VALUE AND INDEXED PROPERTY INCOME TRUST PLC – VIP

ANNUAL REPORT AND ACCOUNTS 2022

LONG, STRONG, INDEXED PROPERTY INCOME

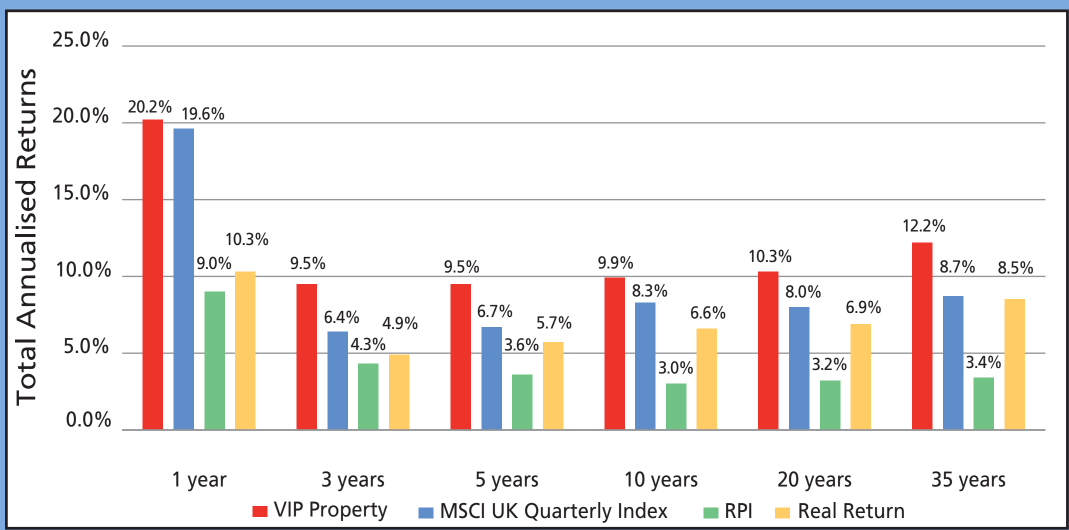
Value and Indexed Property Income Trust PLC (VIP) is an investment trust company listed on the London Stock Exchange. It now invests mainly in direct UK commercial property, with under 15% in UK property-backed securities, to deliver secure, long-term, index-related income. Its performance benchmark changed on 1 April 2021 from the FTSE All Share Index to the MSCI UK Quarterly Property Index.

£1,000 invested in Value and Income Trust PLC, now VIP, when OLIM took over as Managers in 1986 had grown, with dividends reinvested, to £27,395 at end March 2022. The total return was 9.6% p.a., against 5.3% p.a. for the FTSE All Share Index, where £1,000 would have grown to £6,546.

VIP's dividend per share has grown every year and risen by 908% over the 35 years, against the Retail Price Index rise of 222%. The medium term dividend policy is for increases at least in line with inflation, underpinned by VIP's index-related property income.

The VIP Property portfolio delivered a total return of 20.2% over the year against 19.6% for the MSCI UK Quarterly Property Index, the main benchmark for commercial property performance.

VIP Property Portfolio Performance Record Over 35 Years to 31 March 2022



Sector Weightings Since 2012

SECTOR	MARCH 2012	MARCH 2014	MARCH 2020	MARCH 2021	MARCH 2022
Offices	0%	0%	0%	0%	**0%**
Shops and Retail Warehouses	49%	39%	0%	0%	**0%**
Supermarkets	0%	5%	2%	16%	**27%**
Pubs & Restaurants	13%	17%	32%	24%	**13%**
Leisure	10%	11%	12%	8%	**11%**
Industrial	8%	8%	32%	35%	**33%**
Roadside	16%	16%	6%	3%	**7%**
Other	4%	4%	16%	14%	**9%**
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Contents

Financial Calendar

29 October 2021	First quarterly dividend of 3.0p per share for the year ended 31 March 2022
12 November 2021	Announcement of Half-Yearly Financial Report for the six months to 30 September 2021
28 January 2022	Second quarterly dividend of 3.0p per share for the year ended 31 March 2022
29 April 2022	Third quarterly dividend of 3.0p per share for the year ended 31 March 2022
10 June 2022	Announcement of Annual Financial Report for the year ended 31 March 2022
8 July 2022	Annual General Meeting, Edinburgh (12.30pm)
29 July 2022	Final dividend of 3.6p per share payable for the year ended 31 March 2022
28 October 2022	First quarterly dividend payable for the year ending 31 March 2023
November 2022	Announcement of Half-Yearly Financial Report for the six months ending 30 September 2022
27 January 2023	Second quarterly dividend payable for the year ending 31 March 2023

You will see from the Manager's Report that VIP has been successful in continuing with its plan, that I wrote about last year, to establish a portfolio of properties on long leases with inflation linked rent reviews. This has involved greater investment activity than usual, but the re-arrangement of our portfolio has now broadly been completed. Since VIP's year end, we have borrowed an additional £8 million from an existing lender. The net decrease in cash is due to the purchase of additional properties, in line with the Company's investment policy.

Many of the Company's index-linked leases provide for maximum and minimum increases at future rent review, often described as 'caps and collars'. The details of these are shown in Note 9 to the Financial Statements on pages 82 to 84. The Financial Statements have been prepared under IFRS (International Financial Reporting Standards) and IFRS 16 requires that these minimum rent increases, which may arise only many years in the future, are averaged over the whole life of the lease. As detailed in Note 10 to the Financial Statements on page 84, an increase in amounts due from brokers this year has arisen due to the sale of an investment in the quoted portfolio which straddled the year end and the cash was received in full two days later.

The Board is recommending a final dividend of 3.6p per share making total dividends of 12.6p per share for the year to 31 March 2022, compared to 12.3p per share in the previous year, an increase of 2.4%. Subject to Shareholder approval at the Annual General Meeting (AGM), the final dividend will be paid on 29 July 2022 to Shareholders on the register on 1 July 2022. The ex-dividend date is 30 June 2022. It will be the 35th year of dividend increases following the reconstruction of the Company. In the short term this will require some use of our capital reserves. In the medium term, however, the Board will aim to ensure that the dividend is paid from rents and dividends received (after interest costs and management expenses) and that the indexed leases permit future increases in line with inflation.

Net Asset Value total return (with debt at par) and Share Price total return are considered by the Board to be Alternative Performance Measures (APMs) as explained further in the Business Review on pages 31 to 32 and defined in the Glossary on page 100. Over the year, the Net Asset Value total return (with debt at par) was 15.6% (2021: 12.3%) and the Share Price total return was 15.8% (2021: 39.3%). This compares with the FTSE All-Share Index total return of 13.0% (2021: 26.7%). The total return from the property portfolio was 20.2% (2021: 2.3%) (the MSCI UK Quarterly Property Index total returns were 19.6% (2021: 0.9%)) and from the equity portfolio was 24.1% (2021: 26.6%). From 1 April 2021, our performance comparator was changed from the FTSE All-Share Index to the MSCI UK Quarterly Property Index to reflect the change in our investment policy.

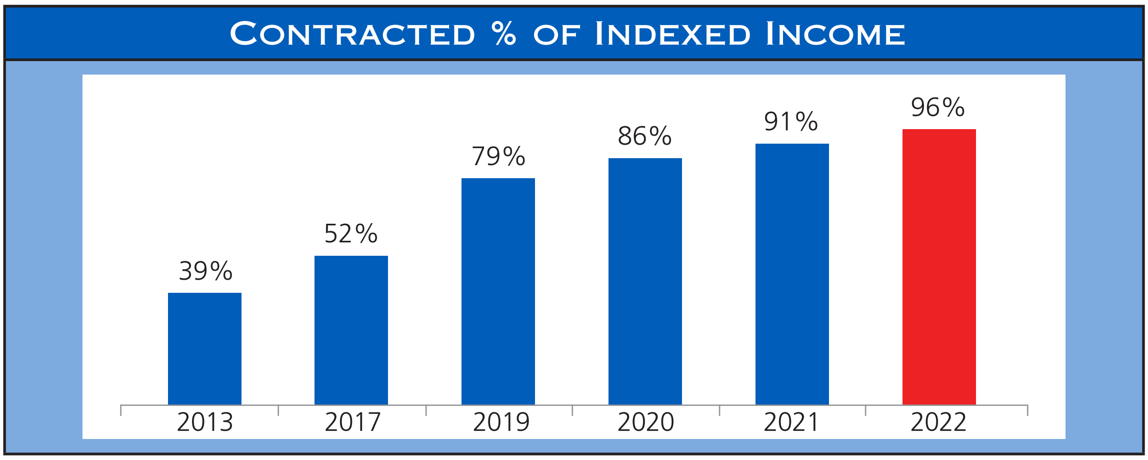
As provided in the Circular issued to Shareholders in December 2020, there will be an opportunity in the future for Shareholders who wish to sell their shares to do so at Net Asset Value less costs. The Board's intention is to table a proposal at the AGM to be held in 2026.

As noted in previous statements, the difference between the fair value and the nominal value of our Debenture Stock and our secured loans is reducing over the life of the Debenture, which would be repaid at its nominal (par) value. The figures are set out in Note 17 to the Financial Statements on pages 87 and 88. We announced on 24 May 2022 that we intend to repay this Debenture early to reduce interest costs and provide greater flexibility in the management of our portfolio.

This years' AGM will be held in the offices of Shepherd & Wedderburn LLP, 1 Exchange Crescent, Conference Square, Edinburgh EH3 8UL on Friday, 8 July 2022 at 12.30pm. The Notice of Annual General Meeting can be found on pages 101 to 106 of this Annual Report. The Board encourages Shareholders to vote using the Proxy Form, which can be submitted to Computershare, the Company's Registrar. Proxy Forms should be completed and returned in accordance with the instructions thereon and the latest time for the receipt of Proxy Forms is 12.30pm on Wednesday, 6 July 2022. Proxy votes can also be submitted by CREST or online using the Registrar's Share Portal Service at **www.investorcentre.co.uk/eproxy**.

I announced last year that I intended to retire during the course of 2022 and, accordingly, I shall be retiring after the AGM and John Kay will become Chairman. Over the years, I have appreciated greatly the support of my colleagues on the Board, and also the professionalism and attention to detail of our Managers and Secretaries.

The outlook for markets is dominated at present by the major uncertainties of inflation and Ukraine. However, property with long term, inflation-related leases offers good value in these circumstances.



James Ferguson
Chairman

10 June 2022

Summary of Portfolio

	31 March 2022		31 March 2021	
	£m	%	£m	%
UK Property	155.8	83.0	81.1	46.2
UK Equities	26.9	14.3	28.6	16.3
Cash	5.2	2.7	66.0	37.5
	187.9	100.0	175.7	100.0

PROPERTY PORTFOLIO

THE MARKET

The MSCI UK Quarterly Property Index, the most representative measure of the performance of institutional investment property portfolios, showed a total return of 16.3% over 2021, with capital growth of 11.5%. Estimated rental values were up overall by 1.8%, with retail 3% down on average, offices and alternatives virtually level and industrial property up 9%. Differential movements in capital values were more dramatic, with industrial property up by no less than 31%, retail and alternative sector properties up on average by 3%-4% and offices flat. For 2021 as a whole, total returns, taking capital and income together, for industrial/warehouse property averaged 36%, with retail and alternatives averaging 8%-10% and offices only 5%. 2021 was the first year since 2009 when retail property in the UK outperformed offices. There will be many more as the office sector remains locked in long term structural decline.

Total returns will be lower but still satisfactory over 2022 as a whole. They may be around 12% overall, with returns for industrials, retail and the alternative sectors all in the early teens but offices only around 5% with capital values flat, rents under pressure and voids through the roof. Property's real returns will be far lower, with the RPI already up 9% year on year. It will stay higher for longer than the Bank of England or the market expects. Stagflation is here to stay for at least as long as the war in Ukraine drags on.

Matthew Oakeshott and Louise Cleary

UK COMMERCIAL PROPERTY – AVERAGE ANNUAL % GROWTH RATES TO MARCH 2022

	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
Capital Values	+14.8	+17.9	+14.9	+1.9	+2.2	+3.3
Rental Values	+4.6	+4.6	+3.1	-0.3	+0.3	+1.2
Total Returns	+18.8	+22.2	+19.6	+6.4	+6.7	+8.3

Source: MSCI UK Quarterly Property Index – Annualised

These returns to the end of March are higher than the calendar year figures quoted above because capital value growth accelerated through 2021 after a dull first quarter.

COMPARATIVE INVESTMENT YIELDS – END DECEMBER (EXCEPT END MARCH 2022)

		March 2022	2021	2020	2019	2017	2011	2008	2006
Property (Equivalent Yield)		5.0	5.1	5.8	5.6	5.6	6.9	8.3	5.4
Long Gilts:	Conventional	1.6	1.0	0.2	1.0	1.4	2.5	3.7	4.6
	Index Linked	-2.2	-2.6	-2.6	-2.0	-1.8	-0.2	0.8	1.1
UK Equities		3.1	3.1	3.4	4.1	3.6	3.5	4.5	2.9
RPI (Annual Rate) *		9.0	7.1	0.9	2.2	4.1	4.8	0.9	4.4
Yield Gaps:	Property less Conventional Gilts	3.4	4.1	5.6	4.6	4.2	4.4	4.6	0.8
	less Index Linked Gilts	7.2	7.7	8.4	7.6	7.4	7.1	7.5	4.4
	less Equities	1.9	2.0	2.4	1.5	2.0	3.4	3.8	2.5

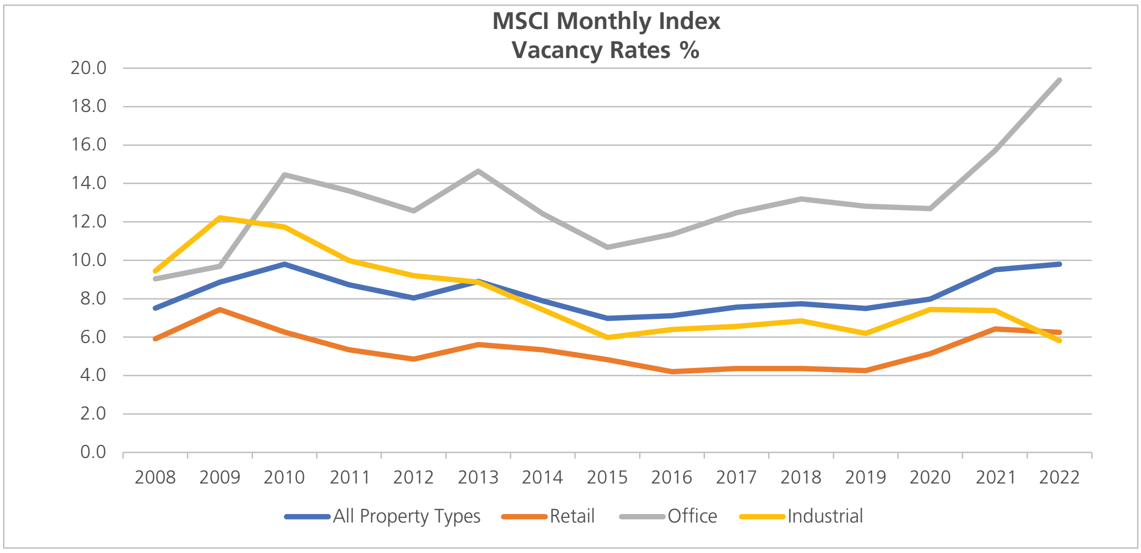
Source: MSCI UK Quarterly Property Index and ONS for the RPI (*to December except March 2022)

Property transaction volumes and market liquidity improved markedly through 2021 with an estimated total turnover of £65 billion, higher than in 2019 pre-pandemic and above the long term averages. This trend has continued so far in 2022. Industrial property volumes were strongest but activity increased in previously quiet sectors, especially leisure, hotels and retail, with relentless demand for retail warehouses and supermarkets supplemented recently by buyers of in town retail at high yields. Prime, especially long-let offices were active but the market for older secondary offices is getting worse, with some now virtually unlettable and unsaleable where they do not meet environmental standards. There is a growing "brown discount" for properties in all sectors with non-compliant Energy Performance Certificates (EPCs).

Property void rates rose from 8.2% at the start of the pandemic in March 2020 to a peak of 10.2% in June 2021 and remain high at around 10%. As the table below shows, industrial and retail void rates have fallen markedly from their COVID peaks, but office voids shot up from 13.1% in March 2020 to 19.4% now, well above the previous record high of 14.8% for office voids in 2013.

During the COVID crisis, the Government, under political and tenant pressure, repeatedly suspended landlords' traditional tools for enforcing rent collection – eviction orders, use of Commercial Rent Arrears Recovery (CRAR) bailiffs and statutory demands for winding up. They have also introduced a fiendishly complicated legal arbitration procedure for rent arrears run up during COVID. This will be a bonanza for lawyers and no real help for landlords and tenants who should have done a deal long ago.

Apart from that, landlords are able again to use their normal strong powers to enforce prompt payment of rent from commercial property tenants, including the use of bailiffs where necessary. With all properties throughout the UK now able to open again and trade normally, there is no longer any excuse for strong tenants not to pay their rent promptly and in full; rent collection rates should, therefore, now be back to normal on all professionally managed institutional property portfolios.



Property Prospects by Sector

Warehouse/Industrials – an Overheated Market – Yields have Fallen Far Enough

Warehouse and industrial property delivered most of commercial property's total capital growth in 2021 for the right reasons, with voracious demand, mainly from food and online retailers, driving up rents right across the UK for both "big box" warehouses near motorways and smaller units on estates nearer city centres. Valuation yields were forced down to reflect improving rental growth prospects, and the outlook for rental growth remains good, vacancy rates for both "big box" units and traditional industrial estates are very low (and now negligible in parts of the South East, Midlands and East Anglia). Driven by the explosion of online retailing, 2021 saw the second highest ever take up of logistics "big boxes" at 34.1 million square feet, only slightly below the exceptional performance in 2020 at 35.8 million square feet and 71% above 2019. 2022 will be slower.

Over £18 billion was invested across the industrial/warehouse sector in 2021, nearly double the 2020 transaction volume and over 60% above the previous highest annual level recorded in 2017. But the industrial property investment market is now running white hot, too hot in our view, with yields bid down to unsustainably low levels by panic buyers, who are having to make wholly unrealistic rental growth projections to justify the prices they are paying. Sellers are hard to find. Rapidly rising interest rates and other economic pressures have started to cool this overheated market. The latest UK figures showed online non-food retail sales down to 39% of the total, against 63% a year ago. Amazon recorded its first quarterly loss since 2015 at the end of April, the share price fell 16% instantly and has fallen 26% to date. The share prices of the larger property REITS focusing on large warehouses followed suit with Segro -25% and Tritax Big Box -22%.

Rapidly rising costs and supply chain problems, together with a weakening economy and consumer confidence, are already putting pressure on the strong occupiers and may affect some weaker occupiers more acutely this year, although industrial property values will still be supported by the conversion of older and lower value sites to residential and other alternative uses, especially in southern England. Well-located industrial and warehouse property in all sizes from logistics "big boxes" on motorway junctions to "last mile" urban sheds and estates of smaller units should still outperform offices and probably the property market as a whole for the rest of the year. But risks are rising and selling opportunities should be taken where valuation yields have fallen too far to generate satisfactory long-term returns.

Offices – Locked in Long Term Relative Decline – the Way we Work has Changed for Good

Offices have taken over the performance wooden spoon from retail for the first time in twelve years and may hold it for the foreseeable future. Investors' long overdue focus on ESG is hitting office values harder than on most other sectors, because so many older office buildings, in London in particular, simply cannot be updated to suitable standards at realistic cost. Occasional headline-grabbing investment or letting deals for the very best space are just a sign of a flight from quantity to quality, with tenants usually downsizing at the same time, giving owners of their old space a hospital pass. There is still some demand for high quality city centre offices, but for more limited space for meeting, training and prestige purposes.

Mid and back-office work is now being done far more from home, or partly at low cost non-city centre locations. Unnecessary offices are one cost that businesses can now cut, with break clauses exercised in most cases and tenants demanding considerable capital expenditure from landlords to renew leases, even in part. Functional obsolescence and depreciation will, therefore, need to be factored more specifically into most office valuations, keeping capital values under continuing downward pressure to reflect lower effective net rents and greater re-letting risk, as valuers start to reflect this risk properly.

The public sector, the largest UK office tenant, has clearly now adopted a long-term hybrid working model, and would have serious HR and legal problems and additional trade union pressure if it tried to force any employee back to the office full-time, despite the Minister for Government Efficiency publicly applying pressure. Many UK companies are also downsizing, going hybrid, closing their head office altogether and taking temporary space nearby instead. Those employers such as some American investment banks or law firms requiring full office attendance will, therefore, find staff recruitment and retention ever more difficult in a climate where talented employees feel more able to negotiate the way they work, irrespective of age or sex.

Retail – Bouncing Back, Led by Retail Warehouses and Supermarkets

The COVID pandemic hit the high street hard where it had already been hurting for many years: first, by getting many more older shoppers, in particular, used to the range and convenience of non-food shopping in particular, online; and second, by making people switch from public transport or parking in congested city-centres to easier and safer car-borne shopping out of town. Retail warehouse rents are rising again, especially where well-run operators like B&Q, B&M and Home Bargains trade alongside the leading supermarkets, and capital values are growing rapidly – some institutional investors missed the market in industrial property, want no more offices, and have money which they are struggling to invest.

On the high street, the steepest falls in property values happened in "prime" central London and other prime highly valued cities and towns which are now unaffordable for both multiple and individual retailers. Unfair business rates had already crippled urban high streets in less prosperous parts of the UK, and the Government's latest partial attempt at rates reform will be too little, too late for many locations. Prosperous suburbs and market towns with affordable rents and an attractive mix of convenience and independent traders have proved more resilient during the crisis and are generally recovering better than bigger centres. Transaction volumes are rising again for high street shops and shopping centres, and as rental values have been reset at affordable and sustainable levels, there are now growing signs of capital growth from the retail bargain basement.

