4.68)	15.44	0.32	(4.88)
Other information						
Closing net asset value (£000)	242	51	110	49,731	43,022	40,263
Closing number of shares	363,124	84,088	173,788	37,616,297	37,563,763	35,270,699
Operating charges (%)**	1.58	1.58	1.62	1.57	1.58	1.62
Property expenses (%)***	1.25	1.93	1.04	1.25	1.93	1.04
Direct transaction costs (%)****	0.31	0.42	0.33	0.31	0.42	0.33
Prices						
Highest share price (p)	67.42	63.07	120.93	132.18	114.77	70.17
Lowest share price (p)	60.44	60.52	119.59	114.55	113.03	68.64

Financial Statements

(continued)

Comparative Table Disclosure

(continued)

	Class 2 – Income shares			Class 2 – Accumulation shares		
	15/05/2022	15/05/2021	15/05/2020	15/05/2022	15/05/2021	15/05/2020
Change in net assets per share						
Opening net asset value per share (p)	70.20	72.65	79.81	125.37	124.76	131.14
Return before operating charges (p)	12.66	2.72	(1.68)	23.08	4.77	(2.92)
Operating charges (p)	(0.57)	(0.56)	(0.63)	(1.05)	(0.98)	(1.05)
Property expenses (p)	(0.90)	(1.38)	(0.82)	(1.65)	(2.40)	(1.36)
Return after operating charges (p)*	11.19	0.78	(3.13)	20.38	1.39	(5.33)
Distributions (p)	(3.35)	(3.23)	(4.03)	(6.07)	(5.63)	(6.74)
Retained distributions on accumulation shares (p)#	–	–	–	5.35	4.85	5.69
Closing net asset value per share (p)	78.04	70.20	72.65	145.03	125.37	124.76
*after direct transaction costs of (p)	0.22	0.30	0.26	0.40	0.52	0.43
Performance						
Return after charges (%)	15.94	1.08	(3.92)	16.26	1.12	(4.07)
Other information						
Closing net asset value (£000)	13,417	66,273	78,137	7,510	8,121	19,740
Closing number of shares	17,192,263	94,403,420	107,547,351	5,178,114	6,477,796	15,821,707
Operating charges (%)**	0.79	0.79	0.80	0.80	0.79	0.80
Property expenses (%)***	1.25	1.93	1.04	1.25	1.93	1.04
Direct transaction costs (%)****	0.31	0.42	0.33	0.31	0.42	0.33
Prices						
Highest share price (p)	78.84	72.73	80.29	145.00	125.54	132.15
Lowest share price (p)	70.22	70.18	78.69	125.39	123.61	130.68

	Class 2 – Gross income shares			Class 2 – Gross accumulation shares		
	15/05/2022	15/05/2021	15/05/2020	15/05/2022	15/05/2021	15/05/2020
Change in net assets per share						
Opening net asset value per share (p)	70.18	72.64	79.80	130.34	128.90	134.41
Return before operating charges (p)	12.69	2.72	(1.67)	24.10	4.94	(3.03)
Operating charges (p)	(0.58)	(0.57)	(0.63)	(1.10)	(1.02)	(1.08)
Property expenses (p)	(0.91)	(1.38)	(0.82)	(1.72)	(2.48)	(1.40)
Return after operating charges (p)*	11.20	0.77	(3.12)	21.28	1.44	(5.51)
Distributions (p)	(3.35)	(3.23)	(4.04)	(6.33)	(5.84)	(6.93)
Retained distributions on accumulation shares (p)#	–	–	–	6.33	5.84	6.93
Closing net asset value per share (p)	78.03	70.18	72.64	151.62	130.34	128.90
*after direct transaction costs of (p)	0.22	0.30	0.26	0.42	0.54	0.44
Performance						
Return after charges (%)	15.96	1.07	(3.91)	16.33	1.12	(4.10)
Other information						
Closing net asset value (£000)	11,096	16,490	28,941	12,716	14,133	48,549
Closing number of shares	14,220,604	23,495,470	39,843,756	8,386,870	10,842,677	37,663,429
Operating charges (%)**	0.80	0.79	0.80	0.80	0.79	0.80
Property expenses (%)***	1.25	1.93	1.04	1.25	1.93	1.04
Direct transaction costs (%)****	0.31	0.42	0.33	0.31	0.42	0.33
Prices						
Highest share price (p)	78.91	72.78	80.40	151.59	130.54	135.84
Lowest share price (p)	70.20	70.17	78.82	130.37	127.99	134.43

Financial Statements

(continued)

Comparative Table Disclosure

(continued)

	Class F – Gross accumulation shares		
	15/05/2022	15/05/2021	15/05/2020
Change in net assets per share			
Opening net asset value per share (p)	564.50	553.91	573.08
Return before operating charges (p)	104.88	21.38	(13.09)
Operating charges (p)	(0.12)	(0.06)	(0.06)
Property expenses (p)	(7.47)	(10.73)	(6.02)
Return after operating charges (p)*	97.29	10.59	(19.17)
Distributions (p)	(27.71)	(25.36)	(29.88)
Retained distributions on accumulation shares (p)[#]	27.71	25.36	29.88
Closing net asset value per share (p)	661.79	564.50	553.91
*after direct transaction costs of (p)	1.82	2.32	1.90
Performance			
Return after charges (%)	17.23	1.91	(3.35)
Other information			
Closing net asset value (£000)	424,473	494,973	802,316
Closing number of shares	64,139,757	87,682,675	144,844,904
Operating charges (%)**	0.02	0.01	0.01
Property expenses (%)***	1.25	1.93	1.04
Direct transaction costs (%)****	0.31	0.42	0.33
Prices			
Highest share price (p)	661.61	565.31	580.79
Lowest share price (p)	564.66	551.36	573.16

[#]Any difference between the distributions and the retained distributions on accumulation shares is due to tax withheld.

**The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). The non-UCITS retail scheme Key Investor Information document (NURS-KII) contains the current OCF. For a more detailed breakdown please visit columbiathreadneedle.com/fees.

***The Property Expenses are represented by the Property Expense Ratio (PER) and reflects any additional costs associated with the day-to-day operation of direct property assets.

****Transaction costs have not been reduced by any amounts collected from dilution levies.

Financial Statements

(continued)

Notes to the financial statements

for the accounting year 16 May 2021 to 15 May 2022

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in June 2014, as amended in June 2017.

(b) Going concern

After making enquiries, and bearing in mind the nature of the Company's business and assets, the ACD considers that the Company has adequate resources to continue in operational existence for the next twelve months. In assessing the going concern basis of accounting the ACD has had regard to the guidance issued by the Financial Reporting Council. They have considered the current cash position of the Company, forecast income and other forecast cash flows. The Company has agreements relating to its borrowing facilities with which it has complied during the year. Based on this information the ACD believes that the Company has the ability to meet its financial obligations as they fall due for the foreseeable future, which is considered to be for a period of at least twelve months from the date of approval of the accounts. For this reason, they continue to adopt the going concern basis in preparing the accounts. The ACD notes that the Company is experiencing heightened liquidity risk due to market conditions, which may be further affected by unexpected or high levels of share redemptions. The ACD continues to monitor the liquidity of the Company and, if necessary, will take actions required to protect the interests of Shareholders (see Note 12, "Risk Management").

(c) Revenue

Revenue is included in the Statement of Total Return on the following bases:

Dividends, interest and other revenue receivable include any withholding taxes but exclude any other taxes such as attributable tax credits. Turnover consists principally of rental income and service charge income receivable from tenants in the year and is recognised on an accruals basis. Rental income received in advance is deferred and recognised in the period to which it relates. Contingent rents, being those lease payments that are not fixed at the inception of the lease, including for example turnover rents, are recognised in the period in which they are earned. In accordance with FRS 102, rental income from properties which have been subject to a rent free period or inducement, is accounted for on a straight line basis over the period of the lease. The valuation of investment properties is reduced by unamortised lease incentives.

The Fund has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS 102 (1 April 2015) and continued to recognise such lease incentives in the Statement of Total Return over the shorter of the lease period or the period to when the rental was set to a fair market rent.

Dilapidations received from tenants is recognised as revenue when the income is due to the Fund.

Dividends are recognised when the security is quoted ex-dividend. Equalisation on distributions received is treated as a repayment of capital and deducted from the cost of the investment. Interest on bank and short-term deposits is recognised on an earned basis.

(d) Expenses

All expenses other than those relating to the purchase, sale and improvements of investments and Stamp Duty Reserve Tax arising on sales and purchases of shares in the Fund are included in expenses, in the Statement of Total Return. Expenses are recognised on an accruals basis and include irrecoverable VAT where applicable. Service charge expenditure attributable to tenants includes service charge income and service charge void costs. Service charge expenditure and other property related expenses are recognised on an accruals basis.

(e) Taxation

The Fund qualifies as a Property Authorised Investment Fund (PAIF) for tax purposes. Accordingly, the income generated by its property investment business will be exempt from tax. Any dividend income it receives from UK companies, including non-PID income from qualifying REITs, will also be exempt from tax. Any interest accrued will also be exempt from tax. Corporation tax relief is applicable only where the transfer of the benefit is between the revenue and capital property of at least two different share classes of the Fund. Previously, corporation tax relief could apply between the revenue and capital property of the same share class of the Fund.

Provision for corporation tax is based at the current rate, as appropriate, on the excess of taxable revenue over allowable expenses.

(f) Deferred taxation

Deferred taxation liabilities are provided for in full, and deferred tax assets are recognised to the extent that they are considered recoverable, in respect of all items for which recognition falls in different accounting periods for accounting and taxation purposes. A deferred tax provision is recognised to reflect capital allowance deductions on tax depreciable assets in properties held which will only be recognised by the Fund when the assets have been sold or disposed.

(g) Investments

Property can be held for either long-term rental income or for capital appreciation or both. Property that is not occupied is still classified as investment property. Investment property is measured initially at cost, including related transaction costs, on the date of acquisition or the date of unconditional exchange, if earlier. After initial recognition, investment property is carried at open market value, after the deduction of unamortised lease incentives. Revaluation gains and losses are recognised in the Statement of Total Return.

