

# AVIVA INVESTORS UK PROPERTY FEEDER TRUST

## Annual Report and Financial Statements

For the year ended 30 September 2018



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\* These items comprise the Manager's Report for the purposes of the rules contained in the Collective Investment Schemes Sourcebook ("the Regulations").

## TRUST INFORMATION

### MANAGER

Aviva Investors UK Fund Services Limited  
St Helen's  
1 Undershaft  
London, EC3P 3DQ

Aviva Investors UK Fund Services Limited (the Manager) is a wholly owned subsidiary of Aviva Investors Holdings Limited, a company incorporated in the United Kingdom and within the Aviva Group of Companies. The Manager is a member of the Investment Association and is authorised and regulated by the Financial Conduct Authority.

The Manager is authorised as an Alternative Investment Fund Manager (AIFM) under the Alternative Investment Fund Managers Directive (AIFMD).

### DIRECTORS

I Buckle  
J Misselbrook (resigned 23 November 2017)  
S Ebenston  
D Skinner  
J Leadsom  
D Clayton  
M Craston (appointed 1 November 2017)  
G Miller (appointed 20 December 2017)

### ADMINISTRATOR AND REGISTRAR

DST Financial Services Europe Ltd  
DST House  
St Nicholas Lane  
Basildon  
Essex, SS15 5FS

### FUND ACCOUNTING AND PRICING AGENT

J.P. Morgan Chase Bank, National Association (London Branch)  
25 Bank Street  
Canary Wharf  
London, E14 5JP

### TRUSTEE AND DEPOSITARY

Citibank Europe plc, UK Branch  
Citigroup Centre  
Canada Square  
Canary Wharf  
London, E14 5LB

Citibank Europe plc is authorised and regulated by the Central Bank of Ireland, however, the UK branch is subject to Financial Conduct Authority (FCA) regulation.

On 1 December 2018, the Trustee and Depositary, Citibank Europe plc, UK Branch, was replaced by J.P. Morgan Europe Limited. J.P. Morgan Europe Limited is registered at 25 Bank Street, Canary Wharf, London E14 5JP. J.P. Morgan Europe Limited is authorised and regulated by the Financial Conduct Authority.

### INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP  
Atria One, 144 Morrison Street,  
Edinburgh, EH3 8RX

PricewaterhouseCoopers LLP have been reappointed as auditors of the Trust.

## MANAGER'S REPORT

### THE TRUST

Aviva Investors UK Property Feeder Trust (the Trust) is a Unit Trust incorporated in England and Wales since 18 August 2017. The property of the Trust is entrusted to Citibank Europe plc, UK Branch (the Trustee and Depositary). The shareholders are not liable for any debts of the Trust.

The object of the Trust is to invest solely in the Aviva Investors UK Property Fund with the exception of cash balances which may also be held for the purposes of maintaining sufficient liquidity to enable the Trust to meet its commitments, such as expenses and redemptions.

The Trust has an umbrella structure which means that it may contain more than one fund, each with a different investment objective. There are currently two funds in the Aviva Investors UK Property Feeder Trust; the Aviva Investors UK Property Feeder Accumulation Fund and the Aviva Investors UK Property Feeder Income Fund. In the financial statements you will find an investment review for each fund which includes details of the investment objectives.

### AUTHORISED STATUS

The Trust is a Non-UCITS Retail Scheme under the rules of the COLL Sourcebook and is an alternative investment fund or AIF for the purposes of the FUND Sourcebook. Units in the Trust are not listed on any investment exchange. The Trust is authorised by the FCA as an "umbrella" scheme, in that the Trust issues units linked to different sub-funds which have been established. Each sub-fund is invested in accordance with the investment objective and investment policy applicable to that sub-fund and as if it were a separate Non-UCITS Retail Scheme for the purposes of the COLL Sourcebook. For investment purposes the assets of each sub-fund will be treated as separate from those of every other sub-fund.

### THE FINANCIAL STATEMENTS

We are pleased to present the annual report and financial statements of the Trust for the year ended 30 September 2018. As required by the Regulations, information for each of the funds has been included in these financial statements. On the following pages we review the performance of each of those funds during the period. We hope that you find our review useful and informative.

### ANNUAL GENERAL MEETINGS

The Trust will not be holding any Annual General Meetings.

### SIGNIFICANT INFORMATION

On 27 October 2017, we updated the Prospectus to set out that if, following the closure of one of our funds, any amount remaining after the payment of all amounts due to shareholders and the liabilities of the fund is agreed with the fund's depositary to be "immaterial", this amount will be paid to charity. We also made some changes to the way in which the charges applicable to the funds are displayed, in order to increase clarity for investors, consistent with the way information on fund charges is displayed in the Prospectuses of our other ICVCs.

On 11 May 2018, the Prospectus was amended to include wording setting out for investors the circumstances in which unclaimed client money will be paid to charity in accordance with the FCA's rules.

On 24 August 2018, as permitted by the Instrument of Incorporation, the ACD issued a new Class 7 (Income) in respect of the Aviva Investors UK Property Fund. The new class has charges deducted from capital. For further details, please see the Prospectus.

On 29 October 2018 we closed share class 6 of the Aviva Investors UK Property Feeder Income Fund and share class 6 of the Aviva Investors UK Property Feeder Accumulation Fund and converted investors into share class 1 of the corresponding fund.

On 1 December 2018, the Trustee and Depositary, Citibank Europe plc, UK Branch, was replaced by J.P. Morgan Europe Limited. J.P. Morgan Europe Limited is registered at 25 Bank Street, Canary Wharf, London E14 5JP. J.P. Morgan Europe Limited is authorised and regulated by the Financial Conduct Authority.

## MANAGER'S REPORT (CONTINUED)

### REMUNERATION

In line with the requirements of the Alternative Investment Fund Managers Directive ("AIFMD"), the ACD is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under AIFMD.

Aviva Investors' remuneration framework is based on a total reward approach and is designed to reflect the success or failure against a range of personal and company performance objectives. There are four components of pay: base salary; annual bonus (including deferred bonus); long term incentive plan; and benefits. Aviva believes in rewarding strong performance and the achievement of our business and individual goals; however, the manner in which these goals are achieved is also an important factor in determining outcomes. Annual bonus awards are discretionary and where bonuses are £75,000 and over a 3 year deferral with pro-rata vesting in Aviva Investors funds and/or Aviva Group plc shares occurs.

The extent to which each aspect of performance affects the overall payment level depends on the role and responsibilities of the individual. Performance is measured against personal objectives, including Risk and Control objectives, as well as Aviva Investors' and the business unit performance against agreed targets, which are a combination of individual, business unit, Aviva Investors and Group performance over an appropriate period.

- The financial considerations includes the following comparisons:–
  - Actual results vs. prior period results
  - Actual results vs. agreed plans
  - Actual results relative to competitors
  - Actual results vs., and progress towards, our long-term target ambition.
- The non-financial considerations include risk, conduct, culture, customer and employee engagement metrics, with Aviva values clearly underpinning all our decisions. In certain roles, adherence to Responsible Investment and ESG principles will also be a consideration.
- The Performance assessment does not encourage risk taking outside the Aviva Investors stated risk appetite, and includes mechanisms by which performance against risk and conduct related measures has a significant impact on the availability and size of business and individual variable awards.

The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of its senior staff is in line with the risk policies and objectives of the Alternative Investment Funds ("AIF's") it manages, and takes into account the promotion of sound and effective risk management and the achievement of fair outcomes for all customers.

The ACD has no employees but is a wholly owned subsidiary of Aviva Investors Holdings Limited. For the year to 31 December 2017, apportioned remuneration based on the time assessed to be spent on the ACD AIFMD activity paid by Aviva Plc, the ultimate parent of the ACD, to its senior management team, and staff whose actions have a material impact on the risk profile of the ACD ("Code staff"), is as follows:

	Senior Management	Other Code Staff
Total Remuneration:	£0.4m	£0.2m
Of which, Fixed Remuneration:	35%	56%
Variable Remuneration:	58%	30%
Pension/Benefits:	7%	14%
Number of Code staff:	11	11

### Publication of Prices

Information on the prices of Shares will be available by calling 0800 051 2003 or on the internet at [www.avivainvestors.com](http://www.avivainvestors.com). Calls may be recorded for training or monitoring purposes and to comply with applicable law and regulations. Calls are free from UK landlines and mobiles.