Supermarkets and convenience stores (including petrol filling stations), have done well during COVID, often with increases of 20%-30% in their turnover, part of which they are able to retain with more people working on average nearer home. Online food sales' market share has slipped back from 16% to 11% now with Sainsbury's reporting online sales down from 21% to 15% of their total. Aldi, Lidl, and their older-established grocery competitors are fighting fiercely for stores under 15,000 – 20,000 sq. ft. The leading supermarkets are also much better at combining physical and online shopping than most non-food retailers.

Non-Traditional Alternatives – Index-Linked Leases to Strong Survivors Are Key

Property in the "Alternatives" sector – i.e. everything except office, industrial or retail - has been growing rapidly in importance for institutional investors in recent years and now accounts for one-sixth of the MSCI UK Quarterly Property Index. It covers a wide range of property types and tenants, often with long, index-linked leases. With the RPI now rising at an annual rate of 9% and the CPI at 7%, these index-linked leases hold the key to sustained outperformance so long as the individual property rents are well covered by operating profits and paid by strong multiple tenants.

COVID with its ever-changing lockdowns posed a once in a lifetime challenge to alternative sector operators and investors. Tenants with strong long-term business models and short-term crisis management, working with investors who knew how and when to give help and improve leases, came through the COVID challenge stronger than ever before, with their weaker multiple competitors, and many private operators, savagely squeezed or forced out of business altogether. Alternative investments are, therefore, outperforming most property sectors again, and probably even industrials over 2022, but with strong survivor bias and variations within and between different sub-sectors, as outlined below.

Alternatives – Leisure and Hotels – Strong Tenants Trading Stronger than Ever Outside City Centres

Well-let pubs have proved far safer investments than restaurants, where many private-equity backed multiple chains were already drowning in debt pre-COVID. The leading pubcos, like Greene King and Wetherspoons, as well as most traditional regional brewers, have strong balance sheets with plenty of freehold assets and borrowing capacity. Profitable, spacious pubs with outside space, have been trading exceptionally well and above pre-pandemic levels over the past year, apart from central London. Pubs of this type in suburban, smaller town and rural locations will stay short and long-term winners whilst consumer spending on food and drink remains at current levels.

Hotel values are also well off the bottom. Modern hotels in prosperous smaller towns and rural areas, serving British holidaymakers, workers and businesses, have been performing really strongly over the past year, proving resilient even during the latest COVID surge. They will continue to outperform large city centre and airport hotels dependent on international business and travel. Zoom, Teams and ESG have slashed expensive corporate frequent flying. Covenant strength will remain crucial for hotels' investment value – for example, a Premier Inn is valued well above a similar Travelodge, because long-term investors hate CVAs (Company "Voluntary" Arrangements). Caravan parks should also trade very strongly for many years to come.

Health and Fitness clubs have been rebuilding their memberships but will be suffering from the squeeze on real incomes. The leading brands on large out of town sites, with good car parking and customers often able to work from home, offer the best long-term investments.

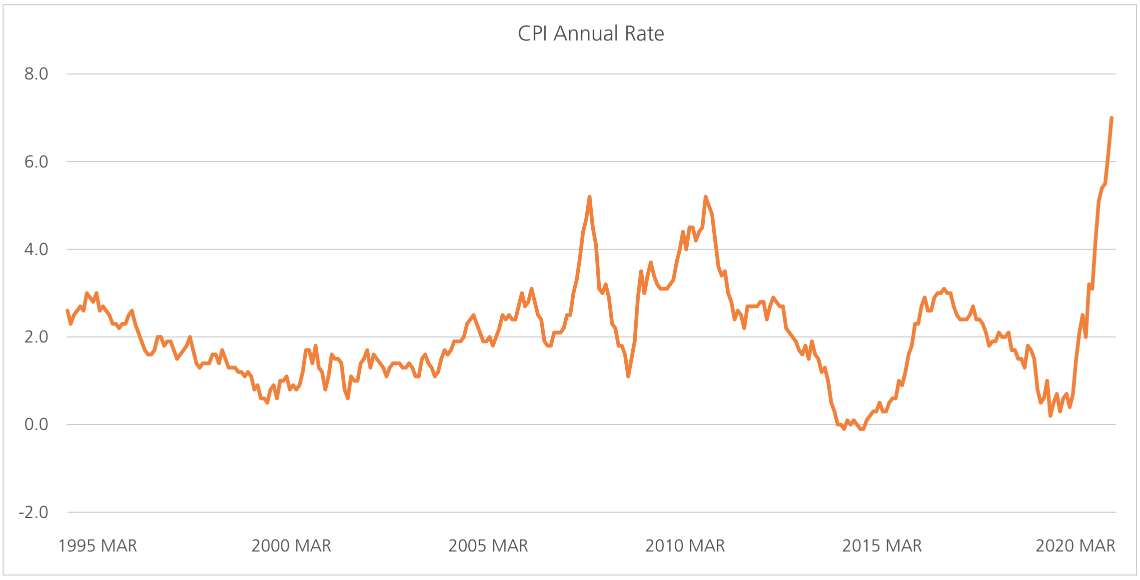
The two main ten pin bowling companies, who dominate the market, are going from strength to strength and offer a sensibly priced family treat which cannot be replicated online. But bingo halls and cinemas face a tougher future as lockdowns drove away many of their older customers and the operators are vulnerable to online competition.

Alternatives – Student Housing and Care Homes – Covenant Strength Key

Direct-let investments on long leases to well-established universities should continue to perform well but indirect student housing investments with nomination agreements or third-party providers, depending more on the local residential letting market, are less clear beneficiaries of yield hardening for safe, long-let property.

COVID has hit care homes hard. Costs and vacancy rates are rising because of more deaths, slower admissions and severe Brexit and vaccination-related staff shortages, while some private-equity backed care home providers need more equity and lower rents. High quality homes with self-funded residents will continue to outperform those dependent on squeezed local authority budgets. The rise in National Insurance contributions has raised staff costs for care homes, and the Government's reforms to social care funding will not deliver meaningful extra cash for another three to four years. Medical centres and private hospitals will stay in demand as the NHS faces years of non-COVID catch up and outsourcing more profitable work.

THE ECONOMY – AN UNHAPPY 25TH ANNIVERSARY FOR BANK OF ENGLAND INDEPENDENCE



Source: ONS

25 years ago Gordon Brown gave the Bank of England Monetary Policy Committee the power to set interest rates to meet a stated inflation target. As the chart above shows, until recently, their record has been good. Even including the current inflation tsunami, annual UK CPI growth over the past quarter of a century has averaged exactly 2% (with the RPI at 2.8%). Official interest rates have averaged 2.6%, compared with 10.4% over the previous 25 years and 8.4% for the RPI (CPI figures are not available). But success, as so often in business and government, has bred complacency and groupthink, reinforced by similar flawed inflation models in other Western Central Banks. Massive Quantitative Easing was the only possible response to the 2008/9 banking crash, which hit the UK hardest of all the main Western economies, but the Bank persisted with the policy far longer and stronger than was necessary or prudent, leaving Britain in our present agonizing double bind of unsustainably low interest rates and high inflation. The Bank really has no alternative now to raising interest rates rapidly to stop inflation expectations taking a real hold, as they did in eerily similar circumstances in the early 1970's after the first oil price shock. Inflation has also rocketed in the US to 8.3% (a new 40 year high) and 7.4% in the Eurozone.

The March consumer price figures (CPI + 7.0% and RPI + 9.0% year on year) clearly show inflation heading higher over the next few months, probably into double figures for the CPI and 12% for the RPI Inflation may still be around the current rates at the year end. The latest Producer Price Indices show output prices up by 11.5% year on year and input prices up by 19.2%.

So Britain is now suffering stagflation, with average real incomes likely to fall by at least 2% and maybe up to 3% over 2022 as a result of increases in tax and National Insurance combined with average earnings and benefits lagging far behind price rises. UK domestic consumer spending was the main engine of UK economic recovery in 2021, with exceptionally high pandemic savings being spent by better off households, and employees gradually returning to work. That will not be repeated in 2022, and forecasts, like the OBR's in March, for UK GDP to grow by 3.8% this year now look far too high. A technical recession may well be looming later this year on a quarter by quarter basis. Q1 2022 may be only just up, with Q2, Q3, Q4 all down. Although GDP figures are often subject to major subsequent revisions. Any progress later in 2023 will be critically dependent on progress towards peace in Ukraine and easing disruption to international trade, not least with

China, and supply shortages around the world. There is still a danger of renewed outbreaks of COVID, especially in less developed countries where vaccination rates are very low. Food and energy shortages, serious as they feel in richer countries like the UK, could actually kill millions especially in Africa, if the war in Ukraine and disruption of world trade drag on.

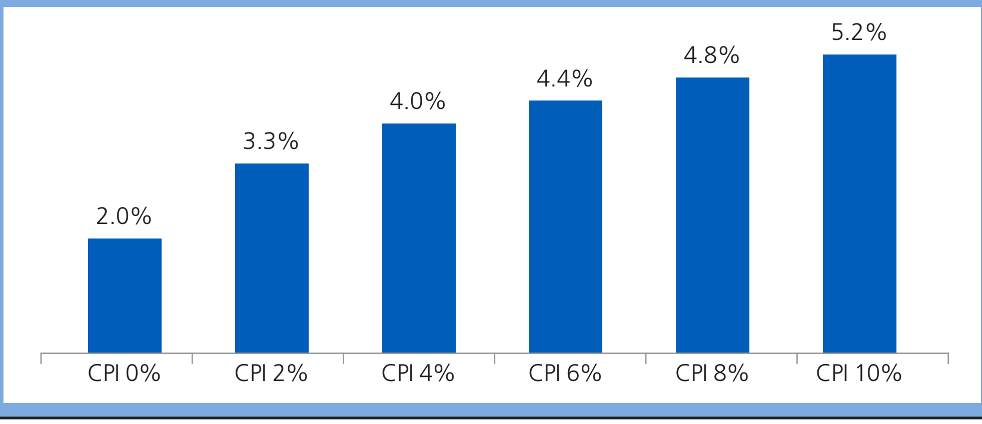
Conclusion – Index-Linked Income Still Seriously Undervalued

UK commercial property values stabilised in late 2020 and have since been rising rapidly. Industrials have been by far the star performers, but their yield re-rating must be over as prices are clearly overheating especially at the prime end of the market. Offices' relative performance is going from bad to worse. Retail values started to recover early in 2021, as gains for retail warehouses, supermarkets and convenience stores offset slowing rates of decline in shopping centres and high street shops, which have now finally bottomed out. The alternative sectors have also bounced back strongly with pubs, hotels, bowling and caravan parks booming, especially outside London. Healthcare and nursing home investments will stay in demand despite their staffing problems. 2022 may see a similar pattern of relative property performance, despite current short term interest rate rises, and possibly sharp increases in current unsustainably low long term bond yields, with alternatives, retail and industrials leading the way and offices bringing up the rear.

The COVID crisis has taught UK property investors a stark lesson: stay on the right side of structural change, avoid offices, and stick wherever you can to properties let to strong tenants at affordable rents on long, preferably index-linked, leases. Safe, long-term indexed income will be even more highly prized as inflation rises faster for longer than myopic markets and complacent central bankers expect. Wars are always inflationary, and however long the hot war lasts in Ukraine, the West is clearly now in an economic cold war with Russia and its allies, with sanctions and shortages biting for years to come.

Secure, index-linked, UK property offers massive yield margins over index-linked gilts, and a comfortable yield cushion still over conventional bonds. It is still seriously undervalued.

Forecast Average Annual Rental Income Growth* % over Five Years



*Annual rental growth assuming CPI increases 0% - 10% P.A.

Portfolio Summary

VIP specialises in UK commercial properties with long, strong, index-related income streams to deliver above average long term real returns.

PORTFOLIO SUMMARY	31 March 2022	30 September 2021	31 March 2021
Portfolio Value:	**£155,478,000***	£110,050,000	£80,550,000
Contracted Income:	**£8,339,944**	£6,336,645	£5,151,786
Contracted income as a % of Portfolio Value:	**5.4%**	5.8%	6.4%
Total Number of Properties:	**43**	39	31
Total Number of Tenants (the Portfolio is 100% let):	**43**	40	32
Contracted Indexed Rent:	**95.8%**	92.4%	90.6%
Weighted Average Unexpired Lease Term (if all tenants exercise break options):	**12.8 years**	13.8 years	15.1 years
Annual Total Return March to March:	**20.2% (MSCI:19.6%)**	-	2.3% (MSCI: 0.9%)

*Savills Valuation – NB: This figure does not include £6m committed to complete the Alnwick Hotel Development. The fair valuation given by Savills excludes prepaid or accrued operating lease income arising from the spreading of lease incentives or minimum lease payments and for adjustments to recognise finance lease liabilities for one leasehold property, both in accordance with IFRS 16. For further information see Note 9 to the Financial Statements on pages 82 to 84.

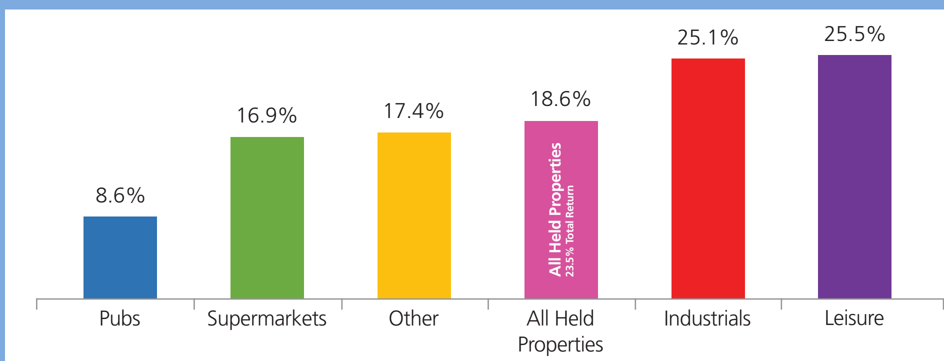
Performance and Independent Revaluation

Savills' independent valuation at 31 March 2022 on the direct commercial property portfolio increased to £155,478,000 with a running yield of 5.4% (from 5.7% as at end-December 2021). This is up from the half-yearly valuation at 30 September 2021 of £110,050,000, the increase driven by both net acquisitions and valuation uplift.

VIP's property portfolio produced a total return on all 43 properties of 20.2% over the past year to March, against 19.6% for the MSCI UK Quarterly Property Index, the main benchmark for commercial property performance. Properties held throughout had a total return of 23.5%, the difference reflecting the acquisition costs on 14 properties bought during the year.

VIP's property portfolio total returns on All Assets of 20.2% over the past year and 8.8% over the past six months were driven by a valuation uplift of 8.5% on the 38 properties held over the six months (leisure 16.1%, industrials 12.4%, supermarkets 8.1%, other 7.1%, hotels 5.4%, pubs 4.1% and roadside 2.0%).

Valuation Uplift on Held Properties March 2021 to March 2022



The longer term returns on the property portfolio have been between 10% and 12% a year over 3, 5, 10 and 20 years and 35 years and are above the MSCI averages over all these periods. The real returns above the Retail Price Index from VIP's property portfolio were 10% last year and between 5% and 9% a year over all cumulative periods from 3 to 35 years since the inception of OLIM Property's management.

Contracted rental income rose by 6% on held properties. The average lot size is £3,600,000, ranging from £1,150,000 to £13,000,000.

PROPERTIES

All 43 properties are let and 100% occupied on full repairing and insuring leases (tenants are responsible for repair, maintenance and outgoings), plus there is an agreement for lease in place at Alnwick where a Premier Inn hotel (80 bedrooms plus hotel) is currently under construction with completion due summer 2022. All 43 tenancies have upwards only rent increases and a weighted average unexpired length of 12.8 years (19.8 years if the break options are not exercised). All the properties valued at 31 March 2022 are freehold with the exception of two which are long leasehold with 109 and 83 years to run (Doncaster and Fareham).

PURCHASES TO 31 MARCH 2022

Fourteen new properties were purchased over the year for £63,430,000 in total including costs, at an average net initial yield of 5.3% (plus there will be an additional £6,000,000 to be paid on practical completion during late summer of 2022 of the Premier Inn Hotel at Alnwick, which is currently under construction); their average weighted unexpired lease length at 31 March 2022 is 10.4 years (if the break options are exercised). The newly purchased freehold properties consist of two hotels (one under construction), six industrials, three petrol filling stations with convenience stores and three supermarkets. Seven of the properties have RPI-linked rent increases, four have CPI-linked rent increases and three with fixed increases.

PURCHASES AND SALES SINCE MARCH 2019

Year March to March	Purchases	No. of properties	Sales	No. of properties
2019/2020	£10,800,000	5	£9,200,000	5
2020/2021	£17,600,000	7	£4,750,000	2
2021/2022	£63,430,000	14	£3,260,000	2
Total	**£91,830,000**	**26**	**£17,210,000**	**9**

PURCHASE PIPELINE

Further properties with long, strong, index-linked income are under active investigation.

SALES TO 31 MARCH 2022

The sale of two short-let overrented properties completed during the year: a petrol filling station in Southampton and a pub in Thornton Cleveleys for a combined £3.3m, 4.9% above valuation and at a net sale yield of 8.8%.

SALES SINCE 31 MARCH 2022

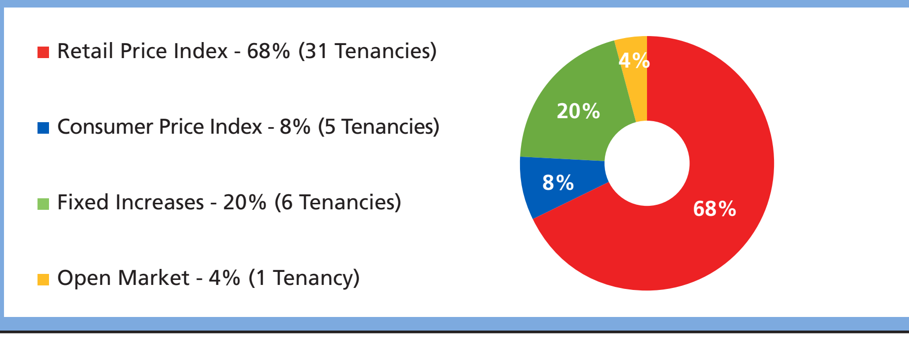
Since the year end, two properties have completed: a Buzz Bingo in Bradford and a Co-op store in Barton upon Humber for a combined £3.3m in total (39.5% above valuation) at a net sale yield of 6.2%.

RENT REVIEWS

The portfolio now has 96% of contracted income (42 out of 43 tenancies) with index-linked or fixed rent increases. Only one property, the industrial at Fareham, has three yearly open market upwards only reviews (the December 2021 sweep up clause has since been agreed with a 4% uplift and is to be documented imminently).

Nineteen rent reviews completed over the course of the year (twelve with annual rent increases and seven with five yearly review patterns), sixteen RPI-linked rent increases and three with fixed rental increases: 7 pubs, 5 supermarkets, 2 petrol filling stations, 1 bingo hall, 1 bowling alley, 1 library, a driving test centre and the caravan park giving a combined 6.9% uplift on their passing rents.

PROPERTY PORTFOLIO INDEXED RENT REVIEWS - 96% OF CONTRACTED RENT



RENT COLLECTION

100% of all contracted rents due were collected in the year to 31 March 2022 and landlords' rights to enforce rent collection are now back to normal.

The portfolio remains well-spread with a focus on index-linked rent reviews and the sectors of the UK commercial property market which benefit from structural change-industrials (33%), supermarkets (27%) and alternatives (40% mainly leisure, pubs and hotels). We do not invest in offices. VIP'S safe, long let indexed portfolio should prove resilient. It has outperformed through previous turbulent times as shown by the Property Record Table on page 22, delivering long term above average real returns (benchmark MSCI UK Quarterly Property Index).