Valuations are performed by CBRE Ltd, who are professional, third party, independent Chartered Surveyors, at the period end in accordance with RICS Appraisal and Valuation Standards. The valuer holds recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. Open market value is based on active market information, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, alternative valuation methods are used, such as recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices, or discounted cash flow projections. The principal assumptions underlying the estimation of open market value are those related to the receipt of contractual rentals, expected future market rentals, void periods, lease incentives, maintenance requirements and appropriate yields/discount rates. These valuations are regularly compared to actual market yield data and actual transactions by the Fund and those reported by the market. The expected future market rentals are determined on the basis of the current market rentals for similar properties in the same location and condition. Disposal of investment property are recognised on legal completion of contracts.

The Fair Value of Collective Investment Schemes (CIS) holdings is the bid price for authorised unit trusts and the quoted price for open-ended investment companies and offshore funds.

The principal assumptions underlying the estimation of fair value of Investment Properties are those related to the receipt of contractual rental, expected future market rentals, void periods lease incentives, maintenance requirements and appropriate yields/discount rates. These valuations are regularly compared to actual market yield data and actual transactions by the Trust and those reported by the market. The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

(h) Finance Lease

Assets held under finance leases, which transfer to the Fund as lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease with a corresponding liability being recognised for the fair value if the leased asset or, if higher, the present value of the minimum lease payments.

(i) Distribution policy

Where the revenue from investments exceeds the expenses for any share class, a distribution will be made to that share class. Should expenses exceed revenue for any share class, there will be no distribution for that share class and a transfer will be made from capital to cover the shortfall. Within expenses, non-recoverable expenses relate primarily to property maintenance, provision for bad and doubtful debts and ground rent. Where fees cannot be recovered from tenants, they are deducted from income for the purposes of calculating distributions. Revenue attributable to accumulation shareholders is retained at the end of each distribution period and represents a reinvestment of revenue. Annual management charge and transaction costs are transferred to the capital of the Fund and therefore disregarded in determining the revenue available for distribution.

(j) Provision of bad debts

The potential non-recovery of tenant debts and arrears are considered and incurred losses are provided for by way of a bad debt provision. Key criteria considered when reviewing and assessing the provision are:

- Debts that are older than 3 months;
- Insolvent tenants – those who are in administration, liquidation or a creditors voluntary arrangement (CVA);
- High risk tenants determined by a relevant credit system;
- Poor payors, concern tenants and where enforcement agents/solicitors have been used to recover previous payments;
- Tenants who have vacated premises or their leases have expired whereby arrears cannot be actively pursued.

Where a provision is recognised for a tenant and that tenant has a material lease incentive debtor balance, this will also be provided. So where those tenants which has been 100% provided for (i.e. in administration), then we would also provide an associated lease incentive.

Financial Statements

(continued)

Notes to the financial statements

(continued)

(k) Service charges

Service charges are covered by the tenant while the property is occupied unless specified in the lease agreement. In accordance with FRS 102, service charges are included within income and property deductible expenses in the Statement of Total Return. Where there are no tenants in occupation the Fund will suffer certain nonrecoverable property deductible expenses, these are referred to as void costs and have been disclosed under expenses in the Statement of Total Return.

(l) Equalisation policy

The fund operates equalisation to ensure the level of distributable income for any share class is not affected by the issue or cancellation of shares.

(m) Critical Accounting Judgements and Estimation Uncertainty

During the preparation of the financial statements there is a requirement to use critical judgements, estimates and assumptions that affect the application of accounting policies and reported values of assets, liabilities, revenue and expenses. These will by definition not always equal the actual values, and may in some cases result in material adjustments in the following accounting year. The fair value of investment properties is an example where, due to their complexity, such judgements, assumptions and estimates have been utilised. Details of the key considerations involved are included within the accounting policies.

(n) Cash Flow Statement

In accordance with the requirements of FRS 102 and the SORP, a Cash Flow Statement has been provided as property investments are not deemed to satisfy the exemption criteria in FRS 102 of being highly liquid (see Note 13, Liquidity risk).

(o) Dilution Adjustment

In order to protect existing investors from the effects of dilution, property transaction costs (including SDRT, legal fees and other transaction costs) incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution levy' applied to the price they pay or receive.

2 NET CAPITAL GAINS/(LOSSES)

Net capital gains/(losses) during the period comprise:

	2022 £000	2021 £000
Investments in direct properties	58,516	(36,406)
Net capital gains/(losses)	58,516	(36,406)
The Investment in direct properties balances above includes:		
Net realised losses*	(55,781)	(49,596)
Net unrealised gains*	114,297	13,190
	58,516	(36,406)

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

3 REVENUE

	2022 £000	2021 £000
Rental revenue	32,996	53,888
Service charge income	7,163	10,272
Other property income	2,096	1,244
Bank interest	3	–
Interest on deposits	83	79
Total revenue	42,341	65,483

The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	2022 £000	2021 £000
No later than 1 year	28,873	35,782
Later than 1 year and no later than 5 years	84,675	110,809
Later than 5 years	72,738	88,017
	186,286	234,608

Contingent rents recognised as income were £173,054 in the year (2021: £168,583). The Fund leases out its investment property under operating leases to a variety of tenants and over varying periods.

4 EXPENSES*

	2022 £000	2021 £000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(1,268)	(1,843)
Registration fees	(45)	(81)
	(1,313)	(1,924)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(59)	(86)
Safe custody fees	(8)	(9)
	(67)	(95)
Other expenses:		
Audit fees**	(51)	(51)
Property deductible expenses	(7,496)	(15,563)
Property non-deductible expenses	(219)	(476)
Service charge expense	(7,163)	(10,272)
VAT Recovered***	6	26
	(14,923)	(26,336)
	(16,303)	(28,355)

The Fund has lease agreements in respect of its investment property for which the payments extend over a number of years. As at 15 May 2022, the future aggregate undiscounted lease payments under non-cancellable finance leases totalled £7,761,531 (2021: £12,797,744) of which £93,588 was due within one year (2021: £148,626).

**Including irrecoverable VAT where applicable.*

***The agreed audit fee is £45,841 (2021: £45,841) which includes £5,210 (2021: £5,210) for the Threadneedle UK Property Authorised Trust (Feeder trust).*

****VAT recovered from Audit fees between 2018 and 2021 is reflected in the figure for 2021. The current year end only reflects the figure for 2022.*

5 TAXATION

	2022 £000	2021 £000
a) Analysis of charge in period		
Total current tax (note 5b)	–	–
Total tax charge for the period	–	–
b) Factors affecting taxation charge for period		
Net revenue before taxation	26,038	37,128
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2021: 20%)	(5,208)	(7,426)
Effects of:		
Revenue not subject to taxation	7,409	13,081
Interest distributions	17	16
Expenses not utilised	(2,218)	(5,671)
Total tax charge for period (note 5a)	–	–

6 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2022 £000	2021 £000
Interim	20,079	28,704
Final	6,225	7,915
	26,304	36,619
Add: Revenue deducted on the cancellation of shares	1,716	3,041
Deduct: Revenue received on the creation of shares	(714)	(689)
Net distribution for the period	27,306	38,971
Net revenue after taxation	26,038	37,128
Annual management charge to capital	1,268	1,843
Total distributions	27,306	38,971

Details of the distribution per share are set out in the table on pages 20 to 21.

Financial Statements

(continued)

Notes to the financial statements

(continued)

7 DEBTORS

	2022 £000	2021 £000
Amounts receivable for the issue of shares	463	907
Sales awaiting settlement	14	90
Lease incentives	3,817	4,884
Accrued revenue	229	88
Sundry property debtors	6,539	9,158
Recoverable VAT	–	1,429
Receivable from tenant rental deposits	2,233	3,086
Total debtors	13,295	19,642

8 CASH AND CASH EQUIVALENTS

	2022 £000	2021 £000
Cash and bank balances	45,085	105,515
Cash equivalents	14	14
Total cash and bank balances	45,099	105,529

9 OTHER CREDITORS

	2022 £000	2021 £000
Amounts payable for the cancellation of shares	(1,192)	(4,116)
Purchases awaiting settlement	(14)	(90)
Accrued expenses	(15)	(20)
Amounts payable to ACD	(157)	(209)
Accrued buying/selling costs	(534)	(804)
Other deposits	(481)	(481)
Rental revenue received in advance	(2,742)	(3,408)
Sundry property creditors	(7,348)	(7,901)
VAT payable	(380)	–
Financing lease value	(1,922)	(3,145)
Payable for tenant rental deposits refundable	(2,233)	(3,086)
Total other creditors	(17,018)	(23,260)

The present value of the finance lease is as follows:

	2022 £000	2021 £000
Within 1 year	(94)	(149)
In 2 to 5 years	(230)	(365)
In over 5 years	(1,598)	(2,631)
Present value of finance lease liabilities	(1,922)	(3,145)

10 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 7 and 9.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 9. A balance of £151,368 (2021: £201,253), in respect of annual management service charge and £5,317 (2021: £7,367), in respect of registration fees are due at the end of the accounting period.

Amounts payable to Citibank UK Limited, a related party, in respect of depositary services and safe custody charges are disclosed in Note 9. A balance of £6,205 (2021: £7,997), in respect of depositary services and £1,062 (2021: £1,119), in respect of safe custody is due at the end of the accounting period.

All transactions have been entered into in the ordinary course of business on normal commercial terms.

The Feeder trust invests solely in the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) which is managed by Columbia Threadneedle, all transactions in respect of which are transacted with Threadneedle Investment Services Limited 100% (2021: 100%).

11 SHAREHOLDER FUNDS

CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) currently has three share classes; Class 1, Class 2 and Class F shares. The charges on each share class are as follows:

Annual management charge	
Class 1 shares	1.50%
Class 2 shares	0.75%
Class F shares	0.00%
Registration fees	
Class 1 shares	0.050%
Class 2 shares	0.030%
Class F shares	0.000%

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on pages 22 to 24. The distribution per share class is given in the distribution table on pages 20 to 21.

All classes have the same rights on winding up.