## STATEMENT OF CROSS HOLDINGS

There are no cross holdings as at 30 September 2018.

## POLICIES AND RISKS

### ACCOUNTING POLICIES

#### a Basis of accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by The Investment Management Association in May 2014 (SORP 2014), and in accordance with United Kingdom Generally Accepted Accounting Practice as defined within FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

All of the Trust financial statements have been prepared on a going concern basis.

#### b Unit classes

Aviva Investors UK Property Feeder Accumulation Fund has three unit classes (classes 1, 2 and 6) and they are all accumulation units. Unit classes 1 and 6 are retail units and unit class 2 is institutional units.

Aviva Investors UK Property Feeder Income Fund has five unit classes (classes 1, 2, 5, 6 and 7) and they are all income units. Unit classes 1 and 6 are retail units and unit classes 2, 5 and 7 are institutional units.

#### c Recognition of revenue

Distributions receivable from the underlying investment in the Aviva Investors UK Property Fund (the Master Fund) are recognised on an accruals basis. The distributions receivable are accrued and recognised in three streams (dividend, interest and property) in line with the nature and breakdown of the underlying revenue earned by the Master Fund. Revenue received from the Master Fund depends on the income stream; Property Income Distributions (PID) are received net of tax at 20%, whilst interest distributions and dividend distributions are received gross.

Deposit interest and any other revenue are also accounted for on an accruals basis.

#### d Basis of valuation of investments

The Aviva Investors UK Property Feeder Accumulation Fund invests all or substantially all of its scheme property in the Class D accumulation share class of the Master Fund. The Aviva Investors UK Property Feeder Income Fund invests all or substantially all of its scheme property in the Class D income share class of the Master Fund. Holdings in the Master Fund are valued at fair value, which is deemed to be the net asset value per share as reported in the comparative table in the Master Fund's Annual Report & Accounts at the end of the current accounting period.

#### e Expenses

The Manager's periodic charge and other expenses are charged to the revenue property of the Trust, and are accounted for on an accruals basis.

#### f Taxation and deferred taxation

Provision for Corporation Tax is based at the current rate, as appropriate, on the excess of taxable revenue over allowable expenses and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided using the liability method on all timing differences, and is calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

#### g Unclaimed distributions

Any distribution remaining unclaimed after a period of six years is paid back to the relevant Fund and forms part of the capital property of the Fund.

#### h Cash flow statement

The Trust is not required to produce a cash flow statement as it meets the exemption criteria set out in FRS 102.

### DISTRIBUTION POLICIES

#### a Distribution policy

If at the end of the accounting period, revenue exceeds expenses and tax, the net revenue of the Funds is available to be distributed to unitholders. Should expenses and taxation exceed revenue, there will be no distribution and the shortfall will be met from capital.

Income is distributed, at unit class level, to the unitholders in accordance with the Funds' Prospectus.

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

#### b Equalisation

Equalisation applies only to units purchased during the distribution period (group 2 units). It is the average amount of revenue included in the purchase price of all group 2 units and is refunded to holders of these units as a return of capital. Being a capital repayment, it is not liable to income tax but must be deducted from the cost of the units for capital gains tax purposes.



## POLICIES AND RISKS (CONTINUED)

### RISK MANAGEMENT POLICIES

The Trust's financial instruments comprise investments in the Master Fund, bank balances and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for cancellations, and debtors for accrued revenue.

The Trust has exposure to a number of different risks to varying degrees. The main risks the Trust faces from its financial instruments are directly related to the risks attached to the underlying investments held by the Master Fund and the Investment Manager's policies for managing these risks are summarised below:

#### a Foreign currency risk

The Funds can be exposed to foreign currency risk as a result of investing in assets denominated in currencies other than Sterling. Where the Manager deems it necessary, this exposure to foreign currency fluctuations is mitigated by the use of forward foreign currency contracts. Numerical disclosures can be found in the notes to the financial statements for each Fund.

#### b Interest rate risk

The value of debt securities may be affected by interest rate movements or the expectation of such movements in the future. Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The Manager manages this risk by maintaining a balanced portfolio with due consideration to interest rate risk and redemption profiles. Interest rate risk is also managed by ensuring that deposits mature within a relatively short period. Numerical disclosures can be found in the notes to the financial statements for each Fund.

#### c Market risk

There is a risk that a property might be sold for a different value to the Independent Valuer's valuation, due to market conditions being different to the valuer's assumptions. The Manager ensures that the valuer is independent, holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Further information on the investment portfolios is set out in the investment reports and portfolio statements, of the individual Funds.

#### d Liquidity risk

This is the risk that there is insufficient liquidity which restricts a Fund's investment opportunities or ability to pay liabilities at short notice. This risk is managed by ensuring that overdrafts are monitored and maintained within investment limits and exposure to unquoted or illiquid securities is limited. In line with standard industry practice for valuing property funds, the Funds can switch between a bid price basis and an offer price basis. Where Funds are invested in property, investors may not be able to switch or cash in their investment when they want because property in the Fund may not always be readily saleable. If this is the case the Manager may suspend dealing in the Fund.

Further information on the investment portfolios is set out in the investment reports and portfolio statements, of the individual Funds.

## AVIVA INVESTORS UK PROPERTY FEEDER ACCUMULATION FUND

### INVESTMENT OBJECTIVE

To obtain returns via income and capital appreciation.

### INVESTMENT APPROACH

To invest solely in the Aviva Investors UK Property Fund with the exception of cash balances which may also be held for the purposes of maintaining sufficient liquidity to enable the Fund to meet its commitments, such as expenses and redemptions.

### RISK PROFILE

The Trust invests in the Aviva Investors UK Property Fund (the Master Fund), which invests a significant proportion of its assets in physical property that at times may not always be readily saleable. Investors should be aware that during such times that the Trust's property of the Master Fund is not readily saleable, the ACD of the Master Fund may defer redemptions or suspend dealing in shares of the Master Fund, meaning that the Manager will necessarily defer redemptions of units, or suspend dealing in units in the Trust. As a result of this, the Trust may be suitable only for those investors who have capital which may be committed on a long-term basis.

Investments in property are relatively illiquid and more difficult to realise than equities or bonds.

There is no assurance that the estimates resulting from the valuation process will reflect the actual sales price even where a sale occurs shortly after the valuation date.

The value of investments and the income from them will change over time.

### FUND MANAGER'S REPORT

#### TOTAL PERFORMANCE

Over the twelve months ended to 30 September 2018, the Fund\* delivered a total returned of 5.57 per cent (Share class 2 accumulation), net of fees.

#### AVIVA INVESTORS UK PROPERTY FUND PROFILE AND PORTFOLIO REVIEW

As the Feeder Fund invests solely in units of the Aviva Investors UK Property Fund, the following information relates to the underlying portfolio of that Fund.

During the period, the Fund Managers have continued to embed the overarching strategy of Aviva Investors Real Estate in the Fund, taking into account current and forecast structural trends and technological changes which are changing customer requirements in the property sector. This strategy has continued to underpin the Fund's asset disposals and retentions, and asset management approach. Good progress has been made in terms of focussing the Fund's investments in fewer, higher quality assets in selected locations, enabling the team to leverage local market knowledge and expertise. The strategy of the Fund has continued to be conviction based, focused on value investing where market pricing is attractive and where we believe we can add value.

Significant changes have been made to the portfolio in order to return the Fund to a position of strong performance and to provide resilient income for our investors over the medium to long term. In particular, the resilience of the Fund's income has been borne out in the retail sector. Despite a relatively high number of high-profile administrations, company voluntary agreements (CVA) and store closure programmes in the UK retail and casual dining sectors, the Fund's income was impacted by only 2 of these, representing 0.5% of the Fund's income.