Louise Cleary & Matthew Oakeshott
OLIM Property Limited

10 June 2022

PROPERTY PORTFOLIO AT 31 MARCH 2022

INDUSTRIALS

- 13 Properties
- 30% of Contracted Rent
- WAULT* 11.3 Years
- Indexed 86%

SUPERMARKETS

- 10 Properties
- 30% of Contracted Rent
- WAULT* 8.9 Years
- Indexed 100%

ROADSIDE

- 3 Properties
- 7% of Contracted Rent
- WAULT* 10.4 Years
- Indexed 100%

LEISURE – PUBS

- 10 Properties
- 15% of Contracted Rent
- WAULT* 22.7 Years
- Indexed 100%

ALTERNATIVES (CARAVAN PARK & LIBRARY)

- 2 Properties (3 Tenants)
- 8% of Contracted Rent
- WAULT* 11.1 Years
- Indexed 100%

LEISURE – HOTELS

- 2 Properties (Alnwick under Construction)
- 4% of Contracted Rent
- WAULT* 13.5 years
- Indexed 100%

LEISURE – BOWLING & BINGO

- 3 Properties
- 6% of Contracted Rent
- WAULT* 18.9 Years
- Indexed 100%

TOTAL RETURN FOR THE YEAR

20.2%

*Weighted Average Unexpired Lease length if all break options exercised

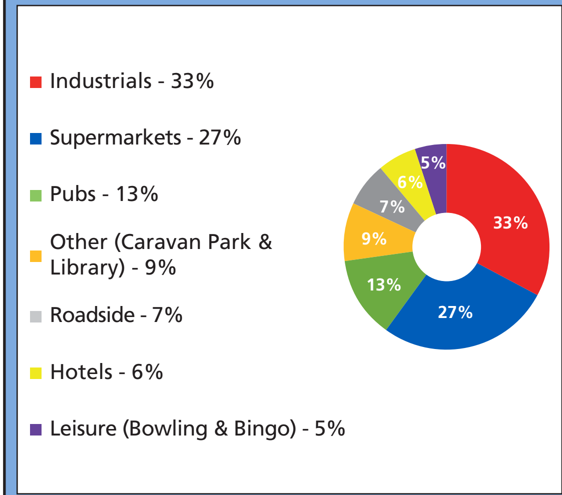
TOP TEN HOLDINGS BY VALUE

PROPERTY	TENANT	SECTOR	% OF PORTFOLIO BY CAPITAL VALUE
Newport Isle of Wight	Marks and Spencer	Supermarket	8%
Dover	Park Resorts	Caravan Park	8%
Garstang	Sainsbury's	Supermarket	6%
Catterick	Premier Inn	Hotel	5%
Aylesford	Kier	Industrial	5%
Milton Keynes	Winterbotham Darby	Industrial	5%
Gloucester	H.M. Government	Industrial	4%
Fareham	Local Authority	Industrial	4%
Stoke on Trent	MKM Building Supplies	Industrial	3%
Chester	MKM Building Supplies	Industrial	3%
Total			**51%**

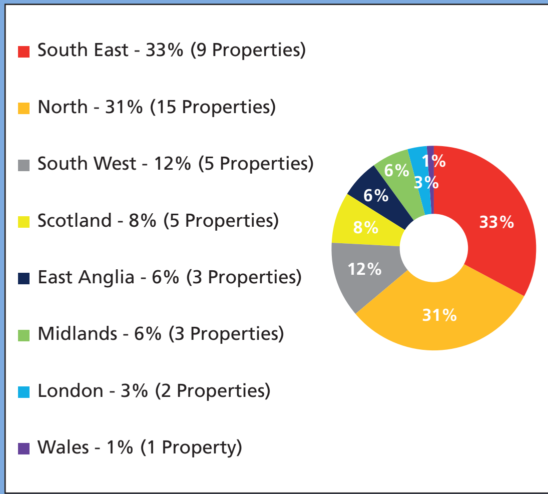
DOVER

Property Manager's Report

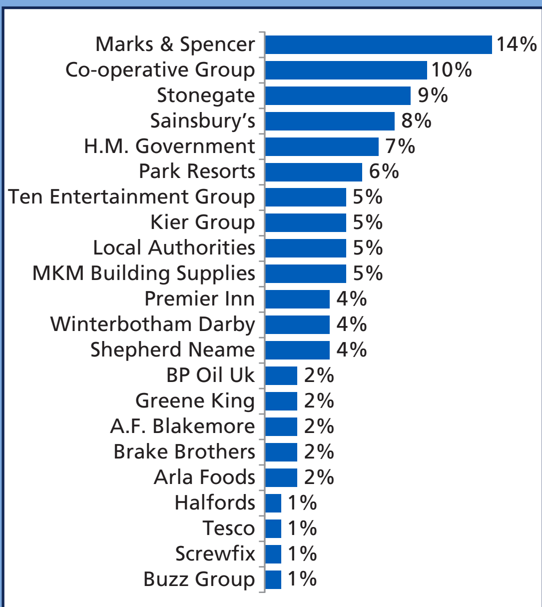
Sector Weighting % Capital Value



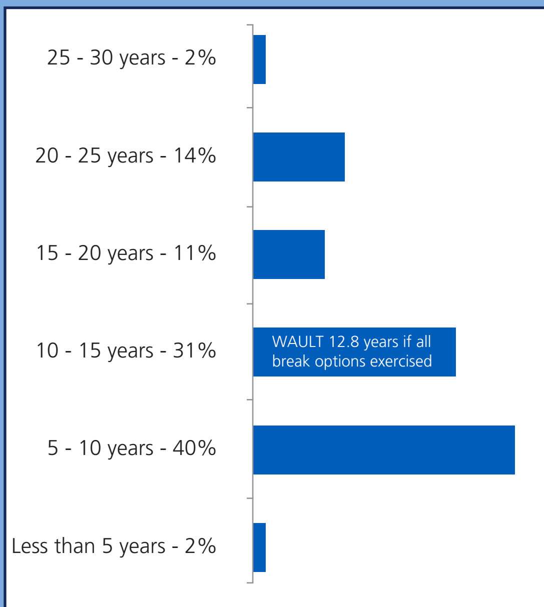
By Region % Capital Value



Contracted Income by Tenant %



Contracted Income by Lease Expiry % (if all break options exercised)



VIP PURCHASES: 12 MONTHS TO 31 MARCH 2022

DUNDEE – FARADAY STREET, DRYBURGH INDUSTRIAL ESTATE

Sector	Industrial
Tenant	Screwfix
Lease expiry	November 2032
Indexation	Five yearly fixed: 2.5% pa
Purchased	April 2021

BLANDFORD FORUM – LANGTON ROAD

Sector	Supermarket
Tenant	Marks & Spencer
Lease expiry	July 2030
Indexation	Five yearly RPI-linked: 1% to 3% pa
Purchased	April 2021

THURROCK – 680 LONDON ROAD

Sector	Industrial
Tenant	Halfords Autocentres
Lease expiry	May 2036
Indexation	Five yearly CPIH-linked: 1% to 3% pa
Purchased	May 2021

STAINES – LALEHAM ROAD

Sector	Industrial
Tenant	Halfords Autocentres
Lease expiry	May 2036
Indexation	Five yearly CPIH-linked: 1% to 3% pa
Purchased	May 2021

CATTERICK – PRINCES GATE SHOPPING PARK, RICHMOND ROAD

Sector	Hotel
Tenant	Premier Inn Hotels
Lease expiry	September 2040
Indexation	Five yearly CPI-linked: 0% to 5% pa
Purchased	May 2021

Louth – Spar Fairfield Services, Bolingbroke Road

Sector	Roadside
Tenant	A.F. Blakemore
Lease expiry	June 2032
Indexation	Five yearly RPI-linked: 1.5% to 3.5% pa
Purchased	June 2021

Bebington – 152 Kings Road, Wirral

Sector	Roadside
Tenant	Sainsbury's Supermarkets
Lease expiry	October 2036
Indexation	Five yearly RPI-linked: 2% to 4% pa
Purchased	July 2021

Alnwick – Willowburn Trading Estate

Sector	Hotel
Tenant	Premier Inn Hotels
Lease expiry	25 years from completion
Indexation	Five yearly CPI-linked: 0% to 4% pa
Purchased	July 2021

Under Construction – Completion Summer 2022

Melton Mowbray – Egerton Park Service Station

Sector	Roadside
Tenant	BP Oil UK
Lease expiry	September 2033
Indexation	Five yearly Fixed: 2.5% pa
Purchased	November 2021

Chester – Winsford Way, Sealand Industrial Estate

Sector	Industrial
Tenant	MKM Building Supplies
Lease expiry	January 2038
Indexation	Five yearly RPI-linked: 1% to 3% pa
Purchased	December 2021

STOKE ON TRENT – STANLEY MATTHEWS WAY

Sector	Industrial
Tenant	MKM Building Supplies
Lease expiry	January 2039
Indexation	Five yearly RPI-linked: 1% to 3% pa
Purchased	December 2021

WESTBURY – 50 CORY WAY, WEST WILTS TRADING ESTATE

Sector	Industrial
Tenant	Arla Foods
Lease expiry	November 2035
Indexation	Five yearly RPI-linked: 2% to 4% pa
Purchased	December 2021

NEWPORT, ISLE OF WIGHT – LITTEN PARK

Sector	Supermarket
Tenant	Marks & Spencer
Lease expiry	March 2027
Indexation	Annual fixed: 1.95%
Purchased	December 2021

GARSTANG – PARK HILL ROAD

Sector	Supermarket
Tenant	Sainsbury's Supermarkets
Lease expiry	June 2035
Indexation	Five yearly RPI-linked: 1.5% to 4% pa
Purchased	March 2022

VIP Property Portfolio at 31 March 2022

Address	Tenants
Industrials	
Aberdeen – Gateway Business Park, Moss Road	H.M. Government*
Aylesford – Broadmead House, Bellingham Way, New Hythe	Kier Group*
Chester – Winsford Way, Sealand Industrial Estate	MKM Building Supplies*
Dundee – Faraday Street, Dryburgh Industrial Estate	Screwfix***
Fareham – Mitchell Close, Segensworth East	Hampshire County Council
Gloucester – Falcon Close, Green Farm Business Park, Quedgeley	H.M. Government*
Milton Keynes – Wimblington Drive	Winterbotham Darby*
Staines – Thameside Service Station, Laleham Road	Halfords**
Stoke-on-Trent – Stanley Matthews Way	MKM Building Supplies*
Thetford – Units 1-4, Baird Way, Fison Way Industrial Estate	Brake Brothers*
Thirsk – Dalton Airfield, Dalton	H.M. Government*
Thurrock – 680 London Road	Halfords**
Westbury – 50 Cory Way, West Wilts Trading Estate	Arla Foods*
Supermarkets	
Aberfoyle – Main Street	Co-operative Group Food**
Barton upon Humber – 12 Market Lane (*Sale completed May 2022*)	Co-operative Group Food*
Blandford Forum – Langton Road	Marks and Spencer*
Cleethorpes – 52 St Peters Avenue	Co-operative Group Food*
Garstang – Park Hill Road	Sainsbury's*
Harrogate – Skipton Road	Co-operative Food Group*
Invergordon – 110 High Street	Co-operative Group Food**
Kirriemuir – 33 The Roods	Co-operative Group Food*
Newport, Isle of Wight – Litten Park	Marks and Spencer***
York – 103-104 Hull Road	Co-operative Group Food***
Pubs	
Bedford – The Rose, 45 High Street	Stonegate*
Bournemouth – Slug and Lettuce, 2 Dean Park Crescent	Stonegate*
Canterbury – The Bishop's Finger, 13 St. Dunstan Street	Shepherd Neame*
Cheltenham – The Spectre, 73-75 High Street	Stonegate*
Coventry – Castle Grounds, 7 Little Park Street	Stonegate*
London – The Bishop's Finger, West Smithfield	Shepherd Neame*
London – The Prince of Wales, 48 Cleaver Square	Shepherd Neame*
Newcastle-upon-Tyne – The Percy Arms, Percy Street	Stonegate*
Oxted – The Old Bell, 18 High Street	Greene King***
Selby – The George Inn, Market Place	Stonegate*

ADDRESS	TENANTS
OTHER	
Dover – St. Margaret's Holiday Park, Reach Road	Park Resorts*
Risca – 77 Tredegar Street	Caerphilly Borough Council*** Tesco*
ROADSIDE	
Bebington – 152 Kings Road, Wirral	Sainsbury's*
Louth – Spar Fairfield Services, Bollingbroke Road, Fairfield Industrial Estate	A.F. Blakemore and Son*
Melton Mowbray – Egerton Park Service Station, Leicester Road	BP Oil***
HOTELS	
Alnwick – Willowburn Trading Estate *(Development)*	To be Premier Inn** (Practical Completion summer 2022)
Catterick – Princes Gate Shopping Park, Richmond Road	Premier Inn**
LEISURE	
Bradford – Tong Street (*Sale completed May 2022*)	Buzz Group*
Doncaster – The Leisure Park, Bawtry Road	Ten Entertainment Group*
Stafford – TenPin, Greyfriars Place	Ten Entertainment Group*

* RPI-linked rent increases
** CPI-linked rent increases
*** Fixed rent increases

KIRRIEMUIR

VIP's Property Record Over 35 Years

31 March	Rental Income £000	Capital Value £000	Yield on Valuation %	Total Return VIP %	Total Return MSCI Quarterly Index*
2022	8,334	155,478	5.4	20.2	19.6
2021	5,152	80,550	6.4	2	1
2020	4,482	70,200	6.4	6	-1
2019	4,372	68,800	6.4	8	4
2018	4,329	68,700	6.3	11	10
2017	4,480	66,775	6.7	13	5
2016	3,940	55,125	7.2	10	11
2015	4,019	54,500	7.4	13	17
2014	3,552	46,475	7.6	11	14
2013	3,543	46,225	7.7	4	3
2012	3,537	48,250	7.3	7	6
2011	3,552	49,075	7.2	9	11
2010	3,463	48,750	7.1	18	17
2009	3,278	44,850	7.3	-11	-25
2008	3,261	51,000	6.4	0	-9
2007	3,116	54,525	5.7	15	16
2006	3,219	52,250	6.2	21	21
2005	3,124	45,875	6.8	21	17
2004	3,052	40,375	7.5	15	12
2003	3,089	40,550	7.6	12	9
2002	3,013	38,800	7.8	13	7
2001	3,117	39,825	7.8	10	10
2000	3,054	39,800	7.7	15	15
1999	3,410	41,055	8.3	25	11
1998	3,141	34,800	9.0	15	17
1997	3,111	32,805	9.5	10	12
1996	2,840	29,440	9.6	9	5
1995	2,948	31,125	9.5	10	6
1994	2,806	29,835	9.4	23	26
1993	2,773	26,415	10.5	12	-1
1992	2,709	25,880	10.5	10	-3
1991	2,331	23,800	9.8	2	-10
1990	2,050	24,390	8.4	15	15*
1989	1,915	23,475	8.2	30	30*
1988	1,329	14,939	8.9	24	26*
1987	1,155	11,375	10.2	N/A	N/A

* MSCI (ex IPD) UK Quarterly Property Index 12 months total returns to 31 March; except 1988 – 1990: IPD Annual Index

UK Equities

Market Background

The UK stock market gave a good absolute return over VIP's financial year, with the FTSE All-Share Index delivering a total return of 13.0%, against 19.6% for UK property. For most of the year progress was steady, driven by improving sentiment as lockdown restrictions were eased progressively. However, share prices dropped sharply in February and early March 2022 after the Russian invasion of Ukraine. They then recovered to end the quarter only marginally down.

Property shares were strong over the year to end March 2022, with the FTSE All Share Real Estate Investment Trusts ("REITs") Index generating a total return of 22.5%. REIT NAV performance was strong, benefiting from the post-pandemic recovery in commercial property values and, in particular, from the strength in industrial property sector valuations.

Performance

VIP's equity portfolio performed well ahead of the wider stock market, reflecting the better performance of property stocks as a whole. The portfolio recorded a total return of 24.1%, which also outperformed the FTSE All Share REITs Index. The portfolio benefited from its high exposure to its new investments in industrial property, and from the strong performances of its two Food Retailers, Wm Morrison Supermarkets and Tesco. The former was the subject of competing private equity takeover bids and was eventually taken private at 287p per share, generating a profit of over £1.5m for VIP. Tesco's share price was aided by strong trading and this holding was also subsequently disposed of at a significant profit.

Portfolio

The last twelve months saw sales of equities of £36.2m and purchases of £30.5m giving total transactions of £66.7m, with net sales

Patrick Harrington

of £5.7m. During the year we completed the sale of the portfolio's legacy holdings, switching into property-backed securities. The new portfolio focused on the industrial sector with three specialist industrial REITs, Tritax Big Box REIT, Urban Logistics REIT and Warehouse REIT, and a large holding in BMO Real Estate Investments, which mainly invests in industrial property and retail warehouses. A new holding in Tesco was established and an increased investment in Wm Morrison Supermarkets was made, both at small premiums to their respective asset values, in order to gain exposure to the resilient food retail property sector. As noted above, both of these investments were realised before the year end at a significant profit. New holdings were also made in PRS REIT and Residential Secure Income REIT, which both have exposure to attractive RPI-linked leases, and in Real Estate Credit Investments, which advances loans secured on property. An initial holding in Civitas Social Housing was sold after corporate governance issues came to light. At the end of March 2022, the equity portfolio had 7 remaining investments valued at £26.9m.

Since the year end, the portfolio's three specialist industrial property holdings, Tritax Big Box REIT, Urban Logistics REIT and Warehouse REIT, have been sold for a good profit and at a premium to their most recent NAVs. The proceeds have been partly re-invested in BMO Real Estate Investments at a discount of 25%.

Patrick Harrington
OLIM Property Limited

10 June 2022

VIP EQUITY HOLDINGS AT 31 MARCH 2022

Number of Shares		Description	Market Value (£)
7,252,446	BMO Real Estate Investments Limited	The company has a diversified £400m portfolio of UK properties with 72% of its investments in the industrial and retail warehouse sectors. The shares trade on a wide discount to NAV.	6,744,775
2,500,000	Urban Logistics REIT	The company has assets valued at over £700m. It specialises in smaller and mid-sized single-let logistics sites in urban locations. Its tenants undertake 'last mile' goods distribution to homes and businesses.	4,750,000
1,750,000	Tritax Big Box REIT	Tritax has an investment portfolio valued at around £5.5bn and focuses on large (greater than 100,000 sq ft) industrial and warehouse units with substantial development exposure.	4,231,500
1,900,000	Warehouse REIT	Warehouse REIT has a £900m portfolio of smaller and mid-sized industrial properties spread by geography and industrial sector.	3,294,600
2,000,000	Real Estate Credit Investments	The company lends money over the short to medium term on a secured basis to a wide spread of borrowers. The loans are secured against underlying property assets spread across Europe with 80% held in either the UK or France	3,010,000
2,500,000	Residential Secure Income REIT	The company aims to deliver inflation linked returns by investing in a portfolio of UK residential shared-ownership and independent retirement properties. Its leases are index-linked, which should provide some protection against high inflation.	2,700,000
2,000,000	PRS REIT	PRS has a portfolio of almost 5,000 private rented family homes in prosperous UK locations, largely outside London and the South East. Its leases are also index-linked.	2,140,000
			26,870,875

This Business Review is intended to provide an overview of the strategy and business model of the Company as well as the key measures used by the Directors in overseeing its management. The Company is an investment trust company that invests in accordance with the investment objective and investment policy outlined on page 27 of this Business Review.

Value and Income Trust PLC changed its name on 22 January 2021 to Value and Indexed Property Income Trust PLC (VIP or the Company). VIP's Ordinary Shares are listed on the Premium segment of the Official List and traded on the main market of the London Stock Exchange. The Company is registered as a public limited company in Scotland under company number SC050366. VIP is an investment company within the meaning of Section 833 of the Companies Act 2006. The Company has one class of share. VIP is a member of the Association of Investment Companies (AIC).

The Group

Value and Indexed Property Income Services Limited (VIS), a wholly owned subsidiary of the Company, is authorised by the Financial Conduct Authority to act as the Company's Alternative Investment Fund Manager (AIFM).

Capital Structure

As at 31 March 2022, and as at the date of this Annual Report, VIP's share capital consisted of 43,557,464 Ordinary Shares of 10p nominal value in issue and 1,992,511 Ordinary Shares of 10p each held in Treasury. Each Ordinary Share in issue entitles the holder to one vote on a show of hands and, on a poll, to one vote for every share held.

Share Dealing

Shares in VIP can be purchased and sold in the market through a stockbroker, or indirectly through a lawyer, accountant or other professional adviser. Further information on how to invest in VIP is detailed on page 98.

Recommendation of Non-Mainstream Investment Products

VIP currently conducts its affairs so that the shares issued by it can be recommended by independent financial advisers to ordinary retail investors in accordance with the rules of the Financial Conduct Authority (FCA) in relation to non-mainstream investment products and intends to do so for the foreseeable future. VIP's shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust company and the returns to investors are based on investments in directly held property and publicly quoted securities.

Business Review

Highlights of the Year

- Net Asset Value total return (with debt at par)* of 15.6% (2021: 12.3%) over one year and 2.7% (2021: -8.5%) over three years.
- Share Price total return* of 15.8% (2021: 39.3%) over one year and 13.3% (2021: -3.3%) over three years.
- FTSE All-Share Index total return of 13.0% (2021: 26.7%) over one year and 16.8% (2021: 9.9%) over three years.
- MSCI Quarterly Property Index total return of 19.6% over one year.
- Dividends for year up 2.4% - increased for the 35th consecutive year.

Financial Record

	30 Sept 1986	31 Mar 1987	31 Mar 2005	31 Mar 2006	31 Mar 2007	31 Mar 2008	31 Mar 2009	31 Mar 2010	31 Mar 2011	31 Mar 2012	31 Mar 2013	31 Mar 2014	31 Mar 2015	31 Mar 2016	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Mar 2020	31 Mar 2021	31 Mar 2022
NAV (valuing debt at par) (p)	44.0	55.1	213.9	260.6	299.0	251.0	165.6	231.8	249.1	253.8	298.2	325.5	326.9	319.0	345.5	330.5	332.5	253.1	271.1	314.3
NAV (valuing debt at market) (p)*	N/A	N/A	189.0	226.9	271.1	222.7	129.6	218.3	233.7	227.6	269.8	304.3	299.5	299.2	318.1	309.2	312.2	232.7	256.6	305.0
Ordinary share price (p)	42.0	52.0	181.0	227.0	253.0	166.0	88.5	169.0	186.0	181.5	210.8	265.0	254.3	221.8	255.0	262.0	251.0	165.0	218.0	239.0
Discount of share price to NAV (valuing debt at market) (%)	–	–	4.2	0.0	6.7	25.5	31.7	22.5	20.4	20.3	21.9	12.9	15.1	25.9	19.8	15.3	19.6	29.1	15.0	21.6
Dividend per share (p)	N/A	1.25	6.2	6.4	6.7	7.4	7.5	7.6	7.8	8.05	8.3	8.5	9.0	10.5	11.0	11.4	11.8	12.1	12.3	12.6
Total assets less current liabilities (£m)	17.4	24.8	133.0	156.8	174.8	151.8	111.5	141.8	149.4	151.3	171.2	183.6	189.0	185.5	207.3	200.4	205.6	176.2	177.6	196.5

* This is an Alternative Performance Measure (APM) which has been explained in the Glossary on page 100.

INVESTMENT OBJECTIVE AND INVESTMENT POLICY

Investment Objective

The Company invests mainly in directly held UK commercial property to deliver secure, long-term, index-linked income and partly in property-backed UK securities. The Company aims to achieve long-term, real growth in dividends and capital value without undue risk.