Reconciliation of shares

	2022
Class 1 – Income shares	
Opening shares	922,432
Shares issued	59,629
Shares redeemed	(208,075)
Net conversions	(273)
Closing shares	773,713
Class 1 – Accumulation shares	
Opening shares	10,348,279
Shares issued	344,461
Shares redeemed	(2,100,264)
Net conversions	(105,492)
Closing shares	8,486,984
Class 1 – Gross income shares	
Opening shares	84,088
Shares issued	299,383
Shares redeemed	(59,258)
Net conversions	38,911
Closing shares	363,124
Class 1 – Gross accumulation shares	
Opening shares	37,563,763
Shares issued	1,567,405
Shares redeemed	(1,514,871)
Net conversions	–
Closing shares	37,616,297
Class 2 – Income shares	
Opening shares	94,403,420
Shares issued	1,324,246
Shares redeemed	(78,511,883)
Net conversions	(23,520)
Closing shares	17,192,263
Class 2 – Accumulation shares	
Opening shares	6,477,796
Shares issued	465,927
Shares redeemed	(1,843,409)
Net conversions	77,800
Closing shares	5,178,114
Class 2 – Gross income shares	
Opening shares	23,495,470
Shares issued	2,824,652
Shares redeemed	(12,124,684)
Net conversions	25,166
Closing shares	14,220,604
Class 2 – Gross accumulation shares	
Opening shares	10,842,677
Shares issued	800,729
Shares redeemed	(3,251,914)
Net conversions	(4,622)
Closing shares	8,386,870

Financial Statements
(continued)

Notes to the financial statements
(continued)

	2022
Class F – Gross accumulation shares	
Opening shares	87,682,675
Shares issued	18,676,402
Shares redeemed	(42,219,320)
Net conversions	–
Closing shares	64,139,757

12 RISK MANAGEMENT

In pursuing its investment objectives set out on page 4, the Fund may hold the following financial instruments:

- Unregulated collective investment schemes of which a maximum of 20% of the value of the property of the Fund may be invested in any one trust within this range of investment Funds;
- Cash, liquid resources and short term debtors and creditors that arise directly from its operations;
- Shareholders' share which represent investors monies which are invested on their behalf;
- Borrowing used to finance investment activity; and
- Derivative transactions to manage the currency and market risks arising from the Fund's investment activities.

Throughout the period under review, it has been the policy of the Fund to buy and sell financial instruments for the purpose of investment rather than trading. The Fund's investment activities expose it to various types of risk associated with the property market. The Director uses a risk management process (RMP), as reviewed regularly and agreed with the Depositary, enabling it to monitor and measure as frequently as appropriate the risk of the Fund's underlying investments, and their contribution to the overall risk profile of the funds.

The Director reviews (and agrees with the Depositary) policies for managing each of these risks as summarised below. The policies have remained unchanged since the Fund launch at the start of the period to which these financial statements relate. The principal risks associated with the Fund's investment activities are liquidity, market price risk and interest rate risk.

Liquidity

The Fund's assets comprise mainly freehold properties, which may not be readily saleable. Property is slow to transact in normal market conditions and hence illiquid. In poor market conditions it will take even longer to find a buyer to pay an acceptable price. The main liability of the Fund is the redemption of any shares that investors wish to sell.

The Manager may, with the prior agreement of the Depositary, and shall if the Depositary so requires, without prior notice to holders, temporarily suspend the issue, cancellation, sale and redemption of shares, due to exceptional circumstances, if it is in the interest of existing investors to do so. Suspension will continue only for so long as it is justified having regard to the interests of the shareholders.

The Fund's liquidity can be affected by unexpected or high levels of share redemptions.

Property Liquidity Management Risk

Due to the illiquid nature of property and the time it can take to buy or sell assets, under normal circumstances up to 15% of the Company may be held in cash deposits. In exceptional circumstances, the level of cash held by the Company may be significantly higher. High levels of cash may also be held by the Company in anticipation of unusually large redemption requests, or if property investment opportunities are limited. Holding high levels of cash has an impact on the performance of the Company and its distributable income until it is invested in property assets.

If a significant number of Shareholders withdraw their investment at the same time, the Investment Manager may consider it necessary to dispose of property investments to generate additional cash. In difficult market conditions, it can take longer to sell properties, and some properties may be sold for less than expected. The right to redeem shares in the Company will be suspended if there is insufficient cash available to satisfy redemption requests,or could become necessary to balance the interests of continuing Shareholders with those seeking to redeem.

The target liquidity (including cash, cash equivalents and debtors) of the Fund is between 10% and 20% of Gross Asset Value (GAV). As of 15 May 2022, the level was 11% (2021: 19%).

Market price risk sensitivity

The sensitivity figures provided are forecasts. Market price risk arises from uncertainty about the future market prices of property. It represents the potential loss the Fund might suffer through holding properties in the face of market price movements.

The value of a property, except where it is bought or sold, is generally a matter of a valuer's opinion rather than fact and may go down as well as up. The simplest yardstick of property valuation is initial yield, which is current annual rent divided by the value of the property, including purchase costs. Property yields will fluctuate through time and may reflect the general economic cycle.

At any time, the market value of a property will, broadly reflect market expectations for rental growth. If an investment is made in the expectation that a certain level of rental growth will be achieved and that growth fails to materialise, then the returns from holding that property are likely to be lower than anticipated. Rental growth is affected by many things: general economic conditions, local trading conditions, relative scarcity of alternative space.

As an indication of market movements that could pose a risk to the fund holdings, the 3 month rolling average capital value changes measured by the MSCI UK Monthly Property Index is used. As at the end of April 2022, this was 1.60% (2021: 0.48%).

A 5% market movement applied to the property market value of the fund as at 15 May 2022 would result in an increase or decrease on the net asset value of the fund by 4.63% (2021: 4.24%).

Leverage risk

As at 15 May 2022 there is no leverage in the fund (2021: Nil).

Currency exposure and sensitivity

There are no material assets denominated in currencies other than Sterling and as the Fund has no material currency exposure, no sensitivity analysis has been shown.

Interest rate risk

Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the fund's financial assets and financial liabilities at 15 May was:

	Floating rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Total
Currency 2022	**£000**	**£000**	**£000**	**£000**
UK Sterling	45,099	–	498,889	543,988
Currency 2021	**£000**	**£000**	**£000**	**£000**
UK Sterling	105,529	–	569,334	674,863

	Floating rate financial liabilities	Fixed rate financial liabilities	Financial liabilities not carrying interest	Total
Currency 2022	**£000**	**£000**	**£000**	**£000**
UK Sterling	–	–	(13,447)	(13,447)
Currency 2021	**£000**	**£000**	**£000**	**£000**
UK Sterling	–	–	(19,748)	(19,748)

Interest rate risk sensitivity

No sensitivity analysis shown as the Fund has minimal exposure to interest rate risk.

Any impact to the rate of the underlying securities is considered in market price risk section. There are no material amounts of non interest-bearing financial assets.

Derivative risks

Derivative risk arises from uncertainty about future market movements. This risk is managed by the policies shown within Market Price Risk. At the balance sheet date, no derivatives were held that could impact the Fund in a significant way.

Financial Statements
(continued)

Notes to the financial statements
(continued)

13 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

Level 1 – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

Level 2 – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

Level 3 – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

The assumptions and valuation techniques used for the Fund are discussed under the Investments accounting policy on page 25.

	2022		2021	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	**£000**	**£000**	**£000**	**£000**
Level 2*	14	–	14	–
	14	–	14	–

**The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets. At both the current and prior year end these holdings were BlackRock ICS Sterling Liquidity Fund and Insight Liquidity Funds ILF GBP Liquidity 3.*

14 CONTINGENT LIABILITIES AND COMMITMENTS

As at 15 May 2022 the fund had contingent liabilities and commitments outstanding of £9.0 million (2021: Nil).

15 ANALYSIS OF CASH FROM OPERATIONS

	2022 £000	2021 £000
Net revenue before taxation	26,038	37,128
Increase in debtors	6,825	(5,168)
Increase in creditors	(4,083)	1,257
Net cash inflow from operating activities	28,780	33,217

16 PORTFOLIO TRANSACTION COSTS

2022

	£000	% of Costs	% of Average Net Assets
Purchases			
There were no property or non-property purchases in the period	–	–	–
Sales			
There were no non-property sales in the period	–	–	–
Property sales in period before transaction costs	134,862		
Legal	438	0.33	0.07
Agent	1,336	0.99	0.23
Survey fees	32	0.02	0.01
	1,806	1.34	0.31
Property sales net of transaction costs	**133,056**		

2021

	£000	% of Costs	% of Average Net Assets
Purchases			
Non-Property purchases	21,557	–	–
There were no property purchases in the period			
Sales			
Non-Property sales	115,840	–	–
Analysis of total sale costs			
Property sales in period before transaction costs	277,283		
Legal	852	0.31	0.10
Agent	2,733	0.99	0.32
Survey fees	3	–	–
	3,588	1.30	0.42
Property sales net of transaction costs	273,695		
Total sales net of transaction costs	**389,535**		

Portfolio transaction costs are incurred by the fund when buying and selling underlying investments. These vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

Direct transaction costs: Property fee, Broker commissions, fees and taxes.

Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the fund's underlying investments.

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

At the balance sheet date, the portfolio dealing spread was 0.00% (2021: 0.00%), being the difference between the respective buying and selling prices for the fund's investments.

17 RECONCILIATION OF CHANGE IN CASH AND CASH EQUIVALENTS

	2022 £000	2021 £000
Cash and bank balances at the start of the year	105,515	98,213
Net cash flows	(60,430)	7,302
Cash and bank balances at the end of the year	45,085	105,515

18 DIRECT PROPERTY

	2022 £000	2021 £000
Opening balance	554,351	848,601
Disposal	(133,056)	(273,695)
Capital Expenditure	(7,506)	(18,171)
Financing lease value	1,922	3,145
Net losses on disposal	55,781	49,596
Net gains/(losses) from fair value adjustment	18,013	(55,125)
Closing balance	489,505	554,351

The value of financing leases is shown in the Balance Sheet and consists of noncurrent assets of £1,828,253 (2021: £2,996,418) and current assets of £93,588 (2021: £148,626).