Key activities undertaken in the year have included strategic disposals, completion of the development of Forum St Paul's (City of London office), the refurbishment of the Pavilion Centre (Brighton retail park) and various asset management transactions as summarised below:

- Eight strategic disposals which contributed to an increase in the Fund's average property size from £29.4m to £30.6m, including:
  - Various properties outside of our locational strategy including properties in High Wycombe, Swindon, Cardiff, Southampton and Kettering.
  - 20 Soho Square, an office asset in London's West End, completed on 2 July following successful delivery of the asset's business plan, and resulting in cash available for reinvestment in line with the Fund's strategy.
  - Broadway Plaza (a Birmingham leisure asset), taking advantage of a buoyant market for leisure assets.
- Thirty-three asset management events including:
  - Three rent reviews
  - Eleven lease renewals and re-gears
  - Nineteen new lettings completed including the first letting at Forum St Paul's on a 10 year term to Epiris LLP (private equity firm) at a strong headline rent, and two new long term leases at the Pavilion Centre; a 20-year lease agreed with Aldi, and a 15-year lease to Hobbycraft.
  - New agreements for lease in place at year end including one at 123 St. Vincent Street in Glasgow for four floors to HMRC and one at Interpoint in Edinburgh to Royal London for the whole building.

## AVIVA INVESTORS UK PROPERTY FEEDER ACCUMULATION FUND (CONTINUED)

### FUND MANAGER'S REPORT (CONTINUED)

#### OUTLOOK

Looking ahead, Brexit is a significant risk to the UK economy and property market. Whilst the course of the current Brexit negotiations between the UK government and the EU is notoriously hard to judge, we are not complacent and have undertaken work to increase the Fund's resilience to macro-shocks, as well as longer term trends. As a result of this work we believe the Fund now holds a more resilient portfolio focused on investments where we can actively add value. Additionally, the Fund has diversified its risk exposure by having a diverse tenant mix across 192 separate tenancies and a geographically diverse portfolio with a lower exposure to Central London offices (9.4% at year end).

The Fund is also focused on maintaining a healthy cash balance and holds a "liquidity pool" of assets which could be brought to the market relatively quickly in the event of experiencing reduced liquidity. These would however only be used to build liquidity through an orderly sale process. At year end, the Fund had a strong cash position (20.6%) and stood ready to make strategic acquisitions, including being under offer on the forward funding of a fully-let retail warehouse scheme.

November 2018

\* Source: Lipper for Investment Management (performance calculated on a bid to bid basis, net income reinvested) as at 30 September 2018 (unit 2 acc).

Some of the information within this is based upon Aviva Investors estimates. These have been calculated by Aviva Investors Real Estate Strategy and Research Team based on data sourced from recent market transactions and should not to be relied on by anyone else for the purpose of making investment decisions. Past performance is not a guide to future.

### PROPERTY RELATED SECURITIES SALES

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Aviva Investors UK Property Fund†

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† Investment managed by a related party.

### PROPERTY RELATED SECURITIES PURCHASES

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Aviva Investors UK Property Fund†

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† Investment managed by a related party.

## COMPARATIVE TABLES

Class 1 (Acc)	2018 p per unit	2017* p per unit
<b>Change in net assets per unit</b>		
Opening net asset value per unit	101.27	100.00
Return before operating charges <sup>†</sup>	7.43	1.43
Operating charges	(1.29)	(0.16)
Return after operating charges <sup>†</sup>	6.14	1.27
Distributions	(1.88)	(0.19)
Retained distributions on accumulation units	1.88	0.19
Closing net asset value per unit	107.41	101.27
<sup>†</sup> after direct transaction costs of	–	–
<b>Performance</b>		
Return after operating charges	6.06%	1.27%
<b>Other information</b>		
Closing net asset value (£000)	118,036	134,402
Closing number of units	109,891,220	132,716,918
Operating charges (%) <sup>†</sup>	1.25%	1.35%
Direct transaction costs (%) <sup>‡</sup>	–	–
<b>Prices<sup>≈</sup></b>		
Highest unit price	108.85	105.12
Lowest unit price	99.89	98.75

Class 2 (Acc)	2018 p per unit	2017* p per unit
<b>Change in net assets per unit</b>		
Opening net asset value per unit	101.33	100.00
Return before operating charges <sup>†</sup>	7.33	1.41
Operating charges	(0.75)	(0.08)
Return after operating charges <sup>†</sup>	6.58	1.33
Distributions	(2.30)	(0.25)
Retained distributions on accumulation units	2.30	0.25
Closing net asset value per unit	107.91	101.33
<sup>†</sup> after direct transaction costs of	–	–
<b>Performance</b>		
Return after operating charges	6.49%	1.33%
<b>Other information</b>		
Closing net asset value (£000)	238,273	266,190
Closing number of units	220,804,617	262,701,616
Operating charges (%) <sup>†</sup>	0.73%	0.72%
Direct transaction costs (%) <sup>‡</sup>	–	–
<b>Prices<sup>≈</sup></b>		
Highest unit price	106.00	100.44
Lowest unit price	99.96	98.76

Class 6 (Acc)	2018 p per unit	2017* p per unit
<b>Change in net assets per unit</b>		
Opening net asset value per unit	101.30	100.00
Return before operating charges <sup>†</sup>	7.38	1.42
Operating charges	(1.04)	(0.12)
Return after operating charges <sup>†</sup>	6.34	1.30
Distributions	(2.08)	(0.23)
Retained distributions on accumulation units	2.08	0.23
Closing net asset value per unit	107.64	101.30
<sup>†</sup> after direct transaction costs of	–	–
<b>Performance</b>		
Return after operating charges	6.26%	1.30%
<b>Other information</b>		
Closing net asset value (£000)	463	462
Closing number of units	430,486	456,476
Operating charges (%) <sup>†</sup>	1.01%	1.00%
Direct transaction costs (%) <sup>‡</sup>	–	–
<b>Prices<sup>≈</sup></b>		
Highest unit price	109.08	105.16
Lowest unit price	99.93	98.76

\* Unit class launched on 18 August 2017.

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charge Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charge Figure has been amended to be future proofed for this change.

(b) The Ongoing Charge has been annualised for a unit class that has not yet been open for a full year.

# The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. The net asset value per unit price is based on the net asset value in the published accounts and may be different due to post period end accounting adjustments.

**Ongoing Charges Figure\*<sup>†</sup>**

Unit class	OCF*	PER**	Total***	OCF*	PER**	Total***
	30.09.18	30.09.18	30.09.18	30.09.17	30.09.17	30.09.17
Class 1	1.02% <sup>#</sup>	0.35%	1.37%	1.35%	0.76%	2.11%
Class 2	0.74%	0.35%	1.09%	0.72%	0.76%	1.48%
Class 6	1.02%	0.35%	1.37%	1.00%	0.76%	1.76%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

\*\* The Property Expense Ratio (PER) reflects any additional costs associated with the day-to-day operation of the direct property assets and is presented as a percentage of the average net value of the Fund over the year.

\*\*\* The Total Ratio represents the aggregate charges of the feeder (the sub-fund) and its qualifying master scheme (the Master fund).

# Following the update to the Prospectus and the change in charging structure of the fund part way through the period, the ongoing charges figure has been based on the revised fee structure and therefore is not on an ex-post basis.

† The Fund purchases Share class D of the UK Property Fund which does not carry an annual management charge.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## FUND PORTFOLIO STATEMENT

As at 30 September 2018

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Collective Investment Schemes 98.60% (99.62%)</b>				
Aviva Investors UK Property Fund <sup>†</sup>	GBP	327,762,684	351,782	98.60
<b>Total collective investment schemes</b>			<b>351,782</b>	<b>98.60</b>
Investment assets			351,782	98.60
Net other assets			4,990	1.40
<b>Net assets</b>			<b>356,772</b>	<b>100.00</b>

The comparative percentage figures in brackets are as at 30 September 2017.

<sup>†</sup> Investment managed by a related party.