Investment Policy

The Company's policy is to invest in directly held UK commercial property, property-backed securities listed on the London Stock Exchange and cash or near cash securities. The Company will not invest in overseas property or securities or in unquoted companies. UK directly held commercial property will usually account for at least 80 per cent. of the total portfolio but it may fall below that level if relative market levels and investment value, or a desired increase in cash or near cash securities, make it appropriate.

The UK commercial property portfolio

The Company will target secure income and capital returns linked to inflation, mainly through its diversified portfolio of UK property assets, let or pre-let to a broad range of strong tenants on long leases with rental growth subject to index-linked or fixed increases. The Company has not set any geographical limits, except that it may invest in all four nations of the United Kingdom. It has also set no structural limits and expects the portfolio to be focused on (but not limited to), the industrial/ warehouse, supermarket, roadside and leisure sectors (including for example, caravan parks, pubs, hotels, garden and bowling centres) income strips and ground rents. Offices and high street retail properties would not be priority sectors for investment. In order to manage risk in the portfolio, at the time of purchase, no single property asset will exceed in value 25 per cent. of the Company's gross asset value and no single tenant (except UK Government and public sector) will account for more than 30 per cent. of the Company's total rental income.

The UK quoted securities portfolio

In order to limit the risk to the Company's overall total portfolio of assets that are derived from any particular securities investment, no individual shareholding will account for more than 10 per cent. of the gross assets of the Company at the time of purchase. The Company will not use derivatives. The Company is permitted to invest cash held for working capital purposes and awaiting investment in cash deposits, gilts and money market funds.

No material changes may be made to the Company's investment policy described above without the prior approval of Shareholders by the passing of an Ordinary Resolution.

Borrowing policy

The Company has a longstanding policy of funding most of the increases in its property portfolio through the judicious use of borrowings. Gearing will normally be within a range of 25 per cent. and 50 per cent. of the total portfolio. The Company will not raise new borrowings if total net borrowings would then represent more than 50 per cent. of the total assets.

Until 2015, all borrowings had been long-term debentures to provide secure long-term funding, and avoiding the risks associated with short-term funding of having to sell illiquid assets at a low point in markets if loans had to be repaid. Detail of the Company's current borrowings, comprising two fixed term secured loan facilities and the 9.375% Debenture Stock 2026, can be found in Note 12 to the Financial Statements on pages 85 to 86 and in Note 24 to the Financial Statements on page 95 of this Annual Report. As announced on 24 May 2022, the Company has voluntarily decided to redeem the 2026 Debenture Stock early on 28 June 2022. The redemption price will be determined in accordance with the conditions set out in the Trust Deed and will be communicated to holders of the 2026 Debenture Stock shortly before the redemption date.

Performance, Results and Dividend

As at 31 March 2022, the Net Asset Value (NAV) total return (with debt at par) over one year was 15.6% and the Share Price total return over one year was 15.8%. This compares to the FTSE All-Share Index total return over one year of 13.0% and the MSCI UK Quarterly Property Index total return of 19.6%. Total assets less current liabilities were £196.5 million. A review of the performance of the property and equity portfolios is detailed in the Chairman's Statement on pages 2 to 3 and in the Property and Equity Manager's Reports on pages 4 to 24.

For the year to 31 March 2022, quarterly dividends of 3.0p per share were each paid on 29 October 2021, 28 January 2022 and 29 April 2022. The Directors have declared that a final dividend of 3.6p per Ordinary Share (2021: 3.6p), if approved by Shareholders at the 2022 AGM, is paid on 29 July 2022 to Shareholders on the register on 1 July 2022. The ex-dividend date is 30 June 2022. This represents an annual increase in dividends of 2.4% as compared with the 9.0% and 7.0% annual increases in the Retail Price and Consumer Price Indices, respectively, as at the end of March 2022.

Principal and Emerging Risks and Uncertainties

The Board has an ongoing process for identifying, evaluating and monitoring the principal and emerging risks and uncertainties facing the Group and the Parent Company. The risk register forms a key part of the Group and the Parent Company's risk management framework used to carry out a robust assessment of the risks, including a significant focus on the controls in place to mitigate them. The principal and emerging risks and uncertainties which affect the Group's and the Company's business are:

Market Risk

The fair value of, or future cash flows from, a financial instrument held by the Group may fluctuate because of changes in market prices. This market risk comprises three elements - price risk, interest rate risk and currency risk.

Price Risk

Changes in market prices (other than those arising from interest rate or currency risk) may affect the value of the Group's investments.

For equities, asset allocation and stock selection, as set out in the Investment Policy on page 27, both act to reduce market risk.

OLIM Property Limited (OLIM Property) is the Investment Manager responsible for the management of the Company's property and equities portfolios.

VIS delegates its portfolio management responsibilities to OLIM Property, which, as well as managing the property portfolio, actively monitors market prices throughout the year and reports to VIS and to the Board, which meet regularly in order to review investment strategy. The equity investments held by the Group are listed on the London Stock Exchange. All investment properties held by the Group are commercial properties located in the UK with long-term, index-linked income streams.

Interest Rate Risk

Interest rate movements may affect:

- the fair value of the investments in property;
- the level of income receivable on cash deposits; and
- the fair value of borrowings.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

The Board imposes borrowing limits to ensure that gearing levels are appropriate to market conditions and reviews these on a regular basis. Current borrowings comprise a debenture stock and two secured term loans, with four and eleven year terms remaining, providing secure long-term funding. It is the Board's policy to maintain a gearing level, measured on the most stringent basis of calculation after netting off cash equivalents, of between 25% and 50%.

Currency Risk

A small proportion of the Group's investment portfolio is invested in securities whose fair value and dividend stream are affected by movements in foreign exchange rates. It is not the Company's policy to hedge this risk.

Liquidity Risk

This is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities.

The Group's assets comprise readily realisable securities which can be sold to meet commitments, if required, and investment properties which, by their nature, are less readily realisable. The maturity of the Company's existing borrowings is set out in the interest rate risk profile section of Note 21 to the Financial Statements.

Credit Risk

This is the failure of a counterparty to a transaction to discharge its obligations under that transaction that could result in the Group suffering a loss.

The risk is not significant and is managed as follows:

- investment transactions are carried out on behalf of VIP by an outsourced dealing agent. Settlement of these transactions is executed by a large investment bank whose credit standing is reviewed periodically by OLIM Property (which reports to VIS).
- the risk of counterparty exposure due to failed trades causing a loss to the Group is mitigated by the review of failed trade reports on a daily basis. In addition, a stock reconciliation to third party administrators' records is performed on a daily basis to ensure that discrepancies are picked up on a timely basis. VIS carries out periodic reviews of the Depositary's operations and reports its findings to the Company. This review also includes checks on the maintenance and security of investments held.
- cash is held only with reputable banks with high quality external credit ratings which are monitored on a regular basis.

Property Risk

The Group's commercial property portfolio is subject to both market and specific property risk. Since the UK commercial property market has been markedly cyclical for many years, it is prudent to expect that to continue.

The price and availability of credit, real economic growth and the constraints on the development of new property are the main influences on the property investment market.

Against that background, the specific risks to the income from the portfolio are tenants being unable to pay their rents and other charges or leaving their properties at the end of their leases. All leases are on full repairing and insuring terms, with upward only rent reviews and the average unexpired lease length is 20 years (2021: 17 years) and 13 years if break options are exercised. Details of the tenant and geographical spread of the portfolio are set out on page 16. The long-term record of performance through the varying property cycles since 1987 is set out on page 22. OLIM Property is responsible for property investment management, with surveyors, solicitors and managing agents acting on the portfolio under OLIM Property's supervision.

Political Risk

The EU (Future Relationship) Act 2020 came into effect on 1 January 2021 and the full political, economic and legal consequences of the UK leaving the European Union (EU) are not yet known. It is possible that investments in the UK may be more difficult to value and assess for suitability of risk, harder to buy or sell and may be subject to greater or more frequent rises and falls in value. In the longer term, there is likely to be a period of uncertainty as the UK seeks to negotiate its ongoing relationship with the EU and other global trade partners. The UK's laws and regulations, including those relating to investment companies, may in future, diverge from those of the EU. This may lead to changes in the operation of the Company or the rights of investors in the territories in which the shares of the Company may be promoted and sold.

The Board reviews regularly the political situation, together with any associated changes to the economic, regulatory and legislative environment, to ensure that any risks arising are mitigated as effectively as possible.

An explanation of certain economic and financial risks and how they are managed is contained in Note 21 to the Financial Statements.

Climate Change and Social Responsibility Risk

The Board recognises that climate change is an important emerging risk that all companies should take into consideration within their strategic planning. As referred to elsewhere in this Strategic Report on pages 34, 37, 38 and in the Statement of Corporate Governance on page 50 in this Annual Report, the Company has little direct impact on environmental issues. As an investment trust company, the Company has no direct employee or environmental responsibilities. The Board is aware that the Manager continues to take into account environmental, social and governance matters when considering investments.

Economic Risk

The valuation of the Company's investments may be affected by underlying economic conditions, such as fluctuating interest rates, rising inflation, increased fuel and energy costs, and the availability of bank finance, all of which can be impacted during times of geopolitical uncertainty and volatile markets, including during the coronavirus pandemic and the situation in Ukraine. The Board monitors the economic and market environment closely, and the situation in Ukraine, and believes that the diverse well-spread, long let indexed portfolio should prove resilient.

Other Key Risks

Additional risks and uncertainties include:

- **Discount volatility:** The Company's shares may trade at a price which represents a discount to its underlying net asset value.
- **Regulatory risk:** The Directors strive to maintain a good understanding of the changing regulatory agenda and consider emerging issues so that appropriate changes can be implemented and developed in good time. The Group operates in a complex regulatory environment and, therefore, faces a number of regulatory risks. A breach of Section 1158 of the Corporation Tax Act 2010 would result in the Company being subject to capital gains tax on portfolio investments. Breaches of other regulations, including but not limited to, the Companies Act 2006, the FCA Listing Rules, the FCA Disclosure, Guidance and Transparency Rules, the Market Abuse Regulation, the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation, the Second Markets in Financial Instruments Directive (MiFID II) and the General Data Protection Regulation (GDPR), could lead to a number of detrimental outcomes and reputational damage.

  The Company is also required to comply with tax legislation under the Foreign Account Tax Compliance Act and the Common Reporting Standard. The Company has appointed its registrar, Computershare, to act on its behalf to report annually to HM Revenue & Customs (HMRC).

The Company's privacy policy is available to view on the Company's web pages hosted by the Investment Manager at **https://www.olimproperty.co.uk/value-and-indexed-property-income-trust.html.**

Breaches of controls by service providers to the Company could also lead to reputational damage or loss. The Audit and Management Engagement Committee monitors compliance with regulations by reviewing internal control reports from the Administrator and from the Investment Manager.

Alternative Investment Fund Managers Directive

The Alternative Investment Fund Managers Directive (AIFMD) introduced an authorisation and supervisory regime for all managers of authorised investment funds in the EU.

In accordance with the requirements of the AIFMD, the Company appointed VIS as its Alternative Investment Fund Manager (AIFM) and BNP Paribas Securities Services as its Depositary. VIS's status as AIFM remains unchanged following the UK's departure from the EU. The Board has controls in place in the form of regular reporting from the AIFM and the Depositary to ensure that both are meeting their regulatory responsibilities in relation to the Company.

Key Performance Indicators

At each Board Meeting, the Directors consider a number of performance measures to assess the Company's success in achieving its objectives and which also enable Shareholders and prospective investors to gain an understanding of its business.

A historical record of these performance measures, with comparatives, together with the Alternative Performance Measures (APMs) are shown in the Highlights of the Year and Financial Record section on page 26 of this Business Review. Definitions of the APMs can be found in the Glossary on page 100.

Following the change in investment policy to invest predominantly in property, the Directors have carried out a review of the key performance indicators to determine the performance of the Company. The Directors have identified the following as key performance indicators:

- Net asset value and share price total returns relative to the MSCI UK Quarterly Property Index and FTSE All-Share Index (total returns); and
- Dividend growth relative to consumer price inflation.

The Manager's Reports on pages 4 to 24 report on how the Company performed during the year under review against these indices.

The net asset value (NAV) total return is considered to be an appropriate long-term measure of Shareholder value as it includes the current NAV per share and the sum of dividends paid to date.

The share price total return relative to the FTSE All-Share Index (total return) is the theoretical return including reinvesting each dividend in additional shares in the Company at the current mid-market price on the day that the shares go ex-dividend.

The medium term dividend policy is for increases at least in line with inflation.

The Board reviews the Company's rental and investment income and operational expenses on a quarterly basis, as the Directors consider that both of these elements are important components in the generation of Shareholder returns. Further information can be found in Notes 2 and 4 to the Financial Statements on pages 78 and 79.

In addition, the Directors will consider economic, regulatory and political trends and factors that may impact on the Company's future development and performance.

SHARE BUY-BACKS

No Ordinary Shares were bought back in the year to 31 March 2022 (2021: 1,992,511 Ordinary Shares bought back). As at 31 March 2022, and as at the date of this Annual Report, 1,992,511 Ordinary Shares of 10p each are held in Treasury. Further information can be found in Note 14 to the Financial Statements on page 86.

At the forthcoming AGM, the Board will seek the necessary Shareholder authority to continue to conduct share buy-backs.

STATEMENT OF COMPLIANCE WITH INVESTMENT POLICY

The Company is adhering to its stated investment policy and managing the risks arising from it. This can be seen in various tables and charts throughout this Annual Report, and from the information provided in the Chairman's Statement (pages 2 to 3) and in the Manager's Property and Equity Reports (pages 4 to 24).

The Board's Section 172 Duty and Stakeholder Engagement

The Directors recognise the importance of an effective Board and its ability to discuss, review and make decisions to promote the long-term success of the Company and protect the interests of its key stakeholders. As required by Provision 5 of The AIC Code of Corporate Governance (the AIC Code) (and in line with The UK Corporate Governance Code (the Code)), the Board has discussed the Directors' duty under Section 172 of the Companies Act and how the interests of key stakeholders have been considered in the Board discussions and decision making during the year. This has been summarised in the table below:

Stakeholder	Form of Engagement	Influence on Board decision making
Shareholders	AGM – Shareholders are encouraged to attend the AGM and are provided with the opportunity to ask questions and engage with the Directors and the Manager. Shareholders are also encouraged to exercise their right to vote on the resolutions proposed at the AGM (please refer to the Chairman's Statement on pages 2 to 3). Shareholder documents – The Company reports formally to Shareholders by publishing Annual and Interim Reports, normally in June and November each year. Significant matters or reporting obligations are disseminated to Shareholders by way of announcement to the London Stock Exchange. The Company Secretary acts as a key point of contact for the Board and all communications received from Shareholders are circulated to the Board. Other Shareholder events include investor and wealth manager lunches and roadshows organised by the Company's Broker at which the Manager is invited to present.	Dividend declarations – The Board recognises the importance of dividends to Shareholders and takes this into consideration when making decisions to pay quarterly and propose final dividends for each year. Further details regarding dividends for the year under review can be found in the Chairman's Statement on pages 2 to 3. Share buy-back policy – the Directors recognise the importance to Shareholders of the Company maintaining a buy-back policy and considered this when establishing the current programme. Further details can be found in this Business Review on page 32, and in the Directors' Report on page 41. Shareholder communication and feedback from the Broker feeds directly into the Board's annual strategy review, the asset allocation considerations and the Manager's guidance on desirable investment characteristics.
Investee companies and assets	Quarterly Board Meetings – The Manager reports to the Board on the Company's investment portfolio and the Directors challenge the Manager where they feel it is appropriate.	The Manager worked closely with all tenants during the COVID-19 pandemic, and, as a result,100% of all contracted rents due were collected in the year to 31 March 2022. The Directors are aware that the exercise of voting rights is key to promoting good corporate governance and, through the Manager, ensures that the listed companies are encouraged to adopt best practice corporate governance. The Board has delegated the responsibility for monitoring the listed companies to the Manager and has given it discretion to vote in respect of the Company's holdings in the equity portfolio, in a way that reflects the concerns and key governance matters discussed by the Board.
Manager	Quarterly Board Meetings – The Manager attends every Board Meeting and presents a detailed portfolio analysis and reports on key issues such as performance of the property and equities portfolios.	The Directors and the Manager are cognisant of the Company's investment policy and the strategy agreed by the Board, which the Manager has been tasked with implementing, which has resulted in a reduction in the number of equity investments and an increase in the number of properties held in the portfolio. The Board engages constructively with the Manager to ensure investments are consistent with the agreed strategy and investment policy.

Stakeholder	Form of Engagement	Influence on Board decision making
Registrar	Review meetings and control reports.	The Directors review the performance of all third party service providers; this includes ensuring compliance with GDPR.
Depositary and Custodian	Regular statements and control reports received, with all holdings and balances reconciled.	The Directors review the performance of all third party providers, including oversight of securing the Company's assets.
Advisers	The Company relies on the expert audit, accounting and legal advice received from its Auditor, Administrator and Legal Advisers.	The Directors review the performance of all third party service providers.

There were no key decisions made in the year to 31 March 2022 that require to be disclosed.

Employee, Environmental and Human Rights Policy

As an investment trust company, the Company has no direct employee or environmental responsibilities, nor is it responsible for the emission of greenhouse gases. Its principal responsibility to Shareholders is to ensure that the investment portfolio is properly managed and invested. The Company has no employees and, accordingly, has no requirement to report separately on employment matters.

Management of the investment portfolio is undertaken by the Investment Manager through members of its portfolio management team. In light of the nature of the Company's business, there are no relevant human rights issues and, therefore, the Company does not have a human rights policy.

Independent Auditor

The Company's Independent Auditor is required to report if there are any material inconsistencies between the content of the Strategic Report and the Financial Statements. The Independent Auditor's Report can be found on pages 58 to 65.

Future Strategy

The Board and the Investment Manager intend to maintain the strategic policies set out above for the year ending 31 March 2023 as it is believed that these are in the best interests of Shareholders.

The Company's Viability Statement is included on pages 36 to 37.

Approval

This Business Review, and the Strategic Report as a whole, was approved by the Board of Directors and signed on its behalf by:

James Ferguson
Chairman
10 June 2022

James Ferguson

Chairman

James Ferguson was appointed as a Director in 1986 and as Chairman in 1994. He joined Stewart Ivory in 1970, became chairman in 1989 and retired in 2000. He is chairman of The Scottish Oriental Smaller Companies Trust PLC and Northern 3 VCT PLC. He is also the senior independent director of The Independent Investment Trust PLC. James is a former deputy chairman of the Association of Investment Companies.

Matthew Oakeshott

Matthew Oakeshott, after studying economics at Oxford University and a period as special adviser to Mr Roy Jenkins as Home Secretary, joined S.G.Warburg & Co in 1976 and became a director of Warburg Investment Management in 1978. He was Investment Manager of Courtaulds Pension Fund from 1981 to 1985. He is chairman of OLIM Property Limited which manages the Company's property and equity portfolios. Matthew is one of the original founders of the Company having served previously on the Board from 1 April 2007 to 1 April 2019. He was re-appointed as a Director on 10 September 2020.

John Kay

Sir John Kay is an economist specialising in the application of economics to business issues. He has been chairman of London Economics, has held chairs at the London Business School and Oxford University. John was knighted in the Queen's 2021 Birthday Honours List for services to economics, finance and business. He was appointed as a Director on 4 February 1994 and is the Company's Senior Independent Director and Chair of the Nomination Committee.

David Smith

David Smith retired from the legal firm Shepherd and Wedderburn LLP in 2008 where he was a partner for 34 years, specialising in commercial property. He was appointed as a Director on 10 July 2009 and chairs the Audit and Management Engagement Committee.

Jo Valentine

Baroness Josephine Clare Valentine was appointed as a Director on 13 November 2020. She is a crossbench member of the House of Lords and her other current non-executive roles include vice chair of University College London and chair of Heathrow Southern Railway Ltd. Jo is also a co-director of Place for Business in the Community. Other previous roles have included chief executive of London First; an investment banker at Barings Bank; head of the corporate finance and planning function at The BOC Group; a National Lottery commissioner; a member of the Board of Governors for The Peabody Trust, a London housing association; a non-executive director of HS2 and of Crossrail; and a board member of a Triple Point venture capital trust.

All Directors, other than Matthew Oakeshott, are members of the Audit and Management Engagement Committee and the Nomination Committee.
All Directors, other than Matthew Oakeshott, are also directors of Value and Indexed Property Income Services Limited.

Directors' Report

The Directors submit their report together with the Financial Statements of the Group and the Company for the year ended 31 March 2022. A summary of the financial results for the year can be found in the Highlights of the Year and Financial Record in the Business Review on page 26. Details of the final dividend for the year are set out in the Chairman's Statement and in the Business Review within the Strategic Report. The Statement of Corporate Governance, which forms part of this Directors' Report, is shown on pages 46 to 51.

Principal Activity and Status

The Company has applied for and has been accepted as an approved investment trust under Sections 1158 and 1159 of the Corporation Tax Act 2010 and Part 2, Chapter 1 of Statutory Instrument 2011/2999. This approval relates to accounting periods commencing on or after 1 April 2012. The Directors are of the opinion that the Company has conducted its affairs so as to be able to retain such approval. The Company intends to manage its affairs so that its Ordinary Shares continue to be a qualifying investment for inclusion in the stocks and shares component of an Individual Savings Account.

The Company is a member of the AIC and its Ordinary Shares are listed on the London Stock Exchange.

Regulatory Status

As an investment trust company pursuant to Section 1158 of the Corporation Tax Act 2010, the rules of the FCA in relation to non-mainstream investment products do not apply to the Company.

Going Concern

The Group and the Parent Company's business activities, together with the factors likely to affect their future development and performance, are set out in the Directors' Report, and the financial position of the Group and of the Parent Company is described in the Chairman's Statement within the Strategic Report. In addition, Note 21 to the Financial Statements includes: the policies and processes for managing the financial risks; details of the financial instruments; and the exposures to market price risk, interest rate risk, liquidity risk, credit risk and price risk sensitivity. The Directors believe that the Group and the Parent Company are well placed to manage their business risks.