19 POST BALANCE SHEET EVENT

The Fund changed name from Threadneedle UK Property Authorised Investment Fund to CT UK Property Authorised Investment Fund on 4 July 2022.

Since 15 May 2022, the Investment Manager has continued to assess and evaluate the property portfolio and to date, the independent valuations have increased by 0.4% to end May and then a further 0.5% in June and there has been a small decrease of -0.2% in July.

Between 15 May 2022 and 31 July 2022, the Fund disposed of three properties. Parnham Drive, Eastleigh was sold for £275,000 above the year end valuation. Two adjoining properties located in The Promenade, Cheltenham were sold for £445,000 above the value recognised as at the year-end date.

As at 31 July 2021 the Fund held 64 properties valued at £473.8m.

The table below shows net redemptions between the period-ended 15 May 2022 and 30 August 2022 as a percentage of the closing NAV for share classes with significant movements. The net redemptions of shares were reviewed again on 6 September with no material movements noted since 30 August. This change is reflective of conditions that arose after the period-end and hence is considered a non-adjusting event.

Class Name	% Movement
Class 1 – Gross accumulation shares	(91.14)

Statement of Authorised Corporate Director's (ACD) Responsibilities in relation to the Financial Statements of the Scheme

The Open-Ended Investment Companies Regulations 2001 and the Collective Investment Schemes Sourcebook (COLL), as issued (and amended) by the Financial Conduct Authority (FCA), require the ACD to prepare financial statements for each annual accounting period which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the financial position of the Scheme and its net revenue and the net gains on the property of the Scheme for the period. In preparing the financial statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to Authorised Funds issued by the Investment Management Association (IMA);
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records, which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Scheme will continue in operation for the foreseeable future.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the Collective Investment Schemes Sourcebook, the Instrument of Incorporation and the Prospectus. The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) (the Company) for the year ended 15 May 2022.

The Depositary is responsible for the safekeeping of all the property of the Company (other than tangible moveable property) which is entrusted to it and ensuring proper registration of tangible moveable property, and for the collection of income arising from all such scheme property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed and operated by the Authorised Corporate Director in accordance with the Financial Conduct Authority' Collective Investment Schemes Sourcebook ("the Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), the Company's Instrument of Incorporation, and the Prospectus, as appropriate, concerning: the pricing of and dealing in Shares in the Company; the application of income of the Company; and the investment portfolio and borrowing activities of the Company.

Having carried out procedures and enquiries considered duly necessary to discharge our responsibilities as Depositary of the Company, based on information and explanations provided to us, we believe that, in all material respects, the Company, acting through the Authorised Corporate Director:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Sourcebook, and where applicable, the OEIC regulations, the Company's Instrument of Incorporation, and the Prospectus;
(ii) has observed the investment and borrowing powers and restrictions applicable to the Company; and
(iii) has, otherwise, ensured the proper operation of the Company.

Citibank UK Limited,
UK Branch
London

8 September 2022

Independent auditors' report to the Shareholders of CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund)

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) (the "Company"):

- give a true and fair view of the financial position of the Company and its sub-fund as at 15 May 2022 and of the net revenue and the net capital gains on the scheme property of the Company and its sub-fund 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 Instrument of Incorporation.

CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) is an Open Ended Investment Company ('OEIC') with a single sub-fund. The financial statements of the Company comprise the financial statements of its sub-fund. We have audited the financial statements, included within the Annual Report and Audited Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 15 May 2022; the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders and the Cash Flow Statement 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 Company 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 Company'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 Authorised Corporate Director'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 Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Authorised Corporate Director 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 Authorised Corporate Director 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.

Authorised Corporate Director's Report

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

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of Authorised Corporate Director's (ACD) Responsibilities in relation to the Financial Statements of the Scheme, the Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director is responsible for assessing the Company's and its sub-fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or its sub-fund, 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 Company/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 Company and judgements and assumptions made by management in their significant accounting estimates. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;

Independent auditors' report to the Shareholders of CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund)

(continued)

- Identifying and testing journal entries, specifically any journals with unusual account combinations and journals posted as part of the financial year end close process;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- Challenging assumptions and judgements made by management in their significant accounting estimates, for example in relation to the valuation of investment properties.

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 Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 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.

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.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and
Statutory Auditors

Edinburgh
8 September 2022

Shares Price Performance – Bid to Bid Basis (unaudited) (adjusted for net revenue)

for the year	1 May 2021 to 30 April 2022 %	1 May 2020 to 30 April 2021 %	1 May 2019 to 30 April 2020 %	1 May 2018 to 30 April 2019 %	1 May 2017 to 30 April 2018 %	1 May 2016 to 30 April 2017 %	1 May 2015 to 30 April 2016 %	1 May 2014 to 30 April 2015 %	1 May 2013 to 30 April 2014 %	since launch to 30 April 2022 %
Class 1 – Income shares	+13.15	(1.11)	(4.26)	(4.69)	+5.69	+0.24	+7.08	+13.34	+6.36	+1.70[§]
Class 1 – Accumulation shares	+13.10	(1.17)	(4.30)	(4.60)	+5.91	+0.35	+7.20	+13.68	+6.73	+1.81[§]
Class 1 – Gross income shares	+13.64	(0.62)	(3.61)	(4.15)	+6.37	+0.65[1]	-	-	-	+2.80[1]
Class 1 – Gross accumulation shares	+13.59	(0.70)	(3.63)	(4.05)	+6.66	+0.78[1]	-	-	-	+2.83[1]
Class 2 – Income shares	+13.83	(0.47)	(3.63)	(4.09)	+6.42	+0.90	+7.79	+14.11	+8.00	+2.49[*]
Class 2 – Accumulation shares	+13.79	(0.48)	(3.71)	(3.93)	+6.57	+0.96	+8.02	+14.41	+8.90	+2.57[*]
Class 2 – Gross income shares	+14.53	+0.17	(2.82)	(3.37)	+7.25	+1.45[1]	-	-	-	+3.63[1]
Class 2 – Gross accumulation shares	+14.51	+0.08	(2.87)	(3.21)	+7.45	+1.59[1]	-	-	-	+3.68[1]
Morningstar Median Performance	+13.70	(0.49)	(4.62)	+1.77	+5.57	+3.81	+6.60	+12.77	+6.18	+1.69[§]
(OEIC Benchmark for Real Estate Trusts)										+2.45[*]
										+3.21[1]

[§]Class 1 income and accumulation shares commenced 19 February 2007.
[*]Class 2 income and accumulation shares commenced 8 October 2007.
[1]Shares commenced 13 May 2016.
Source: Morningstar and Threadneedle. Bid to bid prices are quoted (i.e. not including any initial charge) with net income reinvested for the UK basic rate tax payer. Performance data is quoted in sterling. OEIC Benchmark for Real Estate Trusts refers to the IPD UK Monthly Index since 28 February 2007.

Shareholder Turnover (unaudited)

For the year ending 15 May 2022	Number of Shares	Net asset value of Shares as at year end	Percentage of total net asset value of the Fund as at start of year	Percentage of total net asset value of the Fund as at end of year
Creations	26,504,711	131,635,868	20.09	24.81
Redemptions	(141,967,585)	(362,762,671)	(55.37)	(68.38)

Share Analysis (unaudited)

As at 15 May 2022	Number of Shareholders	% of shares in issue
Less than 1% of Shares in issue	71	5.92%
1% or greater but less than 2%	3	6.46%
2% or greater but less than 4%	2	6.53%
4% or greater but less than 8%	2	8.26%
Greater than 8% of Shares in issue	3	72.83%
Grand Total	**81**	**100.00%**
Total Number of Shares in Issue		**156,357,726**
Internal Investors		**4.21%**
External Investors		**95.79%**
Total		**100.00%**
Largest Investor		41.02%
Largest 3 Investors		72.83%
Largest 5 Investors		81.09%
Largest 10 Investors		94.07%

Finance Costs: Distributions per Share (unaudited)

For the year ending 15 May 2022	Opening price (pence)	Closing price (pence)	Distribution accrued (pence)	Yield on closing NAV price (%)	Yield on closing price (%)
Class 1 – Income shares	64.36	71.39	2.62	3.93	3.67
Class 1 – Accumulation shares	117.10	135.30	4.88	3.82	3.61
Class 1 – Gross income shares	64.40	71.42	2.86	4.29	4.00
Class 1 – Gross accumulation shares	120.70	140.00	5.52	4.18	3.94
Class 2 – Income shares	74.73	83.52	2.95	3.78	3.53
Class 2 – Accumulation shares	132.10	153.60	5.35	3.69	3.48
Class 2 – Gross income shares	74.81	83.59	3.35	4.29	4.01
Class 2 – Gross accumulation shares	137.40	160.60	6.33	4.17	3.94
Class F – Gross accumulation shares	594.90	700.90	27.71	4.19	3.95

Important Information (unaudited)

General

CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) is an Open Ended Investment Company ('OEIC') incorporated in England and Wales under registered number IC000976 and authorised by the FCA with effect from 11 October 2013.

The Company is a non-UCITS retail scheme for the purposes of the FCA Rules, an alternative investment fund for the purposes of the AIFM Directive, and a standalone company for the purposes of the OEIC Regulations. At the date of this Prospectus, the Company qualifies as a PAIF and a FIIA (a fund investing in inherently illiquid assets, as defined in the FCA Coll Sourcebook).

CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund) was launched on 14 May 2016 following the conversion of the Threadneedle UK Property Trust into the Company.

Details of the conversion can be found at columbiathreadneedle.com/PAIF.

Revenue is distributed in relation to income shares following interim and annual allocation dates. For accumulation shares, the revenue is automatically reinvested (after expenses) following interim and annual allocation dates and is reflected in the price for each accumulation share.

The prospectus, which describes the Company detail, is available on request from Threadneedle Investment Services Limited, SS&C Financial Services Europe Limited PO Box 10033, Chelmsford CM99 2AL, United Kingdom.

Non-UCITS Retail Scheme Key Investor Information (NURS-KII) – Subscription requirements

The NURS-KII is a pre contractual document and investors have to confirm that they have read the latest NURS-KII before making a subscription. The ACD has the right to reject a subscription if the investor does not confirm that they have read the latest NURS-KII at the time of application. Investors can obtain the latest NURS-KII from Columbiathreadneedle.com.