## STATEMENT OF TOTAL RETURN

### For the year ended 30 September 2018

	Notes	Year ended 30.09.18 £000	Period ended 30.09.17* £000
<b>Income</b>			
Net capital gains	2	17,706	3,598
Revenue	3	12,359	1,609
Expenses	4	(3,365)	(449)
Net revenue before taxation		8,994	1,160
Taxation	5	(1,269)	(194)
Net revenue after taxation		7,725	966
<b>Total return before distributions</b>		<b>25,431</b>	<b>4,564</b>
Distributions	6	(7,725)	(966)
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>17,706</b>	<b>3,598</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

### For the year ended 30 September 2018

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
<b>Opening net assets attributable to unitholders</b>	<b>401,054</b>	<b>–</b>
Movement due to issue and cancellation of units:		
Amounts receivable on issue of units	56,563	436,558
Amounts payable on cancellation of units	(131,060)	(40,798)
	(74,497)	395,760
Dilution adjustment	4,899	771
Change in net assets attributable to unitholders from investment activities (see above)	17,706	3,598
Retained distribution on accumulation units	7,610	925
<b>Closing net assets attributable to unitholders</b>	<b>356,772</b>	<b>401,054</b>

\* Fund launched on 18 August 2017.

## BALANCE SHEET

### As at 30 September 2018

	Notes	As at 30.09.18 £000	As at 30.09.17 £000
<b>Assets:</b>			
Investments	7	351,782	399,510
<b>Current assets:</b>			
Debtors	8	8,404	4,489
Cash and bank balances	9	–	145
<b>Total assets</b>		<b>360,186</b>	<b>404,144</b>
<b>Liabilities:</b>			
<b>Creditors:</b>			
Bank overdrafts		(5)	–
Other creditors	10	(3,409)	(3,090)
<b>Total liabilities</b>		<b>(3,414)</b>	<b>(3,090)</b>
<b>Net assets attributable to unitholders</b>		<b>356,772</b>	<b>401,054</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Accounting basis and policies

Please see pages 6 and 7 for accounting basis and policies.

### 2 Net capital gains

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
<b>Net capital gains on investments during the year/period comprise:</b>		
Realised non-derivative securities gains/(losses)	2,921	(237)
Unrealised non-derivative securities gains	14,785	3,835
<b>Net capital gains</b>	<b>17,706</b>	<b>3,598</b>

### 3 Revenue

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
Interest on debt securities	178	11
Property income distributions	9,530	1,407
UK dividends	2,651	191
<b>Total revenue</b>	<b>12,359</b>	<b>1,609</b>

### 4 Expenses<sup>†</sup>

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
<b>Payable to the Manager, associates of the Manager and agents of either of them:</b>		
Manager's periodic charge/Fund Management Fee**	3,105	400
Registration fees	255	48
	3,360	448
<b>Payable to the Trustee, associates of the Trustee or agents of either of them:</b>		
Safe custody fee	4	1
Trustee's fee	1	–
	5	1
<b>Total expenses</b>	<b>3,365</b>	<b>449</b>

\* Fund launched on 18 August 2017.

\*\* From 4 June 2018 the Fund changed to a single fixed charge known as the Fund Management Fee (FMF). The FMF covers fees and expenses in relation to the operation and administration of the Company and the Fund.

<sup>†</sup> Audit Fee: The audit fee for the Aviva Investors UK Property Fund master feeder structure is borne at the level of the Aviva Investors UK Property Fund. The audit fee (excluding VAT) incurred during the year was £41,990 (2017: £41,000). This includes £11,307 (2017: £11,000) (excluding VAT) charged for the audit of the Aviva Investors UK Property Feeder Accumulation Fund and Aviva Investors UK Property Feeder Income Fund.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**5 Taxation****a Analysis of tax charge**

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
Corporation tax	1,269	194
<b>Total tax for the year/period (see note 5b)</b>	<b>1,269</b>	<b>194</b>

**b Factors affecting current tax charge**

The tax assessed for the year is lower than (2017: lower than) the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2017: 20%).

The differences are explained below:

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
<b>Net revenue before taxation</b>	<b>8,994</b>	<b>1,160</b>
Corporation tax at 20%	1,799	232
<b>Effects of:</b>		
UK dividends not subject to corporation tax	(530)	(38)
<b>Total tax for the year/period (see note 5a)</b>	<b>1,269</b>	<b>194</b>

Authorised Investment Funds are exempt from tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

**c Deferred tax**

There was no provision for deferred tax at the year end.

**6 Distributions**

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
<b>The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:</b>		
Interim distribution	4,665	–
Final distribution	2,945	925
	7,610	925
Add: Revenue deducted on cancellation of units	511	49
Deduct: Revenue received on issue of units	(396)	(8)
<b>Total distributions</b>	<b>7,725</b>	<b>966</b>

Details of the distributions per unit are set out in the distribution tables on page 19.

\* Fund launched on 18 August 2017.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**7 Fair value hierarchy**

	As at 30.09.18 Assets £000	As at 30.09.17 Assets £000
Level 2: Observable market data	351,782	399,510
<b>Total value</b>	<b>351,782</b>	<b>399,510</b>

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities.

The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority is given to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

**Level 1:** Unadjusted quoted price in an active market for an identical instrument;

**Level 2:** Valuation techniques using observable inputs other than quoted prices within level 1;

**Level 3:** Valuation techniques using unobservable inputs.

**8 Debtors**

	As at 30.09.18 £000	As at 30.09.17 £000
Accrued revenue	4,286	1,609
Amounts receivable on issue of units	916	519
Income tax recoverable	2,188	–
Sales awaiting settlement	1,014	2,361
<b>Total debtors</b>	<b>8,404</b>	<b>4,489</b>

**9 Cash and bank balances**

	As at 30.09.18 £000	As at 30.09.17 £000
Cash and bank balances	–	145

**10 Other creditors**

	As at 30.09.18 £000	As at 30.09.17 £000
Accrued expenses	219	448
Amounts payable for cancellation of units	791	1,918
Corporation tax payable	1,463	194
Purchases awaiting settlement	936	530
<b>Total other creditors</b>	<b>3,409</b>	<b>3,090</b>

**11 Contingent liabilities and commitments**

There were no contingent liabilities or commitments at the year end (2017: £nil).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**12 Related party transactions**

Aviva Investors UK Fund Services Limited, Aviva Investors Global Services Limited and the Aviva Group are deemed to be related parties per section 33.10 of FRS 102 as they are entities with control, joint control or significant influence over the entity.

The Manager's periodic charges/Fund Management Fee paid to Aviva Investors UK Fund Services Limited (the Manager) are shown in note 4 and details of units issued and cancelled by the Manager are shown in the statement of change in net assets attributable to unitholders. The balance due to the Manager at the year end in respect of Manager periodic charges/Fund Management Fee was £219,196 (2017: £400,055). Any balance due from the Manager in respect of issues is shown in note 8. Any balance due to the Manager in respect of cancellations is shown in note 10.

Distributions payable to the Manager and related parties of the Manager during the year amounted to £1,735,418 (2017: £100,523). The amount outstanding at the year end was £721,879 (2017: £100,523). Related parties of the Manager are deemed to be all companies under the control of Aviva Plc. This will include companies which hold units in the Fund on behalf of other external investors.

Any investments managed and advised by Aviva Investors Global Services Limited or associated with the Aviva Group are identified on the portfolio statement. The total purchases and sales on these investments during the year amounted to £68,138,086 (2017: £436,779,855) and £133,571,930 (2017: £40,867,892) respectively. The income received during the year amounted to £12,359,230 (2017: £1,608,776).

Holdings at the period end are as follows:

	Holdings at 30.09.18 (units)	Movement (units)	Holdings at 30.09.17 (units)
Manager and related parties (Class SC 1 units)	49,462,552	(1,890,717)	51,353,269
Manager and related parties (Class SC 2 units)	35,592,177	35,478,743	113,434
Manager and related parties (Class SC 6 units)	65,421	–	65,421

The Manager and related parties of the Manager are ineligible to vote at any general meeting.

**13 Unitholder funds**

The Fund currently has three unit classes: Classes 1 and 6 (Retail) and Class 2 (Institutional). The annual management charges are as follows:

Class 1: 1.02%  
Class 2: 0.74%  
Class 6: 1.02%

The net asset value per unit class, the net asset value per unit and the number of units in the class are shown on page 10. The distributions per unit class are given in the distribution tables on page 19. All the unit classes have the same rights on winding up.