Following a detailed review, the Directors have a reasonable expectation that the Group and the Parent Company have adequate financial resources to enable them to continue in operational existence for the foreseeable future, being at least 12 months from approval of the Financial Statements, and accordingly, they have continued to adopt the going concern basis (as set out in Note 1(b) to the Financial Statements on pages 73 and 74) when preparing the Annual Report and Financial Statements.

Viability Statement

For the purposes of this Viability Statement, references to "the Company" shall include the Group and the Parent Company. In accordance with Provision 31 of the UK Corporate Governance Code, published in July 2018 and Principle 36 of the AIC Code of Corporate Governance, published in February 2019 (the Codes), the Board has considered the Company's prospects and risks for the forthcoming five-year period to 31 March 2027. The Board considers that this five-year period is appropriate for an investment trust company of its size and based on the financial position of the Company as detailed in the Chairman's Statement, the Manager's Property and Equity Reports and the Business Review of this Annual Report.

In making this statement, the Board carried out a robust assessment of the principal and emerging risks facing the Company as set out in the Business Review, including those that might threaten its business model, future performance, solvency, or degree of liquidity within the portfolio. The Board concentrated its efforts on the major factors that affect the economic, regulatory and political environment, including the COVID-19 pandemic, the UK's departure from the EU and the situation in Ukraine.

The Board has considered the Company's financial position and its ability to liquidate its portfolio and meet its liabilities and draws attention to the following points which the Board took into account in its assessment of the Company's future viability:-

a) The property portfolio was valued at £155.8m as at 31 March 2022 and is securing a debenture stock expiring in 2026 and loan facilities expiring in 2026 and 2033 against a required £75.0m.
b) The Company's equity investments are traded on a major stock exchange.
c) The Company is closed ended in nature and, therefore, does not require to sell investments when Shareholders wish to sell their shares.
d) The Board has considered the risks faced by the Company as detailed in the Business Review and referred to in Note 21 to the Financial Statements on pages 89 to 94 and have concluded that the Company would be able to take appropriate action to protect the value of the Company.
e) Due to the nature of the business of the Company and the nature of its investments and to the Company's long history, the Board are able to conclude that expenses are predictable and modest in relation to asset values. There is a significant proportion of expenses on an ad valorem basis (management fees to 31 March 2022 are 21% of total expenses) which reduces as NAV declines. Expenses including interest were covered 1.43 times by income in the year.
f) There are no capital commitments currently foreseen that would alter the Board's view.
g) Details of the financial covenants which the Company complies with are detailed in Note 12 to the Financial Statements on pages 85 and 86.

In assessing the Company's future viability, the Board have assumed that investors will wish to continue to have exposure to the Company's activities, in the form of a closed ended entity; performance will continue to be satisfactory; and the Company will continue to have access to sufficient capital.

Accordingly, given the above, the Board has concluded that there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five years ending 31 March 2027.

Financial Instruments

The Company's financial instruments comprise its investment portfolio, cash balances and debtors and creditors that arise directly from its operations, including accrued income and purchases and sales awaiting settlement. The main risks that the Company faces arising from its financial instruments are disclosed in Note 21 to the Financial Statements.

Global Greenhouse Gas Emissions

The Company is a low energy user and is, therefore, exempt from the reporting obligations under the Companies (Director's Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, which implement the Government's policy on Streamlined Energy and Carbon Reporting (SECR). The Company has no greenhouse gas emissions to report from the operations of the Company, nor does it have responsibility for any emissions producing sources, including those within its underlying investment portfolio under Part 7 of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended.

SHARE CAPITAL AND VOTING RIGHTS

As at 31 March 2022, and as at the date of approval of this Annual Report, the Company's share capital comprised 43,557,464 Ordinary Shares of 10p nominal value in issue and 1,992,511 Ordinary Shares of 10p nominal value held in Treasury (31 March 2021: 43,557,464 Ordinary Shares of 10p nominal value in issue and 1,922,511 Ordinary Shares of 10p nominal value in Treasury).

Each Ordinary Share in issue entitles the holder to one vote on a show of hands and, on a poll, to one vote for every share held.

DIRECTORS

Biographies of the current Directors are shown in the Directors' Details section on page 35 of this Annual Report.

The Directors' interests in the shares of the Company at the year end are shown in the table on page 45. The Directors' interests were unchanged at the date of this Annual Report.

The Company's Articles of Association (the Articles) require that each Director shall retire and seek re-election at every third Annual General Meeting (AGM). A Director appointed during the year is required, under the provisions of the Company's Articles, to retire and seek election by Shareholders at the next AGM.

The Directors take the view, in line with the AIC Code of Corporate Governance (AIC Code), that independence is not compromised by length of service on the Board and that experience can add significantly to the Board's strength.

Accordingly, all Directors who served during the year, other than Matthew Oakeshott, are considered by the Board to be independent of the Company and the Investment Manager and free of any material relationship with the Investment Manager. Matthew Oakeshott is not considered to be independent as he is chairman of OLIM Property, the Investment Manager, and a substantial Shareholder.

Notwithstanding the provisions in the Articles, in accordance with the AIC Code, the Board has agreed that all Directors should be subject to annual re-election.

It was announced in the 2021 Annual Report that James Ferguson intended to retire during the course of 2022. As referred to in the Chairman's Statement on page 3 of this Annual Report, James Ferguson will retire from the Board following the conclusion of the 2022 AGM and the Board has agreed to appoint John Kay as Chairman. John will assume the role of Chairman following the conclusion of the 2022 AGM.

The Nomination Committee reviewed the skills, experience and independence of John Kay, Matthew Oakeshott, David Smith and Jo Valentine, being the Directors standing for re-election, and has no hesitation in recommending to the Board and to Shareholders their re-election as Directors at the AGM.

The Board confirms that, following a formal process of evaluation, the performance of each Director standing for re-election continues to be effective and all Directors have demonstrated commitment to their roles.

John Kay is an economist with over 35 years investment trust experience and was knighted in the Queen's 2021 Birthday Honours List for services to economics, finance and business. John is currently the Company's Senior Independent Director and Chair of the Nomination Committee, however, when he assumes the role of Chairman following James Ferguson's retirement, Jo Valentine will be appointed as the Company's Senior Independent Director and David Smith will be appointed Chair of the Nomination Committee.

Matthew Oakeshott is one of the original founders of the Company and had served on the Board previously for a number of years. He has extensive investment trust experience and is the chairman of OLIM Property Limited, (OLIM Property) the Company's Investment Manager.

David Smith was a partner in the legal firm Shepherd & Wedderburn LLP for 34 years, specialising in commercial property. David is the Chair of the Audit and Management Engagement Committee.

Jo Valentine has extensive corporate finance experience and has previously worked as an investment banker with many years' experience in holding senior positions on other boards.

Further information on the qualifications, skills and experience of the Directors subject to re-election can be found in the Directors' Details section on page 35 of this Annual Report.

The Board believes that, for the above reasons, the contribution of each Director continues to be important to the continued long-term success of the Company, as the combined skills and experience ensure a balanced Board of Directors with a wealth of knowledge and understanding in the key areas that are relevant to the Company. It is, therefore, believed to be in the best interests of Shareholders that those Directors standing for re-election be re-elected and Resolutions to this effect will be proposed at the 2022 AGM.

Investment Management

The Company complies with the AIFMD which came into force on 22 July 2014. An investment management agreement was entered into by the Company (effective from 22 July 2014) in which the Company appointed VIS, a wholly owned subsidiary of the Company, as its AIFM. Under a separate updated and restated investment management agreement entered into by the Company and VIS on 15 May 2015 (and further revised on 20 September 2018 and 5 November 2020), VIS has contractually delegated its management responsibilities for the property and equities portfolios to OLIM Property.

The investment management agreement provides that, with effect from 1 October 2020, VIP shall pay to OLIM Property a management fee of 0.6% per annum of the total value of VIP's assets which are managed by OLIM Property (such assets being valued at quarterly valuation dates on 31 March, 30 June, 30 September and 31 December in each year). There is no performance fee.

Accordingly, during the year ended 31 March 2022, OLIM Property received an annual investment management fee of £1,090,000 (2021 - £479,000) excluding VAT.

The Directors, together with the Audit and Management Engagement Committee and the Directors of VIS, review the performance of the Investment Manager and review the terms and conditions of its appointment on a regular basis.

Following this review, the Directors are satisfied that the continuing appointment of OLIM Property as Investment Manager is in the best interests of Shareholders as a whole, as the Company benefits from the specialised team of investment professionals within OLIM Property.

The costs and expenses of VIS are also met by the Company.

An additional fee is payable to the Company Secretary, Maven Capital Partners UK LLP, in respect of company secretarial and administrative services.

Substantial Interests

As at 31 March 2022, the only persons known to the Company who, directly or indirectly, were interested in 3% or more of the issued ordinary share capital of the Company were as follows:

Shareholder	Number of Ordinary Shares	% held
RATHBONE NOMINEES LIMITED*	12,886,733	29.59%
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED	6,542,763	15.02%
HARGREAVES LANSDOWN (NOMINEES) LIMITED	4,765,120	10.94%
SMITH & WILLIAMSON NOMINEES LIMITED	1,356,674	3.11%

* Included in the Rathbones Nominees Limited holding is 11,555,000 Ordinary Shares (26.5%) held by Matthew Oakeshott.

As at 8 June 2022, being the last practicable date prior to the publication of this Annual Report, the only persons known to the Company who, directly or indirectly, were interested in 3% or more of the Company's issued ordinary share capital were as follows:

Shareholder	Number of Ordinary Shares	% held
RATHBONE NOMINEES LIMITED*	12,826,733	29.45
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED	6,661,453	15.29
HARGREAVES LANSDOWN (NOMINEES) LIMITED	4,890,614	11.23
SMITH & WILLIAMSON NOMINEES LIMITED	1,483,166	3.41%

* Included in the Rathbones Nominees Limited holding is 11,555,000 Ordinary Shares (26.5%) held by Matthew Oakeshott.

Independent Auditor

BDO LLP were appointed as the Company's Independent Auditor on 19 March 2020.

The Directors are of the view that the Company's Independent Auditor should continue in office and Resolutions 8 and 9 will be proposed at the 2022 AGM to propose the re-appointment of BDO LLP and to authorise the Directors to fix its remuneration. The Directors have received assurances from BDO LLP that they are independent and objective and the Directors remain satisfied that objectivity and independence is being safeguarded by BDO LLP. No non-audit services were provided by BDO LLP to the Company and, accordingly, no non-audit fees were paid to BDO LLP during the year to 31 March 2022.

The Directors confirm that, as far as they are each aware, as at the date of this Annual Report, there is no relevant audit information of which the Company's Independent Auditor is unaware, and that each Director has taken all the steps that they might reasonably be expected to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's Independent Auditor was aware of that information.

Additional Information

Information relating to dividends, likely future developments and important events since the year end are detailed in the Chairman's Statement on pages 2 to 3 and in the Business Review on pages 25 to 34. Where not provided elsewhere in the Directors' Report, the following additional information is required to be disclosed by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

There are no restrictions on the transfer of Ordinary Shares in the Company, or their related voting rights, other than certain restrictions which may from time to time be imposed by law (for example, the Market Abuse Regulation). The Company is not aware of any agreements between Shareholders that may result in a transfer of securities and/or voting rights.

The Company's Articles may only be amended by the passing of a Special Resolution at a general meeting of Shareholders.

Annual General Meeting

The Notice of the Annual General Meeting, which will be held on Friday, 8 July 2022 at 12.30pm at the offices of Shepherd & Wedderburn LLP, 1 Exchange Crescent, Conference Square, Edinburgh EH3 8UL and related notes may be found on pages 101 to 106 of this Annual Report.

The Board encourages Shareholders to vote at the AGM and votes can be submitted by hard copy proxy form, via CREST, or electronically using the Registrar's share portal service at **www.investorcentre/eproxy**. Please refer to the notes to the Notice of Annual General Meeting on pages 103 to 106 of this Annual Report.

The Notice of Annual General Meeting is normally sent out at least 20 working days in advance of the meeting.

Among the Resolutions being put to the AGM, the following is a more detailed explanation of Resolutions 10 to 13. Resolutions 1 to 9 are self-explanatory and require no further explanation.

Issue of Ordinary Shares by the Company

Resolution 10, which is an Ordinary Resolution, will, if passed, renew the Directors' authority to allot new Ordinary Shares up to a nominal value of £435,574. This will allow the Directors to allot up to 4,355,740 Ordinary Shares (being approximately 10% of the total ordinary issued share capital of the Company as at the date of the Notice of Annual General Meeting set out on pages 101 to 106 of this Annual Report) (excluding Treasury shares).

During the year ended 31 March 2022, no Ordinary Shares were allotted (2021: nil).

Limited Disapplication of Pre-emption rights

Resolution 11, which is a Special Resolution, will, if passed, renew the Directors' existing authority to allot new shares or sell Treasury shares for cash without the shares first being offered to existing Shareholders in proportion to their existing holdings. This will give the Directors authority to make limited allotments or sell shares from Treasury of up to a nominal value of £435,574, being up to 4,355,740 Ordinary Shares, representing approximately 10% of the total ordinary issued share capital. The authority to issue shares on a non pre-emptive basis includes shares held in Treasury (if any) which the Company sells or transfers, including pursuant to the authority conferred by Resolution 10. Since the introduction of The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 on 1 December 2003, a listed company is able to hold shares that it has repurchased in Treasury rather than cancel them.

New Ordinary Shares will only be issued at prices representing a premium to the last published net asset value per share.

Purchase of the Company's Ordinary Shares

During the year ended 31 March 2022, no shares were bought back by the Company to be held in Treasury, (2021: 1,992,511 shares bought back and held in Treasury).

As at the date of the approval of this Annual Report, there were 1,992,511 Ordinary Shares held in Treasury.

The Company's buy back authority was last renewed at the AGM held on 23 July 2021. Special Resolution 12 renews the Board's authority to make market purchases of the Company's Ordinary Shares in accordance with the provisions contained in the Companies Act 2006 and the FCA Listing Rules. Accordingly, the Company will seek the authority to purchase up to a maximum of 14.99% of the issued ordinary share capital (excluding Treasury shares) at the date of passing of Resolution 12 (being approximately 6,529,263 Ordinary Shares as at the latest practicable date prior to the publication of this Annual Report) at a minimum price of not less than 10 pence per share (being the nominal value). Under the Listing Rules of the FCA, the maximum price that may be paid on the exercise of this authority must not exceed the higher of: (i) 105% of the average of the middle market quotations (as derived from the Daily Official List of the London Stock Exchange) for the shares over the five business days immediately preceding the date of purchase; and (ii) the higher of the last independent trade and the highest current independent bid on the trading venue on which the purchase is carried out.

The authorities being sought under Resolutions 10, 11 and 12 shall expire at the conclusion of the AGM in 2023 or, if earlier, on the expiry of 15 months from the date of the passing of Resolutions 10, 11 and 12 unless such authority is renewed prior to such time. The Directors will only exercise these authorities if they believe it is advantageous and in the best interests of Shareholders and would result in an increase in the net asset value per share. Any Ordinary Shares purchased shall either be cancelled or held in Treasury.

Notice of Meeting

Under the Companies Act 2006, the notice period for the holding of general meetings of the Company is 21 clear days unless Shareholders agreed to a shorter notice period and certain other conditions are met. Resolution 13, which is a Special Resolution, will be proposed to authorise the Directors to call general meetings of the Company (other than AGMs) on not less than 14 clear days' notice, as permitted by the Companies Act 2006 amended by the Companies (Shareholders' Rights) Regulations 2009.

It is currently intended that this flexibility to call general meetings on shorter notice will only be used for non-routine business and where considered to be in the interests of all Shareholders. If Resolution 13 is passed, the authority to convene general meetings on not less than 14 clear days' notice will remain effective until the conclusion of the AGM in 2023 or, if earlier, on the expiry of 15 months from the date of passing of Resolution 13, unless renewed prior to such time.

Recommendation

Your Board considers Resolutions 1 to 10 inclusive, which are all Ordinary Resolutions, and Resolutions 11 to 13 inclusive, which are all Special Resolutions, to be in the best interests of the Company and most likely to promote the success of the Company for the benefit of its members as a whole. Accordingly, your Board unanimously recommends that Shareholders vote in favour of Resolutions 1 to 13 inclusive to be proposed at the AGM to be held on Friday, 8 July 2022.

By order of the Board
Maven Capital Partners UK LLP
Company Secretary

10 June 2022

This report has been prepared in accordance with the requirements of the Companies Act 2006. An Ordinary Resolution for the approval of this report will be put to the members of the Company at the forthcoming AGM. The law requires the Company's Auditor to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such and the Auditor's opinion is included in their report on pages 58 to 65.

The Nomination Committee of the Board, chaired by John Kay, fulfils the functions of a remuneration committee in relation to setting the level of Directors' fees and the Remuneration Policy. As none of the Directors is an executive director, the Company is not required to comply with the Principles of the UK Corporate Governance Code in respect of executive directors' remuneration. Following the 2022 AGM, when John Kay will assume the role of Chairman of the Company, David Smith will be appointed Chair of the Nomination Committee.

As at 31 March 2022, and as at the date of this Annual Report, the Company had five Directors and their biographies are shown in the Directors' Details section on page 35 of this Annual Report. The names of the Directors who served during the year together with the fees paid during the year are shown in the table on page 44.

REMUNERATION POLICY

The Company's policy is that the remuneration of the Directors should reflect the experience of the Board as a whole and be fair and comparable with that of other investment trust companies that are similar in size, have a similar capital structure and a similar investment objective. Directors are remunerated in the form of fees, payable monthly in arrears, to the Director personally or to a third party specified by him or her. The fees for the Directors are determined within the limits set out in the Company's Articles of Association, which limit the aggregate of the fees payable to the Directors to £200,000 and the approval of Shareholders in general meeting would be required to change this limit. It is intended that the fees payable to the Directors should reflect their duties, responsibilities, and the value and amount of time committed to the Company's affairs, and should also be sufficient to enable candidates of a high quality to be recruited and retained. The Directors do not receive bonuses, pension benefits, share options, long-term incentive schemes or other benefits, and the fees are not specifically related to the Directors' performance, either individually or collectively.

A copy of the Remuneration Policy may be inspected by the members of the Company at its registered office.

It is the Board's intention that the above Remuneration Policy be put to a Shareholders' vote at least once every three years and, as a resolution was approved at the AGM held in 2020, an Ordinary Resolution for its approval for the three years to 31 March 2026 will next be proposed at the 2023 AGM.

At the AGM held on 3 September 2020, the result in respect of the Ordinary Resolution to approve the Directors' Remuneration Policy for the three years to 31 March 2023 was as follows:

	Percentage of votes cast for	Percentage of votes cast against	Number of votes withheld
Remuneration Policy	99.5	0.5	275,095

During the year ended 31 March 2022, the Board was not provided with advice or services by any person in respect of its consideration of the Directors' remuneration. However, in the application of the Board's policy on Directors' remuneration, as defined above, the Committee expects, from time to time, to review the fees paid to the directors of other investment trust companies.

During the year ended 31 March 2022, the Nomination Committee carried out a review of the remuneration policy and the level of Directors' fees and agreed that the rates of remuneration should remain unchanged for a second year and will remain at the current level for the year to 31 March 2023, being £30,000 for the Chairman, £24,500 for the Chairman of the Audit and Management Engagement Committee and £22,000 for each other Director.

An Ordinary Resolution to approve this Directors' Remuneration Report will be put to Shareholders at the 2022 AGM. At the AGM held on 23 July 2021, the result in respect of the Ordinary Resolution to approve the Directors' Remuneration Report for the year ended 31 March 2021 was as follows:

	Percentage of votes cast for	Percentage of votes cast against	Number of votes withheld
Remuneration Report	99.18	0.82	716,914

Directors' Fees and Total Remuneration (audited)

The Company does not have any employees and Directors' remuneration comprises solely of Directors' fees. The Directors' fees for the years ended 31 March 2021 and 31 March 2022, and projected fees for the year ending 31 March 2023, respectively are as follows:

	Directors' fees (fixed) Year ended 31 March 2021 £	Directors' fees (fixed) Year ended 31 March 2022 £	% change for the year to 31 March 2021	% change for the year to 31 March 2022	Directors' fees (fixed) Year ending 31 March 2023 £
James Ferguson (Chairman)[1]	30,000	30,000	3.9	0.0	8,137
John Kay[2]	22,000	22,000	4.8	0.0	27,830
Dominic Neary[3]	22,000	6,860	4.8	0.0	N/A
Matthew Oakeshott[4]	-	-	-	-	-
David Smith (Chair of the Audit and Management Engagement Committee)	24,500	24,500	4.3	0.0	24,500
Jo Valentine[5]	8,433	22,000	N/A	0.0	22,000
Total	**106,933**	**105,360**			82,467

[1] James Ferguson will retire as Chairman and from the Board following the conclusion of the 2022 AGM.
[2] John Kay will be appointed Chairman following the conclusion of the 2022 AGM.
[3] Dominic Neary retired from the Board following the conclusion of the 2021 AGM.
[4] Matthew Oakeshott was appointed as a Director on 10 September 2020. No additional fees are payable to Mr Oakeshott for his services as a Director.
[5] Jo Valentine was appointed as a Director on 13 November 2020.