Changes to the Prospectus

The main changes to the prospectus of the Company during the period from 16 May 2021 to 15 May 2022 were as follows:

- Change of Depositary legal entity from Citibank Europe plc, UK branch to Citibank UK Limited.
- Updates to Appendix - Performance of the Company.

Changes to the Instrument of Incorporation

There were no changes to the Instrument of Incorporation of the Company during the period from 16 May 2021 to 15 May 2022.

Changes to the management of the ACD

During the period from 16 May 2021 to 15 May 2022 there were no changes to the directors of the ACD.

COVID-19

The pandemic caused by coronavirus disease 2019 and its variants (COVID-19) has resulted in, and may continue to result in, significant global economic and societal disruption and market volatility due to disruptions in market access, resource availability, facilities operations, imposition of tariffs, export controls and supply chain disruption, among others. Such disruptions may be caused, or exacerbated by, quarantines and travel restrictions, workforce displacement and loss in human and other resources. The impacts, as well as the uncertainty over impacts to come, of COVID-19 – and any other infectious illness outbreaks, epidemics and pandemics that may arise in the future – could negatively affect global economies and markets in ways that cannot necessarily be foreseen.

In addition, the impact of infectious illness outbreaks and epidemics in emerging market countries may be greater due to generally less established healthcare systems, governments and financial markets. Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The disruptions caused by COVID-19 could prevent the Company from executing advantageous investment decisions in a timely manner and negatively impact the Company's ability to achieve its investment objective. Any such event(s) could have a significant adverse impact on the value and risk profile of the Company.

Russia/Ukraine

The large-scale invasion of Ukraine by Russia in February 2022 has resulted in sanctions and market disruptions, including volatility in regional and global stock and commodities markets and significant devaluations of Russian currency. The extent and duration of the military action are impossible to predict but could be significant. Market disruption caused by the Russian military action, and any counter measures or responses thereto (including international sanctions, a downgrade in the country's credit rating, purchasing and financing restrictions, boycotts, tariffs, changes in consumer or purchaser preferences, cyberattacks and espionage) could have a severe adverse impact on regional and/or global securities and commodities markets, including markets for oil and natural gas. These and other related events could have a negative impact on Fund performance and the value of an investment in the Company.

Value Assessment Report

As required by the FCA we have carried out an annual Value Assessment Report and this report is available on our website as follows:
https://www.columbiathreadneedle.co.uk/en/value-assessment-report?it=Private
https://www.columbiathreadneedle.co.uk/en/value-assessment-report?it=Intermediary
https://www.columbiathreadneedle.co.uk/en/value-assessment-report?it=Institutional

Characteristics of shares

Shares	Minimum Investment	Minimum additional investment
Class 1 shares	£1,000	£1,000
Class 2 shares	£500,000	£25,000
Class F shares	£1,000,000	£1,000,000

Charges and Prices

There is no preliminary charge for the shares in the Company.

The fees and expenses of the Depositary, Registrars' fees, Auditors' fees and FCA authorisation fees are also payable by the Company.

Insurance commissions are payable to the ACD, whilst the Company is entitled to retain all management fees payable by tenants under service charges and landlords' licence fees for alterations, assignments and sub-lettings.

Important Information (unaudited)

(continued)

Prices and yields are quoted at Columbiathreadneedle.com and the ACD will deal on normal business days. Shares are bought back at the bid price. A direct credit (BACS) transfer in settlement will normally be made within four working days of receipt by the ACD of a fully completed form of renunciation.

Information relating to the management of the Company, its fees and expenses, distribution policy, derivative exposure, valuations, investment and borrowing powers and the issue, redemption and switching of shares can be found in the current Prospectus.

Income Equalisation

Since the Company operates equalisation, the first allocation made after the acquisition of shares will include an amount of equalisation. This amount represents the ACD's best estimate of the income included in the price at which the shares were acquired (subject to grouping where appropriate) and represents a capital repayment for UK tax purposes which should be deducted form the cost of shares in arriving at any capital gain realised on their subsequent disposal.

Investor Reports

Annual long-form reports and the Financial Statements of the Company will be made available and published within four months of the close of each annual accounting period and half-yearly long report and financial statements will be published within two months of the close of each interim accounting period. At the end of each reporting period the reports are available on our website columbiathreadneedle.com/shortform and from Threadneedle Investment Services Limited P.O. Box 10033, Chelmsford, Essex CM99 2AL.

The annual accounting period for the Company ends on 15 May and the interim reporting period ends on 15 November.

Individual Savings Accounts

Throughout the accounting period the Company has satisfied the requirements of the Individual Savings Account Regulations 1998 (as amended). It is the ACD's intention that the Company will be managed in such a way as to continue to meet this requirement.

Foreign Account Tax Compliance Act (FATCA)

Columbia Threadneedle and its funds have registered with the US Internal Revenue Service in accordance with FATCA and other current related legislation. Columbia Threadneedle has put in place appropriate processes and procedures to maintain its compliance with the statutory requirements, including ensuring that Columbia Threadneedle obtain the required certification from its clients and investors as necessary to mitigate any requirement upon Columbia Threadneedle to withhold or report such clients under the legislation. This registration and compliance process will ensure that Columbia Threadneedle should not not suffer withholding under FATCA.

Common Reporting Standard (CRS)

The Common Reporting Standard ('CRS') has come into effect in stages, starting from 1 January 2016, was developed by the Organisation for Economic Co-operation and Development ('OECD'). The CRS has been adopted in the UK by The International Tax Compliance Regulations 2015, and may require Columbia Threadneedle funds to report account holder information to HMRC about their shareholdings. HMRC will in turn pass this information onto the competent authorities with which it has an agreement.

Business Continuity Strategy

Columbia Threadneedle Investments has in place a business continuity and disaster recovery plan to enable swift recovery and resumption of normal operations following an incident. Regular exercises of this plan are held at third party recovery sites in both London and Farnborough and attended by critical staff. These exercises are externally audited.

AIFMD Remuneration Disclosures

The Threadneedle group ("the Group") transitioned from the Luxembourg incorporated Threadneedle Asset Management Holdings Sarl to the English incorporated TAM UK International Holdings Limited ("UK HoldCo" or "the Company") with effect from 16th July 2021. This disclosure is made in respect of the Group's Remuneration Policy as it applies to Threadneedle Investment Services Limited ("the Manager") in respect of the Alternative Investment Fund Managers Directive ("AIFMD") and other applicable rules and guidance.

The Remuneration Policy applies to all of the Company's subsidiary entities, to which the AIFMD requirements apply, and was last approved by the Remuneration Committee in December 2021.

1. The Remuneration Committee

The Remuneration Committee of the UK HoldCo ("the Committee") is a subcommittee of the UK HoldCo Board with the responsibility to establish the philosophy and objectives that will govern the Group's compensation and benefit programmes; review and approve compensation and benefit plans, policies, and practices; and oversee and approve the Group's remuneration. It has been determined to be independent of the day-to-day executive management of the Group, its Members being Directors of the Group who are nominated by Ameriprise Financial, the Group's parent company.

Current Committee Members are Mr Walter Berman, Mr William Turner and Ms Karen Wilson-Thissen. Meetings are normally held in January, March, June, September and December. The Head of Reward, EMEA and APAC acts as Secretary to the Committee. The Committee may invite the attendance of any Group employee or functional expert from the parent company as deemed appropriate, to allow it to fulfil its responsibilities including ensuring remuneration is consistent with effective risk management and does not encourage excessive risk taking.

2. Determining Incentive Remuneration Pools

The Manager made its annual Total Incentive Award decisions from separate pools covering the Real Estate business, Distribution unit, Investments business and Support functions, ultimately aggregated for governance and oversight at the EMEA regional level. Those pools are determined at the final discretion of the Remuneration Committee with reference to four un-weighted factors being a 'Top-Down' assessment of market practice, legal and regulatory requirements and any other internal or external contextual factors; a 'Bottom-Up' calculation based on business performance against Plan and Target Incentive level for the firm (see 'Pay for Performance' below); the overall financial and strategic performance of the Group; and the financial and strategic performance of Ameriprise Financial as the Group's parent company and shareholder. The Committee also receives ongoing reports through the year from the Risk function regarding risk assessments and any themes or areas of note related to risk control or risk-related behavioural concerns.

Important Information (unaudited)

(continued)

The Committee takes all of these factors into account in order to make a balanced decision on the Total Incentive pool for the year in question.

3. Determining Individual Total Incentive Awards

Individual reward decisions are wholly discretionary, although strongly informed by the annual performance appraisal and by known market remuneration levels for equivalent jobs as well as by the pool funding available. Risk and Compliance provide a critical input to final performance rating setting, ensuring that any risk and relevant behavioural concerns are reflected in performance appraisals and subsequently in remuneration recommendations. The Heads of Risk and Compliance also report directly to the final Remuneration Committee of the award process to ensure that the Committee receives a direct report on which to base its final risk adjustment decisions.

Base salaries are maintained at a market-competitive level in order to ensure that, if required, it is possible to award zero incentive.

Pay for Performance

The bottom-up element of the incentive pool determination process measures team and wider business performance against key business targets for each area of the Group, including longer-term investment performance for the Investments and Real Estate divisions and a mix of gross and net sales for Distribution. Investment performance is assessed against each fund's benchmarks and its risk profile. All such assessments' impacts on the bottom-up calculation are capped so as not to incentivise managers to take excessive risk in order to deliver higher incentive pools. While the Group and parent company financial and strategic results are important factors in pool determination, the model is set up to ensure that delivery of the business' core goals, including delivering investment performance to its customers, is an explicit and significant driver in pool determination for those divisions.

Individual discretionary awards from the available funding, in context of market-competitive reward levels for the job in question, are driven strongly by each individual's ratings against Goals (objectives) and the Group's Values, each of which is separately rated on a 5-point scale to ensure the Values assessment is given due prominence. Goals focus on the key deliverables for the role that year, in particular on the delivery of investment performance for Investments employees and for the Real Estate division: all employees are also managed against a mandatory Risk Management Goal. Investment performance, where relevant to the role, is assessed against each fund's benchmark and its risk profile.