**14 Units in issue reconciliation**

	Number of units in issue at 30.09.17	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue at 30.09.18
Class 1 Accumulation	132,716,918	6,451,592	(29,277,290)	–	109,891,220
Class 2 Accumulation	262,701,616	55,645,985	(97,542,984)	–	220,804,617
Class 6 Accumulation	456,476	11,162	(37,152)	–	430,486

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on page 7.

### Fair value of financial assets and financial liabilities

There is no significant difference between the carrying values of the financial assets and liabilities and their fair values (2017: £nil).

### Foreign currency risk

The Fund's financial assets and liabilities are all denominated in Sterling. As a result, the Fund has no exposure to currency movement.

### Interest rate risk

At the year end date 0% (2017: 0.04%) of the net assets of the Fund were interest bearing. The exposure is not considered significant.

The floating rate on bank balances is linked to the Trustee's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

### Market price risk

At the year end date, 98.60% (2017: 99.62%) of the net assets of the Fund were invested in ordinary shares or stock units or property related assets and admitted to an official stock exchange. If the market value were to change by 10%, the value of the Fund would change by 9.86% (2017: 9.96%).

### 16 Direct transaction costs

Due to the nature of the investments held, no transaction costs or taxes were incurred on the Fund's purchases or sales during the current year ended 30 September 2018 (2017: £nil). The total purchases for the year amounted to £68,138,086 (2017: £436,779,855) and the total sales amounted to £133,571,930 (2017: £40,867,892).

### Dealing spread

As at 30 September 2018, the average portfolio dealing spread was nil% (2017: nil%). This spread represents the difference between the values determined retrospectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

### 17 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2017: £nil).

## DISTRIBUTION TABLES

**Final distribution payable in pence per unit for the six months ended 30 September 2018**

Accumulation units		Net revenue	Equalisation	Final distribution payable 30 November 2018	Final distribution paid 30 November 2017
Class 1 (Acc)	Group 1	0.7787	–	0.7787	0.1949
	Group 2	0.6471	0.1316	0.7787	0.1949
Class 2 (Acc)	Group 1	0.9445	–	0.9445	0.2532
	Group 2	0.6936	0.2509	0.9445	0.2532
Class 6 (Acc)	Group 1	0.8346	–	0.8346	0.2273
	Group 2	0.6505	0.1841	0.8346	0.2273

**Final Distribution**

Group 1 units are those units purchased at 12:00 noon on 31 March 2018.

Group 2 units are those units purchased after 12:00 noon on 31 March 2018.

**Interim distribution paid in pence per unit for the six months ended 31 March 2018**

Accumulation units		Net revenue	Equalisation	Interim distribution paid 31 May 2018
Class 1 (Acc)	Group 1	1.0977	–	1.0977
	Group 2	0.5808	0.5169	1.0977
Class 2 (Acc)	Group 1	1.3561	–	1.3561
	Group 2	0.5177	0.8384	1.3561
Class 6 (Acc)	Group 1	1.2414	–	1.2414
	Group 2	0.6913	0.5501	1.2414

**Interim Distribution**

Group 1 units are those units purchased at 12:00 noon on 30 September 2017.

Group 2 units are those units purchased after 12:00 noon on 30 September 2017.

**Equalisation**

Equalisation applies only to Group 2 units, in other words units purchased during the relevant period. It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

## AVIVA INVESTORS UK PROPERTY FEEDER INCOME FUND

### INVESTMENT OBJECTIVE

To obtain returns via income and capital appreciation.

### INVESTMENT APPROACH

To invest solely in the Aviva Investors UK Property Fund with the exception of cash balances which may also be held for the purposes of maintaining sufficient liquidity to enable the Fund to meet its commitments, such as expenses and redemptions.

### RISK PROFILE

The Trust invests in the Aviva Investors UK Property Fund (the Master Fund), which invests a significant proportion of its assets in physical property that at times may not always be readily saleable. Investors should be aware that during such times that the Trust's property of the Master Fund is not readily saleable, the ACD of the Master Fund may defer redemptions or suspend dealing in shares of the Master Fund, meaning that the Manager will necessarily defer redemptions of units, or suspend dealing in units in the Trust. As a result of this, the Trust may be suitable only for those investors who have capital which may be committed on a long-term basis.

Investments in property are relatively illiquid and more difficult to realise than equities or bonds.

There is no assurance that the estimates resulting from the valuation process will reflect the actual sales price even where a sale occurs shortly after the valuation date.

The value of investments and the income from them will change over time.

### FUND MANAGER'S REPORT

#### TOTAL PERFORMANCE

Over the twelve months ended to 30 September 2018, the Fund\* delivered a total returned of 5.57 per cent (Share class 2 accumulation), net of fees.

#### AVIVA INVESTORS UK PROPERTY FUND PROFILE AND PORTFOLIO REVIEW

As the Feeder Fund invests solely in units of the Aviva Investors UK Property Fund, the following information relates to the underlying portfolio of that Fund.

During the period, the Fund Managers have continued to embed the overarching strategy of Aviva Investors Real Estate in the Fund, taking into account current and forecast structural trends and technological changes which are changing customer requirements in the property sector. This strategy has continued to underpin the Fund's asset disposals and retentions, and asset management approach. Good progress has been made in terms of focussing the Fund's investments in fewer, higher quality assets in selected locations, enabling the team to leverage local market knowledge and expertise. The strategy of the Fund has continued to be conviction based, focused on value investing where market pricing is attractive and where we believe we can add value.

Significant changes have been made to the portfolio in order to return the Fund to a position of strong performance and to provide resilient income for our investors over the medium to long term. In particular, the resilience of the Fund's income has been borne out in the retail sector. Despite a relatively high number of high-profile administrations, company voluntary agreements (CVA) and store closure programmes in the UK retail and casual dining sectors, the Fund's income was impacted by only 2 of these, representing 0.5% of the Fund's income.

Key activities undertaken in the year have included strategic disposals, completion of the development of Forum St Paul's (City of London office), the refurbishment of the Pavilion Centre (Brighton retail park) and various asset management transactions as summarised below:

- Eight strategic disposals which contributed to an increase in the Fund's average property size from £29.4m to £30.6m, including:
  - Various properties outside of our locational strategy including properties in High Wycombe, Swindon, Cardiff, Southampton and Kettering.
  - 20 Soho Square, an office asset in London's West End, completed on 2 July following successful delivery of the asset's business plan, and resulting in cash available for reinvestment in line with the Fund's strategy.
  - Broadway Plaza (a Birmingham leisure asset), taking advantage of a buoyant market for leisure assets.
- Thirty-three asset management events including:
  - Three rent reviews
  - Eleven lease renewals and re-gears
  - Nineteen new lettings completed including the first letting at Forum St Paul's on a 10 year term to Epiris LLP (private equity firm) at a strong headline rent, and two new long term leases at the Pavilion Centre; a 20-year lease agreed with Aldi, and a 15-year lease to Hobbycraft.
  - New agreements for lease in place at year end including one at 123 St. Vincent Street in Glasgow for four floors to HMRC and one at Interpoint in Edinburgh to Royal London for the whole building.

## AVIVA INVESTORS UK PROPERTY FEEDER INCOME FUND (CONTINUED)

### FUND MANAGER'S REPORT (CONTINUED)

#### OUTLOOK

Looking ahead, Brexit is a significant risk to the UK economy and property market. Whilst the course of the current Brexit negotiations between the UK government and the EU is notoriously hard to judge, we are not complacent and have undertaken work to increase the Fund's resilience to macro-shocks, as well as longer term trends. As a result of this work we believe the Fund now holds a more resilient portfolio focused on investments where we can actively add value. Additionally, the Fund has diversified its risk exposure by having a diverse tenant mix across 192 separate tenancies and a geographically diverse portfolio with a lower exposure to Central London offices (9.4% at year end).

The Fund is also focused on maintaining a healthy cash balance and holds a "liquidity pool" of assets which could be brought to the market relatively quickly in the event of experiencing reduced liquidity. These would however only be used to build liquidity through an orderly sale process. At year end, the Fund had a strong cash position (20.6%) and stood ready to make strategic acquisitions, including being under offer on the forward funding of a fully-let retail warehouse scheme.

#### November 2018

\* Source: Lipper for Investment Management (performance calculated on a bid to bid basis, net income reinvested) as at 30 September 2018 (unit 2 inc).