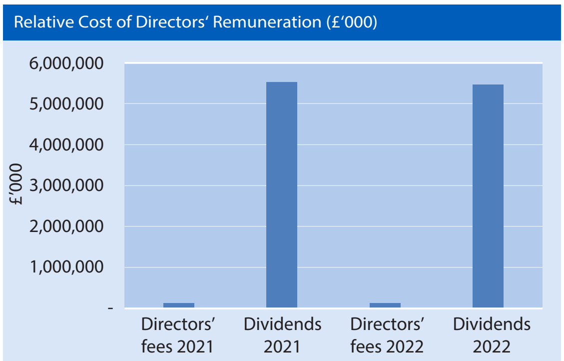
The above amounts exclude any employers' national insurance contributions, if applicable. No other form of remuneration was received by the Directors and no Director has received any taxable expenses, compensation for loss of office or non-cash benefit for the year ended 31 March 2022 (2021: £nil).

Directors do not have service contracts, but new Directors are provided with a letter of appointment. The terms of appointment provide that Directors should retire and be subject to election at the first AGM after their appointment. The Company's Articles require all Directors to retire by rotation at least every three years. As noted in the Directors' Report, the Board has decided that, in accordance with the AIC Code, all Directors should stand for annual re-election. There is no notice period and no provision for compensation upon early termination of appointment, save for any arrears of fees which may be due.

During the year ended 31 March 2022, no communication had been received from Shareholders regarding Directors' remuneration.

Relative Cost of Directors' Remuneration

The chart below shows, for the years ended 31 March 2021 and 31 March 2022, the cost of Directors' fees compared with the level of dividend distribution.



As noted in the Strategic Report, none of the Directors is executive and, therefore, the Company does not have a chief executive officer, nor does it have any employees. In the absence of a chief executive officer or employees, there is no related information to disclose.

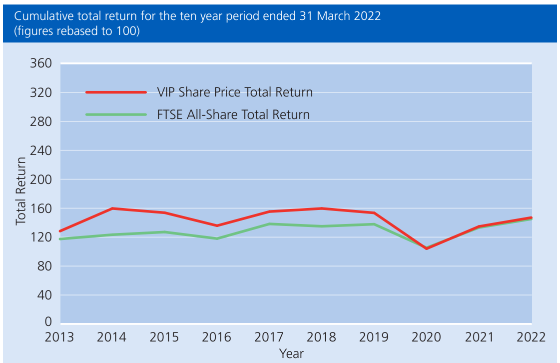
Directors' and Officers' Liability Insurance

The Company purchases and maintains liability insurance covering the Directors and Officers of the Company. This insurance is not a benefit in kind, nor does it form part of the Directors' remuneration.

Company Performance

The Board is responsible for the Company's investment strategy and performance, although the management of the Company's investment portfolio is delegated to the Investment Manager through the investment management agreement, as referred to in the Directors' Report.

The graph below compares the total returns on an investment of £100 in the Ordinary Shares of the Company, for each annual accounting period for the ten years to 31 March 2022, assuming all dividends are reinvested, with the total shareholder return on a notional investment of £100 made up of shares of the same kinds and number as those by reference to which the FTSE All-Share Index is calculated. This index was chosen for comparison purposes as it was the most relevant to the Company's investment portfolio for the ten year period under review.



(Source: London Stock Exchange)

Directors' Interests (Audited)

The Directors' interests in the share capital of the Company as at 31 March 2022 and as at the date of this Annual Report are shown below. There is no requirement for Directors to hold shares in the Company.

	31 March 2022 Ordinary Shares of 10p each	31 March 2021 Ordinary Shares of 10p each
James Ferguson	749,000	749,000
John Kay	238,114	238,114
John Kay – Family	19,274	19,274
John Kay – as Trustee	74,830	74,830
Matthew Oakeshott & family	4,500,000	4,500,000
Matthew Oakeshott – the AIL Pension Scheme	2,555,000	2,555,000
Matthew Oakeshott - The Coltstaple Charitable Trust	4,500,000	4,500,000
David Smith	19,320	19,320
Jo Valentine	13,500	13,500

Approval

The Directors' Remuneration Report was approved by the Board of Directors and signed on its behalf by:

John Kay
Director

10 June 2022

Statement of Corporate Governance

The Company is committed to, and is accountable to the Company's Shareholders for, a high standard of corporate governance. The Board has put in place a framework for corporate governance that it believes is appropriate for an investment trust company and enables it to comply with The UK Corporate Governance Code (the Code), which is available from the website of the FRC at **www.frc.org.uk**.

During the year under review, the Company was a member of the Association of Investment Companies (AIC), which published a revised version of its own AIC Code of Corporate Governance (the AIC Code) in February 2019. The Board has adopted the principles of the AIC Code and reports on compliance with these below. The AIC Code provides a comprehensive guide to best practice in certain areas of governance where the specific characteristics of investment trusts suggest alternative approaches to those set out in the Code.

The key requirements of the AIC Code include:

- a requirement for the annual re-election of all directors of all investment companies;
- a requirement that a board should understand the views of its company's key stakeholders and describe in the annual report how their interests and the matters set out in Section 172 of the Companies Act 2006 (the duty to promote the success of the company) have been considered in board discussions and decision making;
- that the chairman of an investment company may now remain in post beyond nine years from the date of first appointment by the board. Notwithstanding this more flexible approach, the board is required to determine and disclose a policy on the tenure of the chairman.

The AIC Code is available from the AIC website at **www.theaic.co.uk**.

This Statement of Corporate Governance forms part of the Directors' Report.

Application of the Main Principles of the AIC Code

This statement describes how the main principles identified in the AIC Code have been applied by the Company throughout the year, as is required by the Listing Rules of the FCA.

The Board has considered the Principles and Provisions of the AIC Code, which address the Principles and Provisions set out in the Code, as well as setting out additional Provisions on issues that are of specific relevance to the Company. The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the FRC, provides more relevant information to Shareholders. The endorsement by the FRC means that by reporting against the AIC Code, the Company is meeting its obligations under the Code and the associated disclosure requirements of the Listing Rules, and as such does not need to report further on issues contained in the Code which are irrelevant to them. These include:

- Provision 9 (dual role of chairman and chief executive);
- Provision 19 (tenure of the chair);
- Provision 25 (internal audit function); and
- Provision 33 (executive remuneration).

The Board is of the opinion that the Company has complied fully with the Principles and Provisions of the AIC Code.

The Board

As at the date of this Annual Report, the Board consists of one female and four male Directors. Biographies of the current Directors are shown on page 35 and indicate their high level and range of investment, industrial, commercial and professional experience. John Kay is the Company's Senior Independent Director.

Other than Matthew Oakeshott, who is chairman of OLIM Property and a substantial Shareholder, all other Directors who served during the year are considered by the Board to be independent of the Investment Manager and free of any material relationship with the Investment Manager. The Board sets the Company's values and objectives and ensures that its obligations to Shareholders are met. It has formally adopted a schedule of matters which are required to be brought to it for decision, thus ensuring that it maintains full and effective control over appropriate strategic, financial, operational and compliance issues. These matters include:

- the maintenance of clear investment objectives and risk management policies;
- the monitoring of the business activities of the Company including investment performance and revenue budgets;
- Companies Act requirements such as the approval of the periodic financial statements and approval and recommendation of any dividends;
- major changes relating to the Company's structure, including any share buy backs and share issues;
- succession planning including Board appointments and removals and the related terms;
- the appointment and removal of the AIFM, the Investment Manager and the terms and conditions of the investment management agreement relating thereto;
- terms of reference and membership of Board Committees; and
- London Stock Exchange/ Financial Conduct Authority matters, including responsibility for approval of all circulars, listing particulars and approval of all releases concerning matters decided by the Board.

The Board has a procedure in place to deal with a situation where a Director has a conflict of interest, as required by the Companies Act 2006.

There is an agreed procedure for Directors to take independent professional advice, if necessary, at the Company's expense.

The Directors have access to the advice and services of the Company Secretary, Maven Capital Partners UK LLP, through its appointed representatives who are responsible to the Board:

- for ensuring that Board procedures are complied with;
- under the direction of the Chairman, for ensuring good information flows within the Board and its Committees; and
- for advising on corporate governance matters.

An induction meeting will be arranged on the appointment of any new Director, covering details about the Company, the AIFM, the Investment Manager, legal responsibilities and investment trust industry matters. Directors are provided, on a regular basis, with key information on the Company's policies, regulatory and statutory requirements and internal controls. Changes affecting Directors' responsibilities are advised to the Board as they arise.

James Ferguson is Chairman of the Company.

John Kay is the Company's Senior Independent Director and Chair of the Nomination Committee as the other Directors consider that he has the skills and experience relevant to that role. There is no Remuneration Committee as the Nomination Committee is responsible for considering appointments to the Board and reviewing the level of Directors' fees. As referred to elsewhere in this Annual Report, when John Kay assumes the role of Chairman following the conclusion of the 2022 AGM, Jo Valentine will be appointed as the Company's Senior Independent Director and David Smith will be appointed Chair of the Nomination Committee.

David Smith is Chair of the Audit and Management Engagement Committee as the other Directors consider that he has the skills and experience relevant to that role.

The Board meets at least four times each year.

The primary focus of quarterly Board Meetings is a review of investment performance and related matters including asset allocation, peer group information and industry issues. Between meetings, the Board maintains contact with the Investment Manager and has access to senior members of the management teams and to the company secretarial team.

During the year ended 31 March 2022, the Board held four Board Meetings (with one Board Meeting including discussions relating to strategy); and three Board Committee Meetings to approve the release of financial results and approve a change to one of the loan agreements; In addition, there were two meetings of the Nomination Committee and three meetings of the Audit and Management Engagement Committee.

Accordingly, Directors have attended Board and Committee Meetings during the year ended 31 March 2022[1] as follows:

Director	Board	Board Committee	Audit and Management Engagement Committee	Nomination Committee
James Ferguson	4 (4)	3 (3)	3 (3)	2 (2)
John Kay	4 (4)	1 (3)	3 (3)	2 (2)
Dominic Neary[2]	1 (2)	0 (1)	2 (2)	1 (1)
Matthew Oakeshott	4 (4)	3 (3)	N/A	N/A
David Smith	4 (4)	1 (3)	3 (3)	2 (2)
Jo Valentine	4 (4)	1 (3)	2 (3)	2 (2)

[1] The number of meetings which the Directors were eligible to attend is in brackets.

[2] Dominic Neary retired as a Director on 23 July 2021.

To enable the Board to function effectively and allow Directors to discharge their responsibilities, full and timely access is given to all relevant information. In the case of Board Meetings, this consists of a comprehensive set of papers, including the Investment Manager's review and discussion documents regarding specific matters. The Directors make further enquiries when necessary.

The Nomination Committee has undertaken a formal performance evaluation of the Chairman, the other Directors and the Board as a whole. The evaluation of the Chairman is led by the Senior Independent Director, John Kay.

Directors' Terms of Appointment and Policy on Tenure

All Directors are appointed for an initial period of three years, subject to re-election and Companies Act provisions and, in accordance with the Articles, stand for election at the first AGM following their appointment. The Articles state that Directors must offer themselves for re-election at least once every three years. Notwithstanding the Articles, the Board has determined that in accordance with the AIC Code, all Directors should be subject to annual re-election.

The Board subscribes to the view expressed in the AIC Code that long-serving Directors should not be prevented from forming part of an independent majority. It does not consider that a Director's tenure necessarily reduces his ability to act independently and, following a formal performance evaluation, believes that each Director is independent in character and judgement and that there are no relationships or circumstances which are likely to affect the judgement of any Director. The Board's policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and, as such, no limit on the overall length of service of any of the Company's Directors, including the Chairman, has been imposed. The policy on tenure and the independence of each Director is reviewed on an annual basis, before the re-election of any Director is recommended, and the Board considers the need for regular refreshment of the Directors prior to doing so. The Company has no executive Directors or employees.

Committees

Each of the Committees has been established with written terms of reference. The terms of reference of each of the Committees, which are available on request from the Registered Office of the Company, are reviewed and re-assessed for their adequacy at least annually.

Audit and Management Engagement Committee

Information regarding the composition, responsibilities and activities of the Audit and Management Engagement Committee is detailed in the Report of the Audit and Management Engagement Committee on pages 54 to 57.

Nomination Committee

The Nomination Committee comprises all of the independent Directors and is chaired by John Kay. Matthew Oakeshott is not a member of the Nomination Committee as he is not considered by the Board to be independent. As the Board has not established a Remuneration Committee, the Nomination Committee fulfils the functions of a remuneration committee in relation to setting the level of Directors' fees and the remuneration policy. The Nomination Committee met twice during the year. The Committee makes recommendations to the Board on the following matters:

- the evaluation of the performance of the Board and its Committees;
- reviewing the Board structure, size, composition and age profile (including the skills, knowledge, experience and diversity (including gender);
- succession planning;
- the identification and nomination of candidates to fill Board vacancies, as and when they arise, for the approval of the Board;
- the tenure and re-appointment of any non-executive Director on an annual basis;
- proposals for the re-election by Shareholders of any Director on an annual basis, having due regard to the provisions of the AIC Code, the Director's performance and ability to contribute to the Board and long-term success of the Company;
- the continuation in office of any Director at any time;
- the appointment of any Director to another office, such as Chairman of the Audit and Management Engagement Committee, other than to the position of Chairman; and
- reviewing the level of Directors' fees.

Although the Company does not have a formal policy on diversity, as detailed above, consideration of Board diversity forms part of the responsibilities of the Committee.

As referred to elsewhere in this Annual Report, when John Kay assumes the role of Chairman following the conclusion of the 2022 AGM, David Smith will be appointed Chair of the Nomination Committee.

External Agencies

The Board has contractually delegated to external agencies, certain services: the depositary and custodial services (which include the safeguarding of assets); the registration services; and the day-to-day accounting and company secretarial requirements. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of services offered. The Board receives and considers reports from the external agencies on a regular basis. In addition, ad hoc reports and information are supplied to the Board as requested.

As the AIFM, VIS has responsibility for the overall investment management and risk management of the assets of the Company. VIS has contractually delegated its day-to-day investment management responsibilities for the property and equity portfolios to OLIM Property (the Investment Manager). The delegation by VIS of its investment management responsibilities is in accordance with the delegation requirements of the AIFMD. The Investment Manager remains subject to the supervision and direction of VIS and is responsible to VIS and ultimately to the Company in regard to the management of the investment of the assets of the Company in accordance with the Company's investment objective and policy. VIS has established a Risk Committee to keep under review the effectiveness of the Company's internal control and risk management systems and procedures and to identify, measure, manage and monitor the risks identified as affecting the Company's business.

Corporate Governance, Stewardship and Proxy Voting

The UK Stewardship Code 2020 sets high stewardship standards for those investing money on behalf of UK savers and pensioners, such as asset owners and asset managers (and those that support them). Stewardship is the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries, leading to sustainable benefits for the economy, the environment and society.

The Board is aware of its duty to act in the interests of the Shareholders and the Directors believe that the exercise of voting rights lies at the heart of regulation and the promotion of good corporate governance. The Directors, through the Investment Manager, encourage companies in which investments are made to adhere to best practice in the area of corporate governance. The Investment Manager believes that, where practicable, this can best be achieved by entering into a dialogue with investee company management teams to encourage them, where necessary, to improve their governance policies. Therefore, the Board and VIS have delegated responsibility for monitoring the activities of portfolio companies to the Investment Manager and has given discretionary powers to vote in respect of the holdings in the Company's investment portfolio.

Socially Responsible Investment Policy

The Directors and the Investment Manager are aware of their duty to act in the interests of the Company and acknowledge that there are risks associated with investment in businesses that fail to conduct business in a socially responsible manner. Therefore, the Directors and the Investment Manager take account of the social, environmental and ethical factors that may affect the performance or value of the Company's investments. The Directors and the Investment Manager believe that a company run in the long-term interests of its shareholders should manage its relationships with its employees, suppliers and customers and behave responsibly towards the environment and society as a whole.

Communication with Shareholders

The Company places a great deal of importance on communication with its Shareholders, all of whom are encouraged to attend and participate in the AGM, as it is the key forum for communication with Shareholders. The AGM is an event that all Shareholders are welcome to attend and participate in. The Notice of Annual General Meeting sets out the business of the AGM and the Resolutions are explained more fully in the Directors' Report and in the Directors' Remuneration Report. Separate Resolutions are proposed for each substantive issue and Shareholders have the opportunity to put questions to the Board and to the Investment Manager. The results of proxy voting are relayed to Shareholders after the Resolutions have been voted on by a show of hands. Nominated persons, often the beneficial owners of shares held for them by nominee companies, normally may attend shareholder meetings and are usually invited to contact the registered shareholder, normally a nominee company, in the first instance in order to be nominated to attend the meeting and to vote in respect of the shares held for them.

In addition, both the Chairman and Senior Independent Director are available to meet major shareholders. Shareholders may contact the Directors by writing to the Chairman at the Registered Office. The address for the Registered Office can be found on page 107.

The Board aims to post the Annual Report to Shareholders at least twenty business days before the AGM. Annual and Interim Reports and Financial Statements are distributed to Shareholders and other parties who have an interest in the Company's performance.

Shareholders and potential investors may obtain up-to-date information on the Company through the Investment Manager and the Company Secretary. In order to ensure that the Directors develop an understanding of the views of Shareholders, correspondence between Shareholders and the Investment Manager or the Chairman is copied to the Board.

The Company's web pages are hosted on the Manager's website, and can be visited at **https://www.olimproperty.co.uk/value-and-indexed-property-income-trust.html** from where Annual and Interim Reports, Company Announcements and other information on the Company can be viewed, printed or downloaded.

Accountability and Audit

The Statement of Directors' Responsibilities in respect of the Financial Statements is on pages 52 and 53 and the Statement of Going Concern and the Viability Statement are included in the Directors' Report on pages 36 and 37. The Independent Auditor's Report is on pages 58 to 65.

By order of the Board
Maven Capital Partners UK LLP
Company Secretary

10 June 2022

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with UK adopted international accounting standards and applicable laws and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law, the Directors are required to prepare the Group Financial Statements, and have elected to prepare the Company Financial Statements, in accordance with UK adopted international accounting standards. Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss for the Group and Company for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the Financial Statements;
- state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- prepare a Directors' Report, a Strategic Report and Directors' Remuneration Report which comply with the requirements of the Companies Act 2006.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring that the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Group's position and performance, business model and strategy.

The Directors are responsible for ensuring the Annual Report and Financial Statements are made available on a website. Financial Statements are published on the Company's web pages hosted by the Investment Manager in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's web pages is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the Financial Statements contained therein.

Directors' Responsibility Statement

Each Director confirms, to the best of his or her knowledge, that:

- the Financial Statements have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and Company; and that
- the Annual Report includes a fair review of the development and performance of the business and the financial position of the Group and Company, together with a description of the principal risks and uncertainties that they face.

The Directors confirm that the Annual Report and Financial Statements taken as a whole is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Group's position and performance, business model and strategy.

For and on behalf of the Board of
Value and Indexed Property Income Trust PLC

James Ferguson

Chairman

10 June 2022

Report of the Audit and Management Engagement Committee

The Audit and Management Engagement Committee is chaired by David Smith. The Committee comprises all of the independent Directors. Matthew Oakeshott is not a member of the Committee as he is not considered by the Directors to be independent. The Board is satisfied that at least one member of the Committee has recent and relevant financial experience and that the Committee as a whole has competence relevant to the sector in which the Company operates.

Responsibilities

The principal responsibilities of the Committee include:

- the review of the effectiveness of the internal control environment of the Company, including the receipt of reports from the Investment Manager and the Administrator on a regular basis;
- the integrity of the Interim and Annual Reports and Financial Statements and reviewing any significant financial reporting judgements contained therein;
- the review of the terms of appointment of the Auditor, together with its remuneration;
- the review of the scope and results of the audit and the independence and objectivity of the Auditor;
- the review of the Auditor's Board Report and any required response;
- meetings with representatives of the Investment Manager;
- the review of the AIFM agreement and investment management agreement;
- providing advice on whether the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy; and
- making appropriate recommendations to the Board.

Internal Control and Risk Management

The Directors are ultimately responsible for the Company's system of internal controls and risk management and for reviewing its effectiveness. Following publication by the FRC of "Guidance on Risk Management, Internal Control and Related Financial and Business Reporting" (the FRC Guidance), the Directors confirm that there is an ongoing process for identifying, evaluating and managing the principal and emerging risks faced by the Company. This process, which has been in place for the year under review and up to the date of approval of this Annual Report and Financial Statements, is regularly reviewed by the Board and accords with the FRC Guidance.

The Directors have, in tandem with VIS, reviewed the effectiveness of the system of internal controls and risk management. In particular, the Directors have reviewed and updated the process for identifying and evaluating the principal and emerging risks affecting the Company and the policies by which these risks are managed. The significant risks faced by the Company are as follows:

- Financial;
- Operational; and
- Compliance.

The key components designed to provide effective internal control are outlined below:

- Forecasts and management accounts are prepared which allow the Directors to assess the Company's activities and review its performance; the emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception;

- OLIM Property regularly reports to VIS and to the Directors on the investment portfolio;
- OLIM Property's Compliance Officer keeps OLIM Property's operations under review;
- VIS regularly reports to the Directors on compliance with the AIFMD;
- written agreements are in place which specifically define the roles and responsibilities of VIS, OLIM Property and other third party service providers; and
- at its first meeting in May 2022, the Audit and Management Engagement Committee carried out its annual assessment of internal controls and risk management for the year ended 31 March 2022 by considering documentation from OLIM Property and Maven Capital Partners UK LLP and by taking account of events since 31 March 2022.

Internal control systems are designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and by their nature can only provide reasonable and not absolute assurance against misstatement and loss.

ASSESSMENT OF KEY RISKS

The Company's policy is to invest in directly held UK commercial property, property-backed securities listed on the London Stock Exchange and cash or near cash securities.