Ratings are consistency-checked across the business with the input of the Heads of Risk and Compliance to ensure balance and due reflection of risk management. For Sales, Real Estate and Investments incentives there is no pre-determined grid or formula driving awards, which are discretionary in order to be able to account for and reflect all relevant factors.

Delivery of Total Incentives

Threadneedle believes that deferred awards for higher earners and risktakers are a matter of good practice and an important part of aligning key staff's interests with the long-term interests of customers and shareholders. To that end, Total Incentive awards for all employees in the Group may be delivered partly in deferred awards through the Ameriprise Financial Long- Term Incentive Award ("LTIA") programme and, for Code Staff/Identified Staff and those in the Investments division, through a fund deferral programme.

Staff qualifying as Code Staff/ Identified employees and those of a comparable level of seniority are subject to a higher rate of deferral. 50% of the overall incentive award is delivered in fund-linked units subject to a holding period after delivery. The fund linked units are designed to reflect the performance of a cross section of products and asset classes within the region.

4. Identified Staff

The Manager defines its Code Staff/ Identified Staff in line with the definitions provided by SYSC 19B and associated guidance. Those Identified Staff are the senior management, risk takers, control functions and other employees whose total remuneration takes them in to the same bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages. In practice, that includes the named Fund Managers of the Manager's funds.

5. Remuneration Payment Disclosure

TheThe AIFM's performance periods for remuneration operate on a calendar year basis.

Total Remuneration paid by the Manager to 13 AIFM Remuneration Code Staff Senior Managers in respect of its AIFM activities in the 2020 performance year was £0.4m, of which £0.15m was fixed and £0.25m was variable. Total Remuneration paid to other members of AIFM Remuneration Code Staff whose actions had a material impact on the risk profile of the AIFM in respect of AIFM activities was £2.26m, of which £0.77m was fixed and £1.49m was variable.

Environment, Social, Governance risk and Sustainability Managing real estate assets responsibly:

Our approach

We believe that investing in real estate responsibly is complementary to our core objective of delivering strong risk-adjusted investment returns for our clients. Key to our approach is an understanding of the environmental and social risks posed by real estate assets. We focus on mitigating those risks and seeking continuous improvement by assessing the environmental and social impacts throughout the lifecycle of our property assets.

This approach is ingrained within the day-to-day activities of our business.

Understanding risk

Real estate consumes around 40% of the world's energy and contributes up to 30% of its annual GHG emissions[1]. The UK has committed to cut its carbon emissions to net zero by 2050[2]. Already a focus of related regulation, real estate will be expected to play an increasing role in achieving this reduction. More widely, real estate is exposed to a variety of climate and energy-related risks, both transitional (policy, legal, technology-related) and physical (short term events and chronic longer-term shifts). Social risks, including those arising from health and safety issues, can also have tangible consequences for property owners and managers.

Mitigating environmental, social and governance risk

Effective management of Environmental, Social and Governance (ESG) issues delivers the dual benefit of reducing these risks (for instance anticipating rather than reacting to new regulation) and improving investment performance by proactively enhancing assets to improve their appeal to occupiers (shorter voids, higher rents) and investors (increased capital values).

We set ESG and climate risk objectives across the full range of real estate funds that we manage, and these objectives are assessed and implemented at an individual property level.

[1]*Sustainable real estate investment: Implementing the Paris Climate agreement – an action framework, PRI, 2016 https://www.unpri.org/property/sustainable-real-estate-investment-implementing-theparis-climate-agreement/138.article.*
[2]*Source: Carbon Trust, December 2018.*

Important Information (unaudited)

(continued)

Enhancing sustainable outcomes

Enhancing asset quality can go hand-in-hand with sustainability benefits and positive social outcomes. Sustainably managed buildings provide multiple benefits to their occupiers: lower energy and operational costs provide financial benefits, whilst working in buildings with good air quality and high levels of daylight has been shown to reduce absenteeism and stress and improve productivity and wellbeing.

Governance

Over the past 12-months the Investment Advisor has improved its ESG governance via a restructure of the core project groups to focus on key deliverables: a Project Innovation group promotes technical best practice with input from its external building consultants, an ESG Advisory Group provides thought leadership from across its wider business, and an ESG Fund Performance Group ensures best practice is implemented at Fund level, with an ESG Lead allocated to each Fund. All three groups report to the ESG Steering Group which provides strategy and oversight and in turn reports directly to the UK Real Estate leadership team. 2021 marked the third year of the Fund's participation in the GRESB survey.

Activity Specific Objectives

Our goal is to seek continual improvement in responsible investment performance across our business and we commit to best practice in the five core areas of our real estate operations.

1. Property Investment

When assessing any new property investment, our standard due diligence protocol requires all buildings to be comprehensively surveyed from a structural, mechanical and environmental perspective prior to purchase. Consideration is given to a wide range of factors including energy performance (Energy or Sustainability audits)/minimum energy standards[3], environmental risks/ impact (including flood risk), and areas for potential improvement in terms of sustainability performance. The contents of each report inform the financial modelling undertaken on the property (as appropriate) and form part of the Property Risk matrix which is handed over to the Property Management team on completion of each acquisition.

2. Asset Management

To develop and implement building specific asset management strategies. While the primary objective is to identify opportunities to add value, the plan should look to promote environmental, sustainability and health and wellbeing best practices; and energy, water and waste efficiencies. The strategy should look to encourage both occupier engagement and community engagement opportunities where appropriate. The asset manager should look to introduce data sharing and co-operation clauses into new leases, to enable the monitoring of operational energy, water and waste consumption. Consideration must be given to the cost and timing of undertaking any physical improvements to buildings at lease events, where financially viable to do so.

3. Property Management

To support our external managing agents in delivering against annual KPI's e.g. with respect to carbon emissions reductions, energy and water usage improvement, prevention of pollution and/or minimisation of waste. To actively manage and continually improve the environmental impact of our buildings, whilst maintaining tenant satisfaction.

4. Health and Safety, Risk and Governance

To ensure Health and Safety risks for all properties are correctly identified and managed. In order to meet the Funds' responsibilities and protect the wider community, we ensure all necessary inspections are conducted regularly and ensure oversight through monthly reporting, meetings with the agents and independent annual audits. We manage compliance with the Corporate Responsibility policy (which addresses diversity, Inclusion and the Modern Slavery Act), and the Anti-Bribery and Corruption policy.

In addition, to identify and monitor Climate Change risks by working with insurers to obtain enhanced flood data on every asset and obtaining a flood risk rating, which will be reviewed on an annual basis in order to monitor any change.

5. Refurbishment

A Refurbishment Guide has been developed to promote the use of high sustainability standards within any new refurbishment, subject to balancing the specification of works against the return on capital invested. The Guide has been provided to project managers and will be provided to contractors, as part of a project brief, to minimise environmental and social impacts on site and to maximise the creation of economic opportunities in the local community, where applicable.

All construction projects are to incorporate a set of minimum requirements as defined in the Refurbishment Guide, relating to environmental management, building quality and flexibility, health and well-being, energy efficiency, transport, water, building materials, waste management, ecology and pollution. In addition, all Major Projects should incorporate the additional requirements set out in the Refurbishment Guide, as long as it is economically viable to do so.

Road Map and Targets

We have aligned our strategic real estate ESG, sustainability and climate change objectives to the UN SDG's where appropriate.

Energy Efficiency Actions

Environmental data management system and quarterly reporting

The fund uses SIERA as its environmental data management system where energy, water, waste and greenhouse gas emission data are collected and validated for all assets where the portfolio has operational control. Energy and greenhouse gas emission data is reported on a quarterly basis for the portfolio's 20 highest energy consuming assets. At the fund level, a science based target has been established for The Company, targets a 60% energy intensity reduction and 77% carbon intensity reduction by 2040 (from a 2019 baseline).

[3] *Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015.*

Important Information (unaudited)

(continued)

Technical sustainability audit programme

The Company has completed technical sustainability audits at 13 of its largest energy consuming assets. The technical sustainability audits identify current environmental performance, including energy, water, waste and wellbeing, as well as the tangible identification of opportunities for environmental and financial improvement.

Managing agent sustainability requirements

Managing agents play a crucial role in supporting Columbia Threadneedle's sustainability programme. As such, Columbia Threadneedle has developed a set of ESG key performance indicators to guide managing agents for the fund in their support of the fund's sustainability programme. These indicators include coverage of energy, water, and waste data, impact on local community, and regular tenant engagement through tenant satisfaction surveys.

Global Real Estate Sustainability Benchmark (GRESB)

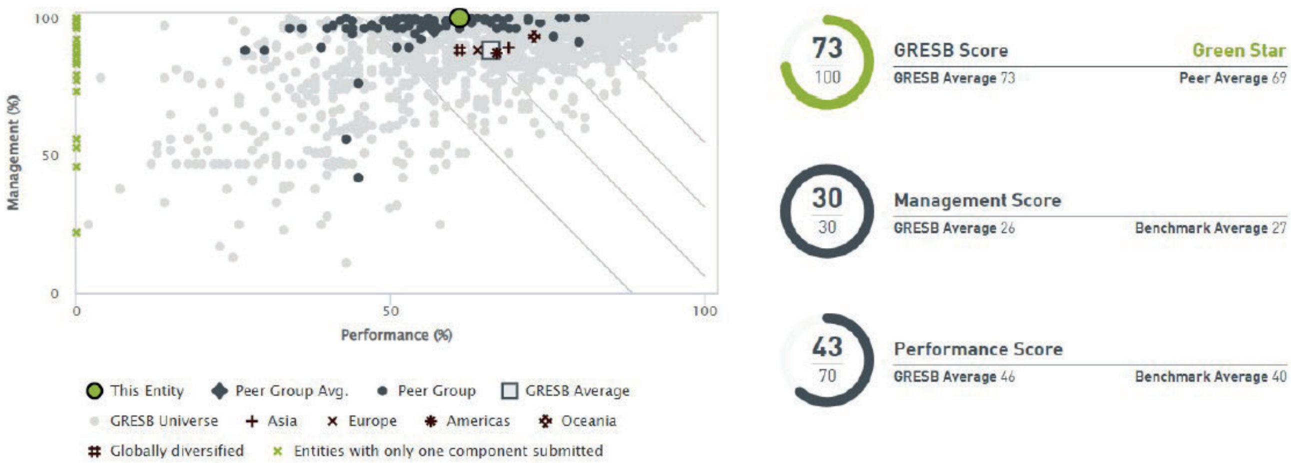
GRESB is a global real estate benchmark which assess Environmental, Social and Governance (ESG) performance. The fund achieved three stars in the sixth submission year (2021) and an overall score of 73/100.