Some of the information within this is based upon Aviva Investors estimates. These have been calculated by Aviva Investors Real Estate Strategy and Research Team based on data sourced from recent market transactions and should not to be relied on by anyone else for the purpose of making investment decisions. Past performance is not a guide to future.

### PROPERTY RELATED SECURITIES SALES

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Aviva Investors UK Property Fund<sup>†</sup>

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<sup>†</sup> Investment managed by a related party.

### PROPERTY RELATED SECURITIES PURCHASES

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Aviva Investors UK Property Fund<sup>†</sup>

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<sup>†</sup> Investment managed by a related party.

## COMPARATIVE TABLES

Class 1 (Inc)	2018 p per unit	2017* p per unit
<b>Change in net assets per unit</b>		
Opening net asset value per unit	100.74	100.00
Return before operating charges <sup>†</sup>	6.43	1.09
Operating charges	(1.28)	(0.16)
Return after operating charges <sup>†</sup>	5.15	0.93
Distributions	(1.86)	(0.19)
Closing net asset value per unit	104.03	100.74
† after direct transaction costs of	–	–
<b>Performance</b>		
Return after operating charges	5.11%	0.93%
<b>Other information</b>		
Closing net asset value (£000)	94,014	124,622
Closing number of units	90,371,585	123,702,430
Operating charges (%) <sup>†</sup>	1.25%	1.35%
Direct transaction costs (%) <sup>#</sup>	–	–
<b>Prices<sup>°</sup></b>		
Highest unit price	107.87	105.12
Lowest unit price	99.72	98.75

Class 5 (Inc)	2018 p per unit	2017* p per unit
<b>Change in net assets per unit</b>		
Opening net asset value per unit	100.74	100.00
Return before operating charges <sup>†</sup>	0.90	1.08
Operating charges	(0.64)	(0.08)
Return after operating charges <sup>†</sup>	0.26	1.00
Distributions	–	(0.26)
Closing net asset value per unit	101.00	100.74
† after direct transaction costs of	–	–
<b>Performance</b>		
Return after operating charges	0.26%	1.00%
<b>Other information</b>		
Closing net asset value (£000)	–	16
Closing number of units	1	16,419
Operating charges (%) <sup>†</sup>	0.63%	0.65%
Direct transaction costs (%) <sup>#</sup>	–	–
<b>Prices<sup>°</sup></b>		
Highest unit price	102.50	100.44
Lowest unit price	99.72	98.76

Class 2 (Inc)	2018 p per unit	2017* p per unit
<b>Change in net assets per unit</b>		
Opening net asset value per unit	100.74	100.00
Return before operating charges <sup>†</sup>	6.34	1.07
Operating charges	(0.75)	(0.08)
Return after operating charges <sup>†</sup>	5.59	0.99
Distributions	(2.29)	(0.25)
Closing net asset value per unit	104.04	100.74
† after direct transaction costs of	–	–
<b>Performance</b>		
Return after operating charges	5.55%	0.99%
<b>Other information</b>		
Closing net asset value (£000)	123,394	194,144
Closing number of units	118,606,648	192,711,747
Operating charges (%) <sup>†</sup>	0.73%	0.72%
Direct transaction costs (%) <sup>#</sup>	–	–
<b>Prices<sup>°</sup></b>		
Highest unit price	104.35	100.44
Lowest unit price	99.72	98.76

Class 6 (Inc)	2018 p per unit	2017* p per unit
<b>Change in net assets per unit</b>		
Opening net asset value per unit	100.74	100.00
Return before operating charges <sup>†</sup>	6.40	1.09
Operating charges	(1.04)	(0.12)
Return after operating charges <sup>†</sup>	5.36	0.97
Distributions	(2.07)	(0.23)
Closing net asset value per unit	104.03	100.74
† after direct transaction costs of	–	–
<b>Performance</b>		
Return after operating charges	5.32%	0.97%
<b>Other information</b>		
Closing net asset value (£000)	1,966	2,101
Closing number of units	1,889,803	2,085,357
Operating charges (%) <sup>†</sup>	1.01%	1.00%
Direct transaction costs (%) <sup>#</sup>	–	–
<b>Prices<sup>°</sup></b>		
Highest unit price	108.02	105.16
Lowest unit price	99.72	98.76



## COMPARATIVE TABLES (CONTINUED)

Class 7 (Inc)**	2018 p per unit
<b>Change in net assets per unit</b>	
Opening net asset value per unit	100.00
Return before operating charges <sup>†</sup>	1.00
Operating charges	–
Return after operating charges <sup>†</sup>	1.00
Distributions	(1.00)
Closing net asset value per unit	100.00
<sup>†</sup> after direct transaction costs of	–
<b>Performance</b>	
Return after operating charges	1.00%
<b>Other information</b>	
Closing net asset value (£000)	–
Closing number of units	1
Operating charges (%) <sup>‡</sup>	0.00%
Direct transaction costs (%) <sup>#</sup>	–
<b>Prices<sup>≈</sup></b>	
Highest unit price	100.51
Lowest unit price	99.02

\* Unit class launched on 18 August 2017.

\*\* Unit class launched on 24 August 2018.

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charge Figure where:

(a) Changes to fee rates were made during the period and the Ongoing Charge Figure has been amended to be future proofed for this change.

(b) The Ongoing Charge has been annualised for a unit class that has not yet been open for a full year.

# The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. The net asset value per unit price is based on the net asset value in the published accounts and may be different due to post period end accounting adjustments.

Ongoing Charges Figure\*<sup>†</sup>

Unit class	OCF*	PER**	Total***	OCF*	PER**	Total***
	30.09.18	30.09.18	30.09.18	30.09.17	30.09.17	30.09.17
Class 1	1.02% <sup>#</sup>	0.35%	1.37%	1.35%	0.76%	2.11%
Class 2	0.74%	0.35%	1.09%	0.72%	0.76%	1.48%
Class 5	0.67%	0.35%	1.02%	0.65%	0.76%	1.41%
Class 6	1.02%	0.35%	1.37%	1.00%	0.76%	1.76%
Class 7	0.74%	0.35%	1.09%	–	–	–

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as “synthetic charges” or the “synthetic” part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

\*\* The Property Expense Ratio (PER) reflects any additional costs associated with the day-to-day operation of the direct property assets and is presented as a percentage of the average net value of the Fund over the year.

\*\*\* The Total Ratio represents the aggregate charges of the feeder (the sub-fund) and its qualifying master scheme (the Master fund).

# Following the update to the Prospectus and the change in charging structure of the fund part way through the period, the ongoing charges figure has been based on the revised fee structure and therefore is not on an ex-post basis.

† The Fund purchases Share class D of the UK Property Fund which does not carry an annual management charge.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## FUND PORTFOLIO STATEMENT

As at 30 September 2018

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Collective Investment Schemes 99.25% (99.85%)</b>				
Aviva Investors UK Property Fund <sup>†</sup>	GBP	209,808,684	217,729	99.25
<b>Total collective investment schemes</b>			<b>217,729</b>	<b>99.25</b>
Investment assets			217,729	99.25
Net other assets			1,645	0.75
<b>Net assets</b>			<b>219,374</b>	<b>100.00</b>

The comparative percentage figures in brackets are as at 30 September 2017.

<sup>†</sup> Investment managed by a related party.

## STATEMENT OF TOTAL RETURN

### For the year ended 30 September 2018

	Notes	Year ended 30.09.18 £000	Period ended 30.09.17* £000
<b>Income</b>			
Net capital gains	2	6,154	2,037
Revenue	3	9,081	1,251
Expenses	4	(2,512)	(360)
Net revenue before taxation		6,569	891
Taxation	5	(969)	(148)
Net revenue after taxation		5,600	743
<b>Total return before distributions</b>		<b>11,754</b>	<b>2,780</b>
Distributions	6	(5,600)	(743)
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>6,154</b>	<b>2,037</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

### For the year ended 30 September 2018

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
<b>Opening net assets attributable to unitholders</b>	<b>320,883</b>	<b>–</b>
Movement due to issue and cancellation of units:		
Amounts receivable on issue of units	22,755	329,893
Amounts payable on cancellation of units	(133,060)	(11,391)
	(110,305)	318,502
Dilution adjustment	2,642	344
Change in net assets attributable to unitholders from investment activities (see above)	6,154	2,037
<b>Closing net assets attributable to unitholders</b>	<b>219,374</b>	<b>320,883</b>

\* Fund launched on 18 August 2017.