As the property portfolio is a significant element of the Financial Statements, the recognition and valuation of the property portfolio is, therefore, a key risk that requires the particular attention of the Committee. Specifically, the risk is that investments are not recognised and measured in line with the Company's stated accounting policy on the valuation of the property portfolio. Similarly, as rental income is a major source of revenue for the Company and a significant element of the Statement of Comprehensive Income, the recognition of rental income is a further risk that requires the particular attention of the Committee. Further risks relate to the equities portfolio. The recognition and valuation of the equities portfolio and the recognition of dividend income are risks that also require the attention of the Committee. specifically, the risk being that dividend income is not recognised in line with the Company's stated policy on income recognition and/or that dividend income is incorrectly allocated as revenue/capital.

VALUATION, EXISTENCE AND OWNERSHIP OF THE INVESTMENT PORTFOLIO – HOW THE RISK WAS ADDRESSED

The Company uses the services of an independent depositary and custodian, BNP Paribas Securities Services to hold the equity investments of the Company (the title deeds for the property portfolio are held by the Company's lawyers to the order of the Company), and for the safekeeping of the Company's assets. An annual internal control report is received from the Depositary and Custodian which provides details of the Depositary and Custodian's control environment.

The reconciliation of the records held by the Depositary and Custodian (and by the Company's lawyers in the case of the title deeds) to the records maintained by the Company's administrator is reviewed and tested by the Independent Auditor. The property and equities portfolio is reviewed by OLIM Property regularly. Management accounts, including full portfolio listings, are prepared quarterly and considered at the quarterly meetings of the Board.

The valuation of the property and equities portfolio is undertaken in accordance with the Company's stated accounting policy as set out in Note 1(j) to the Financial Statements on pages 75 and 76.

The Committee reviews and challenges the valuation of the investments especially the investment properties. This includes review of the valuation report prepared by independent professional valuers. In addition, the Committee reviews the Financial Statements disclosures in line with the reporting framework.

The Committee satisfied itself that there were no issues associated with the existence and ownership of the Company's investments which required to be addressed.

Rental And Dividend Income Recognition – How the Risk was Addressed

The recognition of rental and dividend income is undertaken in accordance with accounting policy Note 1(e) to the Financial Statements on page 74. The management accounts are reviewed by the Board on a quarterly basis and discussion takes place with the Investment Manager at the quarterly Board Meetings regarding the revenue generated from rental and dividend income. The Directors are satisfied that the levels of income recognised are in line with revenue estimates. The Committee concluded that there were no further issues associated with rental and dividend income recognition which required to be addressed.

Review of Investment Manager and Risk Reporting

The Committee met three times during the year under review, twice in May and once in November 2021. At the first meeting in May and at the November 2021 meeting, the Committee considered the key risks detailed above and the corresponding control and risk reports provided by the Investment Manager and the Company Secretary. No significant weaknesses in the control environment were identified and it was also noted that there had not been any adverse comment from the Auditor and that the Auditor had not identified any significant issues in its audit report. The Committee, therefore, concluded that there were no significant issues which required to be reported to the Board. At the second meeting held in May 2021, the Committee carried out a detailed review of IFRS 16 and agreed to recommend to the Board that IFRS 16 be adopted in full.

At its meetings in May 2021, the Committee also reviewed, for recommendation to the Board, the Audit Report from the Independent Auditor and the draft Annual Report and Financial Statements for the year ended 31 March 2021, along with the amount of the final dividend for the year then ended. At its meeting in November 2021, the Committee reviewed the Half-Yearly Report for the period to 30 September 2021 and also considered the performance of BDO LLP as Auditor, and its independence and tenure.

Subsequent to 31 March 2022, the Committee considered the draft Annual Report and Financial Statements for the year ended 31 March 2022, and provided advice to the Board that it considered that the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy. The Committee also reviewed the performance of the Investment Manager and the terms and conditions of its appointment and concluded that the performance of the Investment Manager was satisfactory and that the continued appointment of the Investment Manager was in the best interests of Shareholders as a whole.

Review of Effectiveness of External Auditor

As part of its annual review of audit services, the Committee reviews the performance, cost effectiveness and general relationship with the external Auditor (Auditor or BDO LLP).

In addition, the Committee reviews the independence and objectivity of the Auditor. Key elements of these reviews include separate meetings with the Auditor and consideration of the completeness and accuracy of BDO LLP's reporting.

The Auditor's Report is on pages 58 to 65. Vanessa-Jayne Bradley of BDO LLP is the Senior Statutory Auditor responsible for the audit and BDO LLP will rotate the Senior Statutory Auditor every five years. Vanessa-Jayne Bradley was appointed as Senior Statutory Auditor for the Company during the year to 31 March 2020 and will be rotated for the audit for the year to 31 March 2025. Details of the amounts paid to the Auditor for audit services are set out in Note 4 to the Financial Statements.

Shareholders are asked to approve the re-appointment, and the Directors' responsibility for the remuneration, of the Auditor at each AGM. No non-audit services were provided to the Company by BDO LLP during the year under review. There are currently no contractual obligations which restrict the Committee's choice of Auditor.

The Committee is mindful of the requirement to conduct an audit tender at least every 10 years and to rotate the statutory auditor after a maximum period of twenty years. The Committee will continue to keep the matter of tenure of the Auditor under review.

The Board has concluded that BDO LLP is independent of the Company and that a Resolution for the re-appointment of BDO LLP as Auditor should be put to the 2022 AGM.

David Smith
Director

10 June 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALUE AND INDEXED PROPERTY INCOME TRUST PLC

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the Financial Statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2022 and of the Group's and of the Parent Company's profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements of Value and Indexed Property Income Trust PLC (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2022, which comprise the Group Statement of Comprehensive Income, the Company Statement of Comprehensive Income, the Group Statement of Financial Position, the Company Statement of Financial Position, the Group Statement of Cash Flows, the Company Statement of Cash Flows, the Statement of Changes in Equity and the Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the Audit and Management Engagement Committee.

Independence

Following the recommendation of the Audit and Management Engagement Committee, we were appointed by the members of the Parent Company on 3 September 2020 to audit the Financial Statements for the year ended 31 March 2020 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 3 years, covering the years ended 31 March 2020 to 31 March 2022. We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group and the Parent Company.

Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the appropriateness of the Directors' method of assessing the going concern in light of property market volatility and the present uncertainties in economic recovery by reviewing the information used by the Directors in completing their assessment;
- Assessing the appropriateness of the Directors' assumptions and judgements made in their base case and stress tested forecasts by comparing forecasts to current year audited amounts and considering the available cash resources

and liquid investments relative to forecast expenditure and commitments;

- Obtaining the loan agreements to identify the covenants and assessing the likelihood of them being breached based on the Directors' forecasts and our sensitivity analysis; and
- Challenging the Directors' assumptions and judgements made with regards to forecasts which included consideration of the covenant headroom.

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 Group and Parent Company's ability to continue as a going concern for a period of at least twelve months from when the Financial Statements are authorised for issue.

In relation to the Parent Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the Financial Statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

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

OVERVIEW

KEY AUDIT MATTERS	2022	2021	MATERIALITY	COVERAGE
Valuation of investment property	✓	✓	**Group Financial Statements as a whole** £1.829m (2021: £1.120m) based on 1% (2021:1%) of total investment value	100% (2021: 100%) of Group revenue 100% (2021: 100%) of Group total assets
Recognition of rental income	✓	✓		
Valuation and ownership of quoted investments	×	✓		
We no longer considered the Valuation and ownership of quoted investments to be a key audit matter due to the change in focus of the Group to be predominantly investments in property.				

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the Financial Statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

We tailored our audit to ensure we have performed sufficient work to be able to give an opinion on the Group Financial Statements as a whole taking into account the structure of the Group and its accounting processes and controls. The Group is based in the United Kingdom and has one main trading entity, the Parent Company, Value and Indexed Property Income Trust PLC, whose principal activity is that of an Investment Trust. The Group has one subsidiary, Value and Indexed Property Income Services Limited, whose principal activity is to act as alternative investment fund manager (AIFM) to the Parent Company.

The Group audit engagement team carried out full scope audits for the Parent Company and Value and Indexed Property Income Services Limited, which was not considered to be a significant component of the Group. Although not necessary for Group purposes, Value and Indexed Property Income Services Limited is audited as it is an FCA Regulated entity.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the scope of our audit addressed the key audit matter
Valuation of Investment Property (Note 1 and Note 9) The Group has opted to carry its investment properties at fair value rather than cost as permitted by the accounting standards. The Group engaged independent external experts, Savills, to value these properties at the end of the reporting period. The valuation uses a cash flow methodology with key inputs including detailed data on the underlying assets and the market environment for each asset. The valuation models applied are complex and require consideration of the existing market conditions including yields and estimates regarding current and future rental income, occupancy and property management costs. The Investment Manager's fee is based on the value of the Investment properties managed by the Investment Manager. The Investment Manager is responsible for reviewing these valuations which are approved by the Board. Notwithstanding this review and approval, there is a potential risk of misstatement in the investment properties valuations. Investment Properties are Level 3 investments and a highly subjective area. Due to the level of complexity and assumptions involved in this area we determined it to be a key audit matter.	We responded to this matter by testing the valuation of the portfolio of investment property. We performed the following procedures: • Held discussions with the independent external valuer engaged by the Group, to understand the assumptions and methodologies used in valuing these properties, the market evidence supporting the valuation assumptions and the valuation movements in the period. • Assessed the competency, independence and objectivity of the independent external valuer which included making inquiries regarding interests and relationships that may have created a threat to the valuer's objectivity. • Agreed key observable valuation inputs supplied to and used by the independent external valuer to supporting documentation. For all the properties we agreed that the passing rental income and lease terms agrees to the underlying lease agreements. • With the use of our internal real estate experts, we evaluated and challenged the valuation assumptions, methodologies and the inputs used. This included establishing our own range of expectations for the valuation of investment property based on externally available metrics and wider economic and commercial factors. We assessed the valuation of all investment properties against our own expectations and challenged those valuations which fell outside of our range of expectation with the use of our internal real estate experts and obtaining corroborating evidence from the external valuer. **Key observations** Based on the procedures performed we found the investment valuations, in particular the assumptions used, reasonable and did not note any exceptions in respect of the valuation of investment property.

Key audit matter	How the scope of our audit addressed the key audit matter

Recognition of rental income (Note 1 and Note 2)
 	
Rental agreements have fixed rental increases and RPI increases subject to caps and collars. The accounting policy states that rental income is recognised over a straight line basis which means that any future anticipated rental income is spread evenly over the term of the lease, giving rise to a rent smoothing adjustment.
 	
The calculation for the rent smoothing adjustment can be complex due to the number of leases, different start and end dates and increase conditions, and we, therefore, considered this to be a key audit matter.
	We responded to this matter by testing the existence, accuracy and completeness of rental income. We performed the following procedures:
	
	• Obtained Management's reconciliation of expected revenue based on the tenancy schedules to revenue recognised in the Financial Statements and performed the following:
	  • Agreed the rent income received per the tenancy schedules to the underlying lease agreements and other documentation such as rent review memoranda.
	  • Checked the integrity of the formulae used to calculate the expected revenue based on the tenancy schedule
	  • Agreed a sample of reconciling adjustments between the expected revenue and the amount recorded in the Financial Statements to supporting documentation.
	  • Confirmed that the tenancy schedule covers all the Investment Property which has been valued at the year-end.
	  • Confirmed that the rent smoothing adjustment has been posted correctly in the financial statements.
	
	Key observations
	
	Based on the procedures performed we consider the recognition of rental income to be appropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the Financial Statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the Financial Statements as a whole.

Based on our professional judgement, we determined materiality for the Financial Statements as a whole and performance materiality as follows:

	Group Financial Statements		Parent Company Financial Statements	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Materiality	1,829	1,120	1,827	1,118
Basis for determining materiality	1% of total investment value (2021: 1% of total investment value)		99.89% of Group materiality (2021: 99.82% of Group materiality)	
Rationale for the benchmark applied	As an Investment Trust, the value of investments is the key measure of performance.		Percentage of Group materiality for Group reporting purposes given the assessment of aggregation risk	
Performance materiality	1,190	728	1,188	726
Basis for determining performance materiality	65% of materiality (2021: 65% of materiality) based on the historical and anticipated level of errors and management's attitude to proposed adjustments			

Specific materiality

We also determined that for Revenue return before tax, a misstatement of less than materiality for the Financial Statements as a whole, specific materiality, could influence the economic decisions of users as it is a measure of the Group's performance of income generated from its investments after expenses. As a result, we determined materiality for these items to be £219,000 (2021: 243,000), based on 10% of Revenue return before tax (2021: 8.75% of Revenue return before tax). We further applied a performance materiality level of 65% (2021: 65%) of specific materiality to ensure that the risk of errors exceeding specific materiality was appropriately mitigated.

Component materiality

Materiality for the Parent Company, which was the only significant component, is set out in the table above.

Reporting threshold

We agreed with the Audit and Management Engagement Committee that we would report to them all individual audit differences in excess of £11,000 (2021: £12,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts other than the Financial Statements and our Auditor's Report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CORPORATE GOVERNANCE STATEMENT

The Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Parent Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the Financial Statements or our knowledge obtained during the audit.

GOING CONCERN AND LONGER-TERM VIABILITY	OTHER CODE PROVISIONS
• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified; and • The Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate.	• Directors' statement on fair, balanced and understandable; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks; • The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and • The section describing the work of the Audit and Management Engagement Committee.

OTHER COMPANIES ACT 2006 REPORTING

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

STRATEGIC REPORT AND DIRECTORS' REPORT	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic Report and the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and • the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' Report.
DIRECTORS' REMUNERATION	In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.
MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Parent Company Financial Statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors 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 Directors are responsible for assessing the Group's and the Parent Company'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 Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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.

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

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

We gained an understanding of the legal and regulatory framework applicable to the Group and the industry in which it operates, and considered the risk of acts by the Group and Parent Company which were contrary to applicable laws and regulations, including fraud. We considered the significant laws and regulations to be the Companies Act 2006, the FCA listing and DTR rules, the principles of the AIC Code of Corporate Governance, industry practice represented by the AIC SORP, the applicable accounting framework, and the Parent Company's qualification as an Investment Trust under UK tax legislation as any non-compliance of this would lead to the Parent Company losing various deductions and exemptions from corporation tax.

We focused on laws and regulations that could give rise to a material misstatement in the Financial Statements. Our tests included:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management and those charged with governance relating to the existence of any non-compliance with laws and regulations;
- review of minutes of board meetings throughout the period for the existence of any non-compliance with laws and regulations;
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations; and

- reviewing the calculation in relation to Investment Trust compliance to check that the Parent Company was meeting its requirements to retain its Investment Trust status.

We assessed the susceptibility of the financial statement to material misstatement including fraud and considered the fraud risk areas to be the valuation of investment property and management override of controls.

Our tests included:

- The procedures set out in the Key Audit Matters section above;
- Recalculating investment management fees in total;
- Obtaining independent confirmation of bank balances; and
- Testing journals which met a defined risk criteria by agreeing to supporting documentation and evaluating whether there was evidence of bias by the Investment Manager and Directors that represented a risk of material misstatement due to fraud.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the Financial Statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the Financial Statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities.** This description forms part of our Auditor's Report.

USE OF OUR REPORT

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Vanessa-Jayne Bradley
(Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor

London, UK

10 June 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Group Statement of Comprehensive Income

For the year ended 31 March

	Note	Year ended 31 March 2022 Revenue £'000	Capital £'000	Total £'000	Year ended 31 March 2021 Revenue £'000	Capital £'000	Total £'000
INCOME							
Rental income	2	5,647	–	5,647	5,359	–	5,359
Investment income	2	1,682	–	1,682	3,414	–	3,414
Other income	2	–	–	–	159	–	159
		7,329	–	7,329	8,932	–	8,932
GAINS ON INVESTMENTS							
Realised gains on held-at-fair-value investments and investment properties	9	–	10,440	10,440	–	8,588	8,588
Unrealised gains on held-at-fair-value investments and investment properties	9	–	8,797	8,797	–	1,185	1,185
TOTAL INCOME		7,329	19,237	26,566	8,932	9,773	18,705
EXPENSES							
Investment management fees	3	(1,088)	(2)	(1,090)	(301)	(702)	(1,003)
Other operating expenses	4	(870)	–	(870)	(771)	–	(771)
FINANCE COSTS	5	(3,177)	–	(3,177)	(5,084)	–	(5,084)
TOTAL EXPENSES		(5,135)	(2)	(5,137)	(6,156)	(702)	(6,858)
PROFIT BEFORE TAXATION		2,194	19,235	21,429	2,776	9,071	11,847
TAXATION	6	(321)	3,154	2,833	(359)	1,132	773
PROFIT ATRIBUTABLE TO EQUITY SHAREHOLDERS OF PARENT COMPANY		1,873	22,389	24,262	2,417	10,203	12,620
EARNINGS PER ORDINARY SHARE (PENCE)	7	4.30	51.40	55.70	5.35	22.56	27.91

The total column of this statement represents the Statement of Comprehensive Income of the Group, prepared in accordance with IFRS. The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies. All items in the above statement derive from continuing operations.

The Group does not have any other comprehensive income and so the total profit, as disclosed above, is the same as the Group's total comprehensive income. All income is attributable to the equity holders of Value and Indexed Property Income Trust PLC, the parent company. There are no minority interests.

The Notes on pages 73 to 95 form part of these Financial Statements.

The Board is proposing a final dividend of 3.60p per share, making a total dividend of 12.60p per share for the year ended 31 March 2022 (2021: 12.30p per share) which, if approved by Shareholders, will be payable on 29 July 2022 (see Note 8).

Company Statement of Comprehensive Income

For the year ended 31 March

	Note	Year ended 31 March 2022 Revenue £'000	Capital £'000	Total £'000	Year ended 31 March 2021 Revenue £'000	Capital £'000	Total £'000
INCOME							
Rental income	2	5,647	–	5,647	5,359	–	5,359
Investment income	2	1,682	–	1,682	3,414	–	3,414
Other income	2	–	–	–	159	–	159
		7,329	–	7,329	8,932	–	8,932
GAINS AND LOSSES ON INVESTMENTS							
Realised gains on held-at-fair-value investments and investment properties	9	–	10,440	10,440	–	8,588	8,588
Unrealised gains on held-at-fair-value investments and investment properties	9	–	8,797	8,797	–	1,781	1,781
TOTAL INCOME		7,329	19,237	26,566	8,932	10,369	19,301
EXPENSES							
Investment management fees	3	(1,088)	(2)	(1,090)	(301)	(702)	(1,003)
Other operating expenses	4	(870)	–	(870)	(771)	–	(771)
FINANCE COSTS	5	(3,177)	–	(3,177)	(5,050)	–	(5,050)
TOTAL EXPENSES		(5,135)	(2)	(5,137)	(6,122)	(702)	(6,824)
PROFIT BEFORE TAXATION		2,194	19,235	21,429	2,810	9,667	12,477
TAXATION	6	(321)	3,154	2,833	(359)	1,132	773
PROFIT ATRIBUTABLE TO EQUITY SHAREHOLDERS OF PARENT COMPANY		1,873	22,389	24,262	2,451	10,799	13,250
EARNINGS PER ORDINARY SHARE (PENCE)	7	4.30	51.40	55.70	5.42	23.88	29.30

The total column of this statement represents the Statement of Comprehensive Income of the Company prepared in accordance with IFRS. The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies. All items in the above statement derive from continuing operations.

The Company does not have any other comprehensive income and so the total profit, as disclosed above, is the same as the Company's total comprehensive income.

The Notes on pages 73 to 95 form part of these Financial Statements.

Group Statement of Financial Position

As at 31 March

	Note	Group As at 31 March 2022 £'000	£'000	As at 31 March 2021 £'000	£'000
ASSETS					
NON CURRENT ASSETS					
Investment properties	9		155,838		81,132
Investments held at fair value through profit or loss	9		26,871		28,581
			182,709		109,713
Deferred tax asset	6		4,091		1,258
Receivables	10		2,238		2,017
			189,038		112,988
CURRENT ASSETS					
Cash and cash equivalents		5,153		65,965	
Receivables	10	4,709		972	
			9,862		66,937
TOTAL ASSETS			198,900		179,925
CURRENT LIABILITIES					
Payables	11	(2,423)		(2,318)	
			(2,423)		(2,318)
TOTAL ASSETS LESS CURRENT LIABILITIES			196,477		177,607
NON-CURRENT LIABILITIES					
Payables	12	(2,854)		(2,862)	
Borrowings	12	(56,723)		(56,662)	
			(59,577)		(59,524)
NET ASSETS			136,900		118,083
EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS					
Called up share capital	14		4,555		4,555
Share premium	15		18,446		18,446
Retained earnings	16		113,899		95,082
TOTAL EQUITY			136,900		118,083
NET ASSET VALUE PER ORDINARY SHARE (PENCE)	17		314.30		271.10

These Financial Statements were approved by the Board on 10 June 2022 and were signed on its behalf by:-

JAMES FERGUSON, CHAIRMAN

The Notes on pages 73 to 95 form part of these Financial Statements.

		Company			
		As at 31 March 2022		As at 31 March 2021	
	Note	£'000	£'000	£'000	£'000
ASSETS					
NON CURRENT ASSETS					
Investment properties	9		155,838		81,132
Investments held at fair value through profit or loss	9		27,071		28,781
			182,909		109,913
Deferred tax asset	6		4,091		1,258
Receivables	10		2,238		2,017
			189,238		113,188
CURRENT ASSETS					
Cash and cash equivalents		4,953		65,765	
Receivables	10	4,709		972	
			9,662		66,737
TOTAL ASSETS			198,900		179,925
CURRENT LIABILITIES					
Payables	11	(2,423)		(2,318)	
			(2,423)		(2,318)
TOTAL ASSETS LESS CURRENT LIABILITIES			196,477		177,607
NON-CURRENT LIABILITIES					
Payables	12	(2,854)		(2,862)	
Borrowings	12	(56,723)		(56,662)	
			(59,577)		(59,524)
NET ASSETS			136,900		118,083
EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS					
Called up share capital	14		4,555		4,555
Share premium	15		18,446		18,446
Retained earnings	16		113,899		95,082
TOTAL EQUITY			136,900		118,083
NET ASSET VALUE PER ORDINARY SHARE (PENCE)	17		314.30		271.10

These Financial Statements were approved by the Board on 10 June 2022 and were signed on its behalf by:-

JAMES FERGUSON, CHAIRMAN

The Notes on pages 73 to 95 form part of these Financial Statements.