GRESB is benchmarked against two dimensions:

1. Management – actions and programmes that have been initiated by the fund. TUKPAIF achieved a score of 30 out of 30, which was 3 points above the peer group average and 4 points above the GRESB average.

2. Performance – relating to policies and processes that set out the fund's intent for managing sustainability issues. TUKPAIF scored 43 out of 70, which was 3 points above the peer group average (40).

The fund will continue GRESB participation in 2022 on the reporting year 2021.



Important Information (unaudited)

(continued)

Streamlined Energy and Carbon Reporting (SECR)

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, also referred to as Streamlined Energy and Carbon Reporting (SECR), requires all quoted companies, "large" unquoted companies and LLPs to report their UK energy use, associated Scope 1 & 2 emissions, an intensity metric and, where applicable, global energy use in their Annual Reports.

Table 1 summarises relevant energy and greenhouse gas (GHG) emissions while Table 2 quantifies intensity values for the year ending 31st December 2021.

Table 1: Threadneedle UK Property Authorised Investment Fund Scope 1 and 2 emissions (tCO_2e) year ending 31st December 2021

GHG Scope	JAN 2020 - DEC 2020 Absolute Energy use (kWh)	JAN 2020 - DEC 2020 Absolute Tonnes of Carbon Dioxide Equivalent (tCO_2e)	JAN 2021 - DEC 2021 Absolute Energy use (kWh)	JAN 2021 - DEC 2021 Absolute Tonnes of Carbon Dioxide Equivalent (tCO_2e)
Gas / Scope 1	6,005,011.6	1,098.9	4,472,253.8	818.4
Electricity / Scope 2	15,880,008.0	3,701.6	11,835,252.2	2,512.6
Total	**21,885,019.6**	**4,800.5**	**16,307,505.9**	**3,331.0**

Table 2: Threadneedle UK Property Authorised Investment Fund Scope 1 and 2 emissions intensity ($kgCO_2e$) year ending 31st December 2021

SECTOR	JAN 2020 - DEC 2020 Energy Intensity (kWh)	JAN 2020 - DEC 2020 Carbon Intensity ($kgCO_2e$)	JAN 2021 - DEC 2021 Energy Intensity (kWh)	JAN 2021 - DEC 2021 Carbon Intensity ($kgCO_2e$)
Per m^2 - **Office**	268.4	59.6	234.8	47.9
Per m^2 - **Retail, High Street**	9.9	2.3	4.7	1.0
Per m^2 - **Retail, Shopping Centre**	13.3	3.1	10.3	2.2
Per m^2 - **Retail, Warehouse**	8.4	2.0	6.9	1.5

The Company has followed the GHG Reporting Protocol – Corporate Standard[1] for company reporting to identify and report relevant energy and GHG emissions over which it has Operational Control for the year ending 31st December 2021. The Company has considered the materiality of environmental impacts arising from its operations and identify greenhouse gas emissions (generated via energy use) to be the most significant. This assessment was based on financial spend and the ability for The Company to control impacts. Other areas, such as water, waste, biodiversity and emissions to air, water and land are deemed less material, however, some or all impacts may be reported in the future.

The Company has chosen to report GHG emissions using the Operational Control approach for its organisational boundary. This boundary includes owned assets where the fund, acting as the landlord, is directly responsible for electricity and/or gas supplies.

The Company has considered the seven main GHGs covered by the Kyoto protocol, including:

- Carbon dioxide ($CO2$)
- Methane (CH4)
- Nitrous oxide (N2O)
- Hydrofluorocarbons (HFCs)
- Perfluorocarbons (PFCs)
- Sulphur Hexafluoride (SF6)
- Nitrogen Trifluoride (NF3)

Total GHG emissions are reported in terms of carbon dioxide equivalent (CO2e). Conversion factors have been sourced from the UK Government's Greenhouse Gas Reporting Factors for Company Reporting (2021).

The following sources of emissions have been considered as part of this review:

Scope 1

- Direct emissions from controlled gas boilers (converted from kWh usage)
- Business travel through company owned vehicles (although not relevant to TUKPAIF)

Scope 2

- Indirect emissions from electricity purchased by TUKPAIF and consumed within real estate assets owned by the company (converted from kWh usage)
- Greenhouse Gas (GHG) emissions from electricity (Scope 2) are reported according to the 'location-based' approach.

The Company has chosen not to report fugitive emissions e.g. from refrigerant leaks.

As a real estate focused entity, the majority of emissions arise through assets that are owned and leased. At multi-let properties, the Company, acting as the landlord, has control and influence over the whole building and/or shared services, external lighting and void spaces.

The Company is not directly responsible for any GHG emissions/energy usage at single let/FRI assets nor at multi-let assets where the tenant is counterparty to the energy contract. These emissions form part of the wider value chain (i.e. 'Scope 3') emissions, which are not reported at present.

A baseline year of 1st January 2020 to 31st December 2020 has been selected to enable comparison over time. The baseline year comprises energy/ GHG data for all assets (where data has been reported). This represents the assets included in the long term energy and GHG target and assets for which energy use is actively tracked and reported against on a quarterly basis.

[1]*Available at https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf*

Important Information (unaudited)

(continued)

In addition to reporting relevant absolute GHG emissions (by scope and per sector), the Company has chosen to report intensity ratios, where appropriate. The denominator determined to be most relevant to the business is square metres of net lettable area (office, industrial distribution warehouse and retail high street) The intensity ratio is expressed as:

- Energy: kilowatt hours per metre square (net lettable area) per year, or, $kWh/m^2/yr$.
- GHG: kilograms carbon dioxide equivalent per metre square (net lettable area) per year, or, $CO_2e/m^2/yr$.

The like-for-like (LFL) intensity ratio for energy usage and emissions are calculated per metre square (net lettable area) for all asset sectors independently.

Intensity ratios have only been determined on relevant emissions, where each of the following conditions is met:

- No major renovation or refurbishment has taken place i.e. affecting more than 50% of the building by area or number of occupants
- At least 12 months data is available

Previously, like-for-like analysis has been adopted for the top 20 highest energy consuming assets in the entity, however the materiality of the top 20 has become less significant over time. Therefore, like-for like energy usage, emissions, and subsequent intensity values are set out per sector based on all assets within the entity.

Assets are included within like-for-like analysis where each of the following conditions is met:

- No major renovation or refurbishment has taken place i.e. affecting more than 50% of the building by area or number of occupants
- At least 12 months data is available

No further adjustments are considered for this annual report, including any adjustments to account for the impact of the COVID-19 pandemic. Any movement in reported emissions due to the pandemic could mask the impacts of any genuine reduction activities. Furthermore, the impact on Scope 1 and 2 greenhouse gas emissions will have a lesser impact for some sectors and the extent of the impact is still largely not fully understood. Further evaluation concerning occupancy and/or operation hours may be considered in the future.

Data has been sourced from the Company's Property Managers and their utility brokers. Data is held within the sustainability data platform SIERA which is used as the basis for data checking and validation. In summary, the applied process includes:

1. Confirmation of asset location and scope of landlord impacts (Scopes 1 and 2)
2. Input of Scope 1 and Scope 2 data (provided by Property Managers and appointed brokers)
3. Completion of data accuracy checks (inbuilt function of SIERA with specialist consultant review)
4. Initial review and / or approval of data (by Property Managers)
5. Validation of data and publishing of results quarterly

The Company's environmental consultant Evora has reviewed the accuracy of data as determined by actual or estimated kWh usage. As a percentage of the total kWh reported, actual / estimated data was reported on the following basis for 2021:

- Scope 1 (gas): 64% actual data / 36% estimated
- Scope 2 (electricity): 81% actual data / 19% estimated

Data has not been verified or assured to any recognised standard.

3.10. Energy / GHG Target Setting

GHG Reporting Guidelines[2] recommend establishing a target as a matter of good practice. Energy targets are typically measured via changes to kWh usage and/or greenhouse gas emissions (in the form of carbon dioxide equivalent) compared to a baseline. Columbia Threadneedle Investments recognises the importance of setting an energy target. At the fund level, a science based target has been established for TUKPAIF, targets a 60% energy intensity reduction and 77% carbon intensity reduction by 2040 (from a 2019 baseline).

An energy target helps to:

- Support identification of asset improvement opportunities
- Drive improvements in operational efficiency (and potentially lower costs)
- Futureproof asset against increased legislation and 'brown discounting' (on sale)
- Support overall good asset management
- Provide a simple KPI that can be shared with key stakeholders
- Demonstrate commitment to, and alignment with, the broader goals of their organisation and wider society around ESG and climate change.

Statement of GHG Emissions

The Company's emissions statement for the year ending 31st December 2021 is reported in Table 3 below. Absolute energy usage, like-for-like[3] and an intensity value[4] for Jan 2020-Dec 2020 and Jan 2021-Dec 2021. Table 3 sets out the emissions per sector and for the entity overall. Like-for-like emissions and intensity values are set out per sector based on all assets within the entity. The approach taken follows guidance provided by the GHG Reporting Guidelines (BEIS, 2019)[5] and INREV Sustainability Reporting Guidelines[6].