## BALANCE SHEET

As at 30 September 2018

	Notes	As at 30.09.18 £000	As at 30.09.17 £000
<b>Assets:</b>			
Investments	7	217,729	320,404
<b>Current assets:</b>			
Debtors	8	6,427	4,283
<b>Total assets</b>		<b>224,156</b>	<b>324,687</b>
<b>Liabilities:</b>			
<b>Creditors:</b>			
Bank overdraft		(5)	(482)
Distribution payable		(1,825)	(734)
Other creditors	9	(2,952)	(2,588)
<b>Total liabilities</b>		<b>(4,782)</b>	<b>(3,804)</b>
<b>Net assets attributable to unitholders</b>		<b>219,374</b>	<b>320,883</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Accounting basis and policies

Please see pages 6 and 7 for accounting basis and policies.

### 2 Net capital gains

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
<b>Net capital gains on investments during the year/period comprise:</b>		
Realised non-derivative securities gains/(losses)	2,055	(77)
Unrealised non-derivative securities gains	4,099	2,114
<b>Net capital gains</b>	<b>6,154</b>	<b>2,037</b>

### 3 Revenue

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
Interest on debt securities	125	9
Property income distributions	7,231	1,089
UK dividends	1,725	153
<b>Total revenue</b>	<b>9,081</b>	<b>1,251</b>

### 4 Expenses<sup>†</sup>

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
<b>Payable to the Manager, associates of the Manager or agents of either of them:</b>		
Manager's periodic charge/Fund Management Fee**	2,316	322
Registration fees	191	37
	2,507	359
<b>Payable to the Trustee, associates of the Trustee and agents of either of them:</b>		
Safe custody fee	4	1
Trustee's fee	1	–
	5	1
<b>Total expenses</b>	<b>2,512</b>	<b>360</b>

\* Fund launched on 18 August 2017.

\*\* From 4 June 2018 the Fund changed to a single fixed charge known as the Fund Management Fee (FMF). The FMF covers fees and expenses in relation to the operation and administration of the Company and the Fund.

† Audit Fee: The audit fee for the Aviva Investors UK Property Fund master feeder structure is borne at the level of the Aviva Investors UK Property Fund. The audit fee (excluding VAT) incurred during the year was £41,990 (2017: £41,000). This includes £11,307 (2017: £11,000) (excluding VAT) charged for the audit of the Aviva Investors UK Property Feeder Accumulation Fund and Aviva Investors UK Property Feeder Income Fund.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**5 Taxation****a Analysis of tax charge**

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
Corporation tax	969	148
<b>Total tax for the year/period (see note 5b)</b>	<b>969</b>	<b>148</b>

**b Factors affecting current tax charge**

The tax assessed for the year is lower than (2017: lower than) the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2017: 20%).

The differences are explained below:

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
<b>Net revenue before taxation</b>	<b>6,569</b>	<b>891</b>
Corporation tax at 20%	1,314	178
<b>Effects of:</b>		
UK dividends not subject to corporation tax	(345)	(30)
<b>Total tax for the year/period (see note 5a)</b>	<b>969</b>	<b>148</b>

Authorised Investment Funds are exempt from tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

**c Deferred tax**

There was no provision for deferred tax at the year end (2017: £nil).

**6 Distributions**

	Year ended 30.09.18 £000	Period ended 30.09.17* £000
<b>The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:</b>		
Interim distribution	3,342	–
Final distribution	1,825	734
	5,167	734
Add: Revenue deducted on cancellation of units	549	15
Deduct: Revenue received on issue of units	(116)	(6)
<b>Total distributions</b>	<b>5,600</b>	<b>743</b>

Details of the distributions per unit are set out in the distribution tables on page 32.

\* Fund launched on 18 August 2017.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**7 Fair value hierarchy**

Valuation technique	As at 30.09.18 Assets £000	As at 30.09.17 Assets £000
Level 2: Observable market data	217,729	320,404
<b>Total value</b>	<b>217,729</b>	<b>320,404</b>

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities.

The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority is given to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

**Level 1:** Unadjusted quoted price in an active market for an identical instrument;

**Level 2:** Valuation techniques using observable inputs other than quoted prices within level 1;

**Level 3:** Valuation techniques using unobservable inputs.

**8 Debtors**

	As at 30.09.18 £000	As at 30.09.17 £000
Accrued revenue	2,929	1,251
Amounts receivable on issue of units	233	133
Income tax recoverable	1,664	–
Sales awaiting settlement	1,601	2,899
<b>Total debtors</b>	<b>6,427</b>	<b>4,283</b>

**9 Other creditors**

	As at 30.09.18 £000	As at 30.09.17 £000
Accrued expenses	147	360
Amounts payable for cancellation of units	1,451	1,946
Corporation tax payable	1,116	148
Purchases awaiting settlement	238	134
<b>Total other creditors</b>	<b>2,952</b>	<b>2,588</b>

**10 Contingent liabilities and commitments**

There were no contingent liabilities or commitments at the year end (2017: £nil).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 11 Related party transactions

Aviva Investors UK Fund Services Limited, Aviva Investors Global Services Limited and the Aviva Group are deemed to be related parties per section 33.10 of FRS 102 as they are entities with control, joint control or significant influence over the entity.

The Manager's periodic charges/Fund Management Fee paid to Aviva Investors UK Fund Services Limited (the Manager) are shown in note 4 and details of units issued and cancelled by the Manager are shown in the statement of change in net assets attributable to unitholders. The balance due to the Manager at the year end in respect of Manager periodic charges/Fund Management Fee was £146,386 (2017: £322,385). Any balance due from the Manager in respect of issues is shown in note 8. Any balance due to the Manager in respect of cancellations is shown in note 9.

Distributions payable to the Manager and related parties of the Manager during the year amounted to £408,985 (2017: £22,509). The amount outstanding at the year end was £148,448 (2017: £22,509). Related parties of the Manager are deemed to be all companies under the control of Aviva Plc. This will include companies which hold units in the Fund on behalf of other external investors.

Any investments managed and advised by Aviva Investors Global Services Limited or associated with the Aviva Group are identified on the portfolio statement. The total purchases and sales on these investments during the year amounted to £25,908,913 (2017: £329,984,747) and £134,738,562 (2017: £11,617,668) respectively. The income received during the year amounted to £9,079,963 (2017: £1,251,377).

Holdings at the period end and movements during the period are as follows:

	Holdings at 30.09.18 (units)	Movement (units)	Holdings at 30.09.17 (units)
Manager and related parties (Class SC 1 units)	9,838,927	(1,710,288)	11,549,215
Manager and related parties (Class SC 2 units)	7,733,373	7,728,986	4,387

The Manager and related parties of the Manager are ineligible to vote at any general meeting.

### 12 Unitholder funds

The Fund currently has five unit classes: Class 1 and Class 6 (Retail) and Class 2, Class 5 and Class 7 (Institutional). The Fund Management Fee are as follows:

Class 1:	1.02%
Class 2:	0.74%
Class 5:	0.67%
Class 6:	1.02%
Class 7:	0.74%

The net asset value per unit class, the net asset value per unit and the number of units in the class are shown on pages 22 and 23. The distributions per unit class are given in the distribution table on page 32. All the unit classes have the same rights on winding up.

### 13 Units in issue reconciliation

	Number of units in issue at 30.09.17	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue at 30.09.18
Class 1 Income	123,702,430	2,231,990	(35,552,813)	(10,022)	90,371,585
Class 2 Income	192,711,747	19,921,673	(94,036,788)	10,016	118,606,648
Class 5 Income	16,419	–	(16,418)	–	1
Class 6 Income	2,085,357	30,528	(226,082)	–	1,889,803
Class 7 Income	–	1	–	–	1



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 14 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on page 7.

### Fair value of financial assets and financial liabilities

There is no significant difference between the carrying values of the financial assets and liabilities and their fair values (2017: £nil).

### Foreign currency risk

The Fund's financial assets and liabilities are all denominated in Sterling. As a result, the Fund has no exposure to currency movement.

### Interest rate risk

At the year end date 0% (2017: 0.04%) of the net assets of the Fund were interest bearing. The exposure is not considered significant.

The floating rate on bank balances is linked to the Trustee's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

### Market price risk

At the year end date, 99.25% (2017: 99.85%) of the net assets of the Fund were invested in ordinary shares or stock units or property related assets and admitted to an official stock exchange. If the market value were to change by 10%, the value of the Fund would change by 9.93% (2017: 9.98%).

### 15 Direct transaction costs

Due to the nature of the investments held, no transaction costs or taxes were incurred on the Fund's purchases or sales during the current year ended 30 September 2018 (2017: £nil). The total purchases for the year amounted to £25,908,913 (2017: 329,984,747) and the total sales amounted to £134,738,562 (2017: £11,617,668).

### Dealing spread

As at 30 September 2018, the average portfolio dealing spread was nil% (2017: nil%). This spread represents the difference between the values determined retrospectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

### 16 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2017: £nil).

## DISTRIBUTION TABLES

## Final distribution payable in pence per unit for the six months ended 30 September 2018

Income units		Net revenue	Equalisation	Final distribution payable 30 November 2018	Final distribution paid 30 November 2017
Class 1	Group 1	0.7716	–	0.7716	0.1948
	Group 2	0.6610	0.1106	0.7716	0.1948
Class 2	Group 1	0.9379	–	0.9379	0.2531
	Group 2	0.7325	0.2054	0.9379	0.2531
Class 5	Group 1	0.0000	–	0.0000	0.2588
	Group 2	0.0000	0.0000	0.0000	0.2588
Class 6	Group 1	0.8290	–	0.8290	0.2272
	Group 2	0.6737	0.1553	0.8290	0.2272
Class 7	Group 1	1.0000	–	1.0000	–
	Group 2	1.0000	0.0000	1.0000	–

**Final Distribution**

Group 1 units are those units purchased at 12:00 noon on 31 March 2018.

Group 2 units are those units purchased after 12:00 noon on 31 March 2018.

## Interim distribution paid in pence per unit for the six months ended 31 March 2018

Income units		Net revenue	Equalisation	Interim distribution paid 31 May 2018
Class 1	Group 1	1.0926	–	1.0926
	Group 2	0.4280	0.6646	1.0926
Class 2	Group 1	1.3512	–	1.3512
	Group 2	0.5786	0.7726	1.3512
Class 5	Group 1	0.0000	–	0.0000
	Group 2	0.0000	0.0000	0.0000
Class 6	Group 1	1.2373	–	1.2373
	Group 2	0.7697	0.4676	1.2373

**Interim Distribution**

Group 1 units are those units purchased at 12:00 noon on 30 September 2017.

Group 2 units are those units purchased after 12:00 noon on 30 September 2017.

**Equalisation**

Equalisation applies only to Group 2 units, in other words units purchased during the relevant period. It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

## SECURITIES FINANCING TRANSACTIONS REGULATION DISCLOSURE (UNAUDITED)

The Trust currently doesn't undertake securities financing transactions (as defined in Article 3 of Regulation (EU) 2015/2365) or use total return swaps.

## STATEMENT OF THE MANAGER'S AND TRUSTEE'S RESPONSIBILITIES

The Collective Investment Schemes Sourcebook of the Financial Conduct Authority requires the Manager to prepare financial statements for each annual accounting period, which give a true and fair view of the financial position of the Trust as at the end of the year, and of the net revenue and the net gains or losses on the property of the Trust for the year then ended. In preparing the financial statements, the Manager is required to:

- comply with the disclosure requirements of the Statement of Recommended Practice relating to Authorised Funds and the Trust Deed; and
- keep proper accounting records which enable it to demonstrate that the financial statements prepared comply with the above requirements.

The Manager is responsible for the management of the Trust in accordance with its Trust Deed, Prospectus and the Regulations.

The Trustee is responsible for safeguarding the property of the Trust, and must take reasonable care to ensure that the Trust is managed by the Manager in compliance with the Regulations, the provision of the Trust Deed and Prospectus.

The Manager and Trustee are responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## TRUSTEE'S REPORT TO THE UNITHOLDERS

The Trustee is responsible for safeguarding the property of the Trust and, in fulfilling our obligations under the Collective Investment Schemes Sourcebook of the Financial Conduct Authority, having made due enquiries of the Manager and having carried out checks and monitoring procedures, it is the opinion of Citibank Europe Plc, UK Branch as Trustee of the Trust, to the best of our knowledge and belief, that in all respects the Manager has managed the Trust during the accounting year to 30 September 2018.

- in accordance with the limitations imposed on the investment and borrowing powers of the Manager and the Trustee by the Trust Deed, by the Prospectus and by all Regulations being in force under Section 243 of the Financial Services and Markets Act 2000; and
- otherwise in accordance with the provisions of the Prospectus and those Regulations.

Citibank Europe Plc, UK Branch  
London  
31 January 2019

## MANAGER'S STATEMENT

We hereby approve the Report and Financial Statements of Aviva Investors UK Property Feeder Trust for the year ended 30 September 2018 on behalf of Aviva Investors UK Fund Services Limited in accordance with the requirements of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority.

I Buckle  
Director

S Ebenston  
Director

Aviva Investors UK Fund Services Limited  
London  
31 January 2019

## INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AVIVA INVESTORS UK PROPERTY FEEDER TRUST

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### OPINION

In our opinion, Aviva Investors UK Property Feeder Trust's financial statements:

- give a true and fair view of the financial position of the Trust and each of the sub-funds as at 30 September 2018 and of the net revenue and the net capital gains on the scheme property of the Authorised Unit Trust and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

Aviva Investors UK Property Feeder Trust (the "Trust") is an Authorised Unit Trust with 2 sub-funds. The financial statements of the Trust comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheets as at 30 September 2018; the statements of total return, the statements of change in net assets attributable to unitholders for the year then ended; the distribution tables; the accounting policies; and the notes to the financial statements.

#### BASIS FOR OPINION

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

#### Independence

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

#### CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the Authorised Fund Manager's (the "Manager") use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Manager has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's or any of the sub-funds' ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's or any of the sub-funds' ability to continue as a going concern.

#### REPORTING ON OTHER INFORMATION

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

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

#### Manager's Report

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

#### RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

##### Responsibilities of the Manager for the financial statements

As explained more fully in the Statement of the Manager's and Trustee's Responsibilities set out on page 34, the Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Manager is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Trust's and each of the sub-funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to wind up or terminate the Trust or individual 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

## INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AVIVA INVESTORS UK PROPERTY FEEDER TRUST (CONTINUED)

### **Use of this report**

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

### **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  
31 January 2019

## GENERAL INFORMATION

Investments in Aviva Investors UK Property Feeder Trust to obtain returns via income and capital appreciation.

Past performance is not a guide to the future.

The value of an investment in the funds and the revenue from it may go down as well as up, and you may not get back the original amount invested.

Where funds are invested abroad, the value of your investment may rise and fall purely on account of movement in exchange rates.

Please refer to the Key Investor Information Document (which is available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the Manager on request) for a full description of the risks involved when investing in the Funds.

Any future returns and opinions expressed are those of the Investment Manager and should not be relied upon as indicating any guarantee of return from investment in the Funds.

The information contained within this document should not be construed as a recommendation to purchase or sell stocks.

The value of capital and revenue will fluctuate as property values and rental income rise and fall and the value of dividends, Government and other public securities and units in collective investment schemes change.

The Annual Report of Aviva Investors Property Funds ICVC containing the Annual Report and Financial Statements of Aviva Investors UK Property Fund may be viewed on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or is available from the Manager on request.

### **Publication of Prices**

Information on the prices of Shares will be available by calling 0800 051 2003 or on the internet at [www.avivainvestors.com](http://www.avivainvestors.com). Calls may be recorded for training or monitoring purposes and to comply with applicable law and regulations. Calls are free from UK landlines and mobiles.