[2]https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/206392/pb13944-env-reporting-guidance.pdf
[3]Like for like excludes assets that were purchased, sold or under refurbishment during the two years reported.
[4]Intensities are calculated on a kgCO2e/m2 basis.
[5]https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/791529/Env-reporting-guidance_inc_SECR_31March.pdf
[6]https://www.inrev.org/guidelines/module/sustainability#inrev-guidelines

Important Information (unaudited)

(continued)

Sector	Scope	Absolute emissions (tCO^2e)		Like for like emissions (tCO^2e)			Intensity (kg CO^2e /m^2)		
		2020	2021	2020	2021	% Change	2020	2021	% Change
Industrial, Distribution Warehouse	Scope 1	41.6	33.6	0.0	0.0	N/A			
	Scope 2	59.5	22.9	0.0	0.0	N/A			
	Scopes 1 & 2	101.1	56.5	0.0	0.0	N/A	NA	NA	NA
Leisure	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	0.0	0.0	0.0	0.0	N/A			
	Scopes 1 & 2	0.0	0.0	0.0	0.0	N/A	NA	NA	NA
Office	Scope 1	1030.7	783.0	221.0	258.7	17.1%			
	Scope 2	3343.8	2339.0	1013.9	732.1	-27.8%			
	Scopes 1 & 2	4374.5	3122.0	1234.8	990.9	-19.8%	59.6	47.9	-19.8%
Retail, High Street	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	44.5	9.3	14.3	6.2	-56.4%			
	Scopes 1 & 2	44.5	9.3	14.3	6.2	-56.4%	2.3	1.0	-56.4%
Retail, Shopping Centre	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	92.8	38.0	23.8	16.9	-29.0%			
	Scopes 1 & 2	92.8	38.0	23.8	16.9	-29.0%	3.1	2.2	-29.0%
Retail, Warehouse	Scope 1	26.5	1.9	0.4	0.0	-100.0%			
	Scope 2	161.0	103.4	104.4	78.5	-24.8%			
	Scopes 1 & 2	187.6	105.3	104.8	78.5	-25.1%	2.0	1.5	-25.1%
Total	**Total Scope 1**	**1,098.9**	**818.4**	**221.4**	**258.7**	**16.9%**			
	Total Scope 2	**3,701.6**	**2,512.6**	**1,156.4**	**833.8**	**-27.9%**		**N/A**	
	Total Scope 1 & 2	**4,800.5**	**3,331.0**	**1,377.7**	**1,092.5**	**-20.7%**			

Important Information (unaudited)

(continued)

Statement of Energy Usage

The Company energy usage statement for the year ending 31st December 2021 is reported in Table 4 below. Absolute energy usage, like-for-like[7] and an intensity value[8] for Jan 2020-Dec 2020 and Jan 2021-Dec 2021. Like-for-like energy usage and intensity values are set out per sector based on all assets (Tier 1) within the entity. Table 4 sets out the energy use per sector and for the entity overall. The approach taken follows guidance provided by the GHG Reporting Guidelines (BEIS, 2019) and INREV Sustainability Reporting Guidelines[9].

Sector	Scope	Absolute Consumption (kWh)		Like-for-Like Consumption (kWh)			Energy Intensity (kWh/m^2)		
		2020	2021	2020	2021	% Change	2020	2021	% Change
Industrial, Distribution Warehouse	Scope 1	227,418.7	183,598.3	0.0	0.0	N/A			
	Scope 2	255,285.3	107,816.6	0.0	0.0	N/A			
	Scopes 1 & 2	482,703.9	291,414.9	0.0	0.0	N/A	NA	NA	NA
Leisure	Scope 1	144.0	0.0	0.0	0.0	N/A			
	Scope 2	0.0	0.0	0.0	0.0	N/A			
	Scopes 1 & 2	144.0	0.0	0.0	0.0	N/A	NA	NA	NA
Office	Scope 1	5,632,367.3	4,278,498.7	1,207,421.2	1,413,880.5	17.1%			
	Scope 2	14,344,970.8	11,017,472.3	4,349,445.4	3,448,616.8	-20.7%			
	Scopes 1 & 2	19,977,338.1	15,295,971.1	5,556,866.6	4,862,497.2	-12.5%	268.4	234.8	-12.5%
Retail, High Street	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	190,762.6	43,767.5	61,455.0	29,421.0	-52.1%			
	Scopes 1 & 2	190,762.6	43,767.5	61,455.0	29,421.0	-52.1%	9.9	4.7	-52.1%
Retail, Shopping Centre	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	398,103.9	178,951.9	101,989.0	79,470.9	-22.1%			
	Scopes 1 & 2	398,103.9	178,951.9	101,989.0	79,470.9	-22.1%	13.3	10.3	-22.1%
Retail, Warehouse	Scope 1	145,081.7	10,156.7	2,303.7	00	-100.0%			
	Scope 2	690,885.4	487,243.8	447,918.9	369,987.2	-17.4%			
	Scopes 1 & 2	835,967.0	497,400.5	450,222.5	369,987.2	-17.8%	8.4	6.9	-17.8%
Total	**Total Scope 1**	**6,005,011.6**	**4,472,253.8**	**1,209,724.8**	**1,413,880.5**	**16.9%**			
	Total Scope 2	**15,880,008.0**	**11,835,252.2**	**4,960,808.3**	**3,927,495.8**	**-20.8%**		**N/A**	
	Total Scope 1 & 2	**21,885,019.6**	**16,307,505.9**	**6,170,533.1**	**5,341,376.3**	**-13.4%**			

[7]*Like for like excludes assets that were purchased, sold or under refurbishment during the two years reported.*
[8]*Intensities are calculated on a kWh/m2 basis.*
[9]*https://www.inrev.org/guidelines/module/sustainability#inrev-guidelines*

Important Information (unaudited)

(continued)

Summary

TUKPAIF energy consumption and greenhouse gas (GHG) emissions performance for the year ending 31st December 2021 are reported as follows:

- **Energy Consumption:**
  - Overall energy consumption decreased by 13.4% on a like-for-like basis between 1st January 2021 to 31st December 2021.

  This comprised:
  - A 12.5% like-for-like reduction in total energy in the Office sector.
  - A 52.1% like-for-like reduction in total energy in the Retail, High Street sector.
  - A 22.1% like-for-like reduction in total energy in the Retail, Shopping Centre sector.
  - An 17.8% like-for-like reduction in total energy in the Retail, Warehouse sector.

  - Like-for-like electricity consumption decreased by 20.8% whilst fuel (gas) consumption increased by 16.9%.

  This comprised:
  - A 20.7% like-for-like reduction in electricity and 17.1% increase in fuel in the Office sector.
  - A 52.1% like-for-like reduction in electricity in the Retail, High Street sector.
  - A 22.1% like-for-like reduction in electricity in the Retail, Shopping Centre sector.
  - An 17.4% like-for-like reduction in electricity and 100.0% reduction in fuel in the Retail, Warehouse sector.

- **Greenhouse Gas (GHG) Emissions:**
  - Overall greenhouse gas (GHG) emissions decreased by 20.7% on a like-for-like basis between 1st January 2021 to 31st December 2021.

  This comprised:
  - A 19.8% like-for-like reduction in total GHG emissions in the Office sector.
  - A 56.4% like-for-like reduction in total GHG emissions in the Retail, High Street sector.
  - A 29.0% like-for-like reduction in in total GHG emissions in the Retail, Shopping Centre sector.
  - A 25.1% like-for-like reduction in in total GHG emissions in the Retail, Warehouse sector.

  - Like-for-like Scope 1 (gas) emissions increased by 16.9% and Scope 2 (electricity) emissions decreased by 27.9%.

  This comprised:
  - A 17.1% like-for-like increase in Scope 1 emissions and 27.8% reduction in Scope 2 emissions in the Office sector
  - A 56.4% reduction in Scope 2 emissions in the Retail, High Street sector.
  - A 29.0% like-for-like reduction in Scope 2 emissions in the Retail, Shopping Centre sector.
  - A 100.0% like-for-like reduction in Scope 1 emissions and 24.8% reduction in Scope 2 emissions in the Retail, Warehouse sector.

Key Risks of the Company

Investment Risk: The value of investments can fall as well as rise and investors might not get back the sum originally invested.

Property Liquidity Risk: It may be difficult or impossible to realise assets of the Company because the underlying property may not be readily saleable.

Property Valuation Risk: The value of a property is a matter of a valuer's opinion and the true value may not be recognised until the property is sold. Should the Standing Independent Valuer express material uncertainty regarding the value of one or more immovables under management and that material uncertainty applies to 20% or more of the value of the Company, it may be necessary to temporarily suspend dealing

Property Market Risk: The performance of the Company would be adversely affected by a downturn in the Property market in terms of capital value or a weakening of rental yields.

Property Liquidity Management (formerly uninvested cash risk): Due to the illiquid nature of property and the time it can take to buy or sell assets, under normal circumstances up to 15% of the Company may be held in cash deposits.

High levels of cash may also be held by the Company in anticipation of unusually large redemption requests, or if property investment opportunities are limited.

Holding high levels of cash has an impact on the performance of the Company and its distributable income until it is invested in property assets.

If a significant number of shareholders withdraw their investment at the same time, the fund manager may consider it necessary to dispose of property investments to generate additional cash. In difficult market conditions, it can take longer to sell properties, and some properties may be sold for less than expected.

The right to redeem shares in the Company will be suspended if there is insufficient cash available to satisfy sale requests, or could become necessary to balance the interests of continuing shareholders with those seeking to redeem.

Effect of Dual Pricing (Property): As the Company is dual priced, there is a price to buy shares and a lower price to sell them. The difference between the two is known as the 'spread'. This Company's spread reflects the transaction costs of buying and selling commercial property, and other assets. The spread can change at any time and by any amount. The Spread for this Company is likely to be larger than for funds investing in assets other than commercial property. Consequently, there is a higher possibility of an investment being worth less than when invested, especially in the early years.

Directory

Management and Administration

The Company and Head Office
CT UK Property Authorised Investment Fund (formerly known as Threadneedle UK Property Authorised Investment Fund)
Cannon Place
78 Cannon Street
London EC4N 6AG

Authorised Corporate Director (ACD) and Alternative Investment Fund Manager (AIFM)
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Registered office and head office:
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London EC4N 6AG

Registrar
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Delegated to:
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Basildon
Essex SS15 5FS

ACD Client Services Department
Threadneedle Investment Services Limited
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**Effective on 16 October 2021, the legal entity acting as the Depositary of the Company changed from Citibank Europe plc, UK Branch to Citibank UK Limited.*
***Please note that calls may be recorded.*

To find out more visit columbiathreadneedle.com

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