Group Statement of Cashflows

For the year ended 31 March

	Note	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Cash flows from operating activities					
Rental income received			5,970		5,218
Dividend income received			1,835		3,486
Interest (paid)/received			(1)		244
Operating expenses paid			(1,914)		(1,673)
NET CASH INFLOW FROM OPERATING ACTIVITIES	18		5,890		7,275
Cash flows from investing activities					
Purchase of investments held at fair value through profit or loss		(30,132)		(4,500)	
Purchase of investment properties		(63,412)		(17,553)	
Sale of investments held at fair value through profit or loss		32,042		79,584	
Sale of investment properties		3,445		4,725	
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES			(58,057)		62,256
Cash flow from financing activities					
Repayment of debenture stock		–		(15,000)	
Fees paid on new loan		–		(4)	
Interest paid on loans		(3,113)		(4,938)	
Finance cost of leases		(78)		(191)	
Payments of lease liabilities		(9)		(17)	
Dividends paid	8	(5,445)		(5,512)	
Buyback of Ordinary Shares for Treasury	14	–		(4,332)	
NET CASH OUTFLOW FROM FINANCING ACTIVITIES			(8,645)		(29,994)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			(60,812)		39,537
Cash and cash equivalents at 1 April 2021			65,965		26,428
CASH AND CASH EQUIVALENTS AT 31 MARCH 2022			5,153		65,965

The Notes on pages 73 to 95 form part of these Financial Statements.

	Note	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Cash flows from operating activities					
Rental income received			5,970		5,218
Dividend income received			1,835		3,486
Interest (paid)/received			(1)		244
Operating expenses paid			(1,914)		(1,673)
NET CASH INFLOW FROM OPERATING ACTIVITIES	18		5,890		7,275
Cash flows from investing activities					
Purchase of investments held at fair value through profit or loss		(30,132)		(4,500)	
Purchase of investment properties		(63,412)		(17,553)	
Sale of investments held at fair value through profit or loss		32,042		79,584	
Sale of investment properties		3,445		4,725	
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES			(58,057)		62,256
Cash flow from financing activities					
Repayment of debenture stock		–		(15,000)	
Fees paid on new loan		–		(4)	
Interest paid on loans		(3,113)		(4,938)	
Finance cost of leases		(78)		(157)	
Payments of lease liabilities		(9)		(51)	
Dividends paid	8	(5,445)		(5,512)	
Buyback of Ordinary Shares for Treasury	14	–		(4,332)	
NET CASH OUTFLOW FROM FINANCING ACTIVITIES			(8,645)		(29,994)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			(60,812)		39,537
Cash and cash equivalents at 1 April 2021			65,765		26,228
CASH AND CASH EQUIVALENTS AT 31 MARCH 2022			4,953		65,765

The Notes on pages 73 to 95 form part of these Financial Statements.

Statement of Changes in Equity

For the year ended 31 March

	Note	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
		Year ended 31 March 2022			
GROUP					
Net assets at 31 March 2021		4,555	18,446	95,082	118,083
Profit for the year		–	–	24,262	24,262
Dividends paid	8	–	–	(5,445)	(5,445)
Net assets at 31 March 2022		4,555	18,446	113,899	136,900
COMPANY					
Net assets at 31 March 2021		4,555	18,446	95,082	118,083
Profit for the year		–	–	24,262	24,262
Dividends paid	8	–	–	(5,445)	(5,445)
Net assets at 31 March 2022		4,555	18,446	113,899	136,900

	Note	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
		Year ended 31 March 2021			
GROUP					
Net assets at 31 March 2020		4,555	18,446	92,306	115,307
Profit for the year		–	–	12,620	12,620
Dividends paid	8	–	–	(5,512)	(5,512)
Buyback of Ordinary Shares for Treasury	14	–	–	(4,332)	(4,332)
Net assets at 31 March 2021		4,555	18,446	95,082	118,083
COMPANY					
Net assets at 31 March 2020		4,555	18,446	91,676	114,677
Profit for the year		–	–	13,250	13,250
Dividends paid	8	–	–	(5,512)	(5,512)
Buyback of Ordinary Shares for Treasury	14	–	–	(4,332)	(4,332)
Net assets at 31 March 2021		4,555	18,446	95,082	118,083

The Notes on pages 73 to 95 form part of these Financial Statements.

1 Accounting policies

The Financial Statements have been prepared in accordance with UK adopted international accounting standards.

The functional and presentational currency of the Group and Company is pounds sterling because that is the currency of the primary economic environment in which the Group and Company operate. The Financial Statements and the accompanying notes are presented in pounds sterling and rounded to the nearest thousand pounds except where otherwise indicated.

(a) Basis of preparation

The Financial Statements have been prepared on a going concern basis as disclosed on page 36 and on the historical cost basis, except for the revaluation of equities, investment properties and investment in subsidiaries, all of which are valued at fair value through profit and loss. The principal accounting policies adopted are set out below. Where presentational guidance set out in the Statement of Recommended Practice *Financial Statements of Investment Trust Companies and Venture Capital Trusts* (the SORP) issued by the Association of Investment Companies (AIC) in April 2021 is consistent with the requirements of IFRS, the Directors have sought to prepare the Financial Statements on a basis compliant with the recommendations of the SORP, except for the allocation of finance costs to revenue as explained in Note 1(f).

The Board has considered the requirements of IFRS 8, 'Operating Segments'. The Board is charged with setting the Group's investment strategy. The Board has delegated the day to day implementation of this strategy to the Investment Manager but the Board retains responsibility to ensure that adequate resources of the Group are directed in accordance with its decisions. The Board is of the view that the Group is engaged in a single segment of business, being investments in quoted UK equities and UK commercial properties. The view that the Group is engaged in a single segment of business is based on the fact that one of the key financial indicators received and reviewed by the Board is the total return from the investment portfolio taken as a whole. A review of the investment portfolio is included in the reports from the Investment Manager on pages 4 to 24.

(b) Going concern

The Group's business activities, together with the factors likely to affect its future development and performance, are set out in the Strategic Report on pages 2 to 34. The financial position of the Group as at 31 March 2022 is shown in the Statement of Financial Position on page 68. The cash flows of the Group for the year ended 31 March 2022 are set out on page 70. The Group had fixed debt totalling £56,723,000 as at 31 March 2022, as set out in Notes 11 and 12 on pages 84 to 86; none of the borrowings is repayable before March 2026. Note 21 on pages 89 to 94 sets out the Group's risk management policies and procedures, including those covering market price risk, liquidity risk and credit risk. As at 31 March 2022, the Group's total assets less current liabilities exceeded its total non current liabilities by a factor of over two. The assets of the Group consist mainly of securities and investment properties that are held in accordance with the Group's investment policy, as set out on page 27. Most of these securities are readily realisable, even in volatile markets. The Directors, who have reviewed carefully the Group's forecasts for the coming year and having taken into account the liquidity of the Group's investment portfolio and the Group's financial position in respect of cash flows, borrowing facilities, the intention to repay the debenture early, and investment commitments (of which there

1 Accounting policies – continued

is none of significance), are not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Accordingly, the Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the Financial Statements.

(c) Basis of consolidation

The consolidated Financial Statements incorporate the Financial Statements of the Company and the entity controlled by the Company (its subsidiary). An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has ability to affect those returns through its power over the investee. The Company consolidates the investee that it controls. All intra-group transactions, balances, income and expenses are eliminated on consolidation. The investment in the subsidiary is recognised at fair value in the Financial Statements of the Company. This is considered to be the net asset value of the Shareholders' funds, as shown in its Statement of Financial Position.

Value and Indexed Property Income Services Limited is a private limited company incorporated in Scotland under company number SC467598. It is a wholly owned subsidiary of the Company and has been appointed to act as Alternative Investment Fund Manager of the Company.

(d) Presentation of Statement of Comprehensive Income

In order to reflect better the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the Statement of Comprehensive Income. In accordance with the Company's Articles, net realised capital returns may be distributed by way of dividend.

Additionally, the net revenue is the measure that the Directors believe to be appropriate in assessing the Company's compliance with certain requirements set out in sections 1158-1160 of the Corporation Tax Act 2010.

(e) Income

Dividend income from investments is recognised as revenue for the period on an ex-dividend basis. Where no ex-dividend date is available, dividends receivable on or before the period end are treated as revenue for the period.

Where the Group has elected to receive dividend income in the form of additional shares rather than cash, the amount of cash dividend foregone is recognised as income. Any excess in the value of shares received over the amount of cash dividend foregone is recognised as a gain in the income statement.

Interest receivable from cash and short term deposits and interest payable is accrued to the end of the period.

Rental receivable and lease incentives, where material, from investment properties under operating leases are recognised in the Statement of Comprehensive Income over the term of the lease on a straight line basis. Other income is recognised on an accruals basis.

1 Accounting policies – continued

(f) Expenses and Finance Costs

All expenses and finance costs are accounted for on an accruals basis. Expenses are presented as capital where a connection with the maintenance or enhancement of the value of investments can be demonstrated. In this respect, and in accordance with the SORP, the investment management fees have been allocated, 100% to revenue for the year ended 31 March 2022 (previously 30% to revenue and 70% to capital) to reflect the Board's expectations of long-term investment returns.

It is normal practice, and in accordance with the SORP, for investment trust companies to allocate finance costs to capital on the same basis as the investment management fee allocation. However, as the Company has a significant exposure to property, and property companies allocate finance costs to revenue to match rental income, the Directors consider that, contrary to the SORP, it is inappropriate to allocate finance costs to capital.

(g) Receivables and Payables

Receivables do not carry any interest and are stated at their nominal value, as reduced by any impairment calculated using an expected credit loss model. Payables are not interest bearing and are stated at their nominal value.

(h) Taxation

The Company's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the date of the Statement of Financial Position.

Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the date of the Statement of Financial Position, where transactions or events that result in an obligation to pay more tax in the future or the right to pay less tax in the future have occurred at the date of the Statement of Financial Position.

This is subject to deferred tax assets only being recognised if it is considered more probable than not that there will be suitable profits from which the future reversal of the temporary differences can be deducted.

Due to the Company's status as an investment trust company, and the intention to continue to meet the conditions required to maintain approval for the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

(i) Dividends payable

Interim dividends are recognised as a liability in the period in which they are paid as no further approval is required in respect of such dividends. Final dividends are recognised as a liability only after they have been approved by Shareholders in general meeting.

(j) Investments

Equity investments

All equity investments are classified on the basis of their contractual cashflow characteristics and the Group's business model for managing its assets. The business model, which is the determining feature, is such that the portfolio of equity investments is managed, and performance is evaluated, on the basis of fair value. Consequently, all equity investments are measured at fair value through profit or loss.

1 Accounting policies – continued

For listed investments, fair value through profit or loss is deemed to be bid market prices or closing prices for SETS stocks sourced from the London Stock Exchange. SETS is the London Stock Exchange electronic trading service covering most of the market including all FTSE 100 constituents and most liquid FTSE 250 constituents along with some other securities. Gains and losses arising from changes in fair value are included in net profit or loss for the period as a capital item in the Statement of Comprehensive Income and are ultimately recognised in the retained earnings.

Investment property

Investment properties are initially recognised at cost, being the fair value of consideration given, including transaction costs associated with the investment property. Any subsequent capital expenditure incurred in improving investment properties is capitalised in the period incurred and is included within the book cost of the property.

After initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in fair value are included in net profit or loss for the period as a capital item in the Statement of Comprehensive Income and are ultimately recognised in the retained earnings.

As disclosed in Note 21, the Group leases out all of its properties on operating leases. An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. A property held under an operating lease is classified and accounted for as an investment property where the Group holds it to earn rental, capital appreciation or both. Any such property leased under an operating lease is carried at fair value. Fair value is established by half-yearly professional valuation on an open market basis by Savills (UK) Limited, Chartered Surveyors and Valuers, and in accordance with the RICS Valuation - Global Standards January 2020 (the 'RICS Red Book'). The determination of fair value by Savills is supported by market evidence, excluding prepaid or accrued operating lease income arising from the spreading of lease incentives or minimum lease payments because it has been recognised as a separate liability or asset. The fair value of investment property held by a lessee as a right-of-use asset reflects expected cash flows (including variable lease payments that are expected to become payable). Accordingly, if a valuation obtained for a property is net of all payments expected to be made, it will be necessary to add back any recognised lease liability, to arrive at the carrying amount of the investment property using the fair value model. These valuations are disclosed in Note 9 on pages 82 to 84.

The Company accounts for its investment in its subsidiary at fair value. All fair value adjustments in relation to the subsidiary are eliminated on consolidation.

(k) Cash and cash equivalents

Cash and cash equivalents comprises deposits held with banks that are repayable on demand.

(l) Non - current liabilities

All new loans and borrowings are initially measured at cost, being the fair value of the consideration received, less issue costs where applicable. Thereafter, all interest-bearing loans and borrowings are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on settlement. The costs of arranging any interest-bearing loans are capitalised and amortised over the life of the loan. When the term of a loan is modified, the amortisation of costs is adjusted in line.

1 Accounting policies – continued

(m) Leases

The Group leases properties that meet the definition of investment property. These right-of-use assets are presented as part of Investments Properties in the Statement of Financial Position and held at fair-value. All properties are leased out under operating leases and rental income is recognised on a straight line basis over the expected term of the relevant lease. Many leases have fixed or minimum rental uplifts and rental income is recognised on a straight line basis over the expected term of the lease.

(n) Critical accounting judgements and key estimates

The preparation of the Financial Statements requires the Directors to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The critical accounting area involving a higher degree of judgement or complexity comprises the determination of fair value of the investment properties. The Group engages independent professional qualified valuers to perform the valuation. Information about the valuation techniques and inputs used in determining fair value as at 31 March 2022 is disclosed in Note 9 to the Financial Statements on pages 82 to 84.

(o) Adoption of new and revised Accounting Standards

The following new and revised Standards and Interpretations became effective during the year and had no material impact on the amounts reported in these Financial Statements but may impact accounting for future transactions and arrangements.

Standards

IFRS 16 Amendments - Covid 19-Related Rent Concessions (effective 1 June 2020)

IAS 39, IFRS 4, 7, 9 and 16 Amendments - Interest Benchmark Reform Phase 2 (effective 1 January 2021)

IFRS 16 Amendments - Covid-19 Related Rent Concessions beyond 30 June 2021 (effective 1 April 2021)

At the date of authorisation of these Financial Statements, the following Standards and interpretations, which have not been applied to these Financial Statements, were in issue but were not yet effective.

Standards

IAS 1 Amendments - Classification of Liabilities as Current or Non-Current (effective 1 January 2023)

IAS 1 Amendments - Disclosure of Accounting Policies (effective 1 January 2023)

IAS 8 Amendments - Definition of Accounting Estimates (effective 1 January 2023)

IAS 12 Amendments - Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023)

The Directors do not expect the adoption of these Standards and interpretations (or any other Standards and interpretations which are in issue but not effective) will have a material impact on the Financial Statements of the Group in future periods.

	2022 Group £000	2022 Company £000	2021 Group £000	2021 Company £000
2 Income				
Investment income				
Dividends from listed investments in UK	1,682	1,682	3,414	3,414
Other operating income				
Rental income	5,647	5,647	5,359	5,359
Interest receivable on short term deposits	–	–	159	159
Total income	7,329	7,329	8,932	8,932

	2022 Revenue £000	2022 Capital £000	2022 Total £000	2021 Revenue £000	2021 Capital £000	2021 Total £000
3 Investment management fee						
Group and Company						
Investment management fee	1,088	2	1,090	301	702	1,003

A summary of the terms of the management agreement is given on page 39 of the Directors' Report.

In November 2020, OLIM gave notice of its intention to wind up its operations in early 2021. As a result, the investment management agreement with OLIM ceased with effect from 28 February 2021 and responsibility for the management of the equity portfolio moved to OLIM Property Limited.

From 1st April 2021 the management fee has been allocated 100% to revenue (previously 30% to revenue, 70% to capital).

OLIM Property Limited received an investment management fee of £1,090,000 (2021 - £479,000), the basis of calculation of which is given on page 39.

OLIM Limited received an investment management fee of £nil (2021 - £524,000).

	2022 Group £000	2022 Company £000	2021 Group £000	2021 Company £000
4 Other operating expenses				
Fee payable to the Company's auditor for the audit of the Company's accounts	55	55	63	63
- audit of the Subsidiary's accounts	2	2	2	2
Directors' fees	105	105	107	107
NIC on Directors' fees	3	3	7	7
Fees for company secretarial services	222	222	230	230
Direct property costs	(2)	(2)	(80)	(80)
Other expenses	485	485	442	442
	870	870	771	771

4 Other operating expenses – continued

Directors' fees comprise the Chairman's fees of £30,000 (2021 - £30,000), the Audit and Management Engagement Committee Chairman's fees of £24,500 (2021 - £24,500) and fees of £22,000 (2021 - £22,000) per annum paid to each other Director.

Additional information on Directors' fees is given in the Directors' Remuneration Report on pages 43 to 45.

5 Finance costs

	2022 Group £000	2022 Company £000	2021 Group £000	2021 Company £000
Interest payable on:				
11% First Mortgage Debenture Stock 2021	-	-	1,650	1,650
9.375% Debenture Stock 2026	1,875	1,875	1,875	1,875
Less amortisation of issue premium	(24)	(24)	(24)	(24)
Bank loan interest payable	1,181	1,181	1,307	1,307
Amortisation of loan expenses	67	67	85	85
Finance costs attributable to lease liabilities	78	78	191	157
	3,177	3,177	5,084	5,050

6 Taxation

	2022 Revenue £000	2022 Capital £000	2022 Total £000	2021 Revenue £000	2021 Capital £000	2021 Total £000
a) Analysis of the tax credit/(charge) for the year:						
Group						
Current tax	(321)	321	–	(359)	359	–
Deferred tax	–	2,833	2,833	–	773	773
	(321)	3,154	2,833	(359)	1,132	773
Factors affecting the total tax credit/(charge) for year:						
Profit before tax			21,429			11,847
Tax charge thereon at 19% (2021 - 19%)			4,072			2,251
Effects of:						
Non taxable dividends			(320)			(649)
Gains on investments not taxable			(3,655)			(1,857)
Movement in deferred tax not recognised			(2,930)			(518)
			(2,833)			(773)

	2022 Revenue £000	2022 Capital £000	2022 Total £000	2021 Revenue £000	2021 Capital £000	2021 Total £000
6 Taxation - continued						
Company						
Current tax	(321)	321	–	(359)	359	–
Deferred tax	–	2,833	2,833	–	773	773
	(321)	3,154	2,833	(359)	1,132	773
Factors affecting the total tax credit/(charge) for year:						
Profit before tax			21,429			12,477
Tax charge thereon at 19% (2021 - 19%)			4,072			2,371
Effects of:						
Non taxable dividends			(320)			(649)
Gains on investments not taxable			(3,655)			(1,970)
Unrelieved finance costs			(2,930)			(525)
			(2,833)			(773)
b) Factors affecting future tax charges						
Unutilised tax losses			23,192			25,617
Potential tax benefit at 19%			635			4,867
Potential tax benefit at 25%			4,963			–
			5,598			4,867
Recognised as a deferred tax non-current asset			4,091			1,258
Not recognised as a deferred tax asset			1,507			3,609
			5,598			4,867

The Company and Group have deferred tax assets of £5,774,000 (2021 - £4,867,000) at 31 March 2022 relating to total accumulated unrelieved tax losses carried forward of £23,192,000 (2021 - £25,617,000). The Company and Group have recognised deferred tax assets of £4,091,000 (2021 - £1,258,000), based on forecast profits for the next five years but have not recognised deferred tax assets of £1,507,000 (2021 - £3,609,000) arising as a result of losses carried forward. These losses do not have an expiry date but it is considered too uncertain that the Group will generate profits against which these losses would be available to offset and, on that basis, the deferred tax asset in respect of these losses has not been recognised.

	2022 Group £000	2022 Company £000	2021 Group £000	2021 Company £000
7 Return per Ordinary Share				
The return per Ordinary Share is based on the following figures:				
Revenue return	1,873	1,873	2,417	2,451
Capital return	22,389	22,389	10,203	10,799
Weighted average number of Ordinary Shares in issue	43,557,464	43,557,464	45,216,413	45,216,413
Return per share - revenue	4.30p	4.30p	5.35p	5.42p
Return per share - capital	51.40p	51.40p	22.56p	23.88p
Total return per share	55.70p	55.70p	27.91p	29.30p

8 Dividends

	2022 £000	2021 £000
Dividends on Ordinary Shares:		
Third quarterly dividend of 2.90p per share (2021- 2.90p) paid 30 April 2021	1,263	1,321
Final dividend of 3.60p per share (2021 - 3.40p) paid 30 July 2021	1,568	1,549
First quarterly dividend of 3.00p per share (2021- 2.90p) paid 29 October 2021	1,307	1,321
Second quarterly dividend of 3.00p per share (2021- 2.90p) paid 28 January 2022	1,307	1,321
Dividends paid in the period	5,445	5,512

The third interim dividend of 3.00p (2021 - 2.90p), paid on 29 April 2022, has not been included as a liability in these Financial Statements.

The final dividend of 3.60p (2021 - 3.60p), being paid on 29 July 2022, has not been included as a liability in these Financial Statements.

Set out below is the total dividend paid and proposed in respect of the financial year, which is the basis upon which the requirements of Sections 1158 - 1159 of the Corporation Tax Act 2010 are considered. The current year's revenue available for distribution by way of dividend is £1,874,000 (2021 - £2,451,000).

	2022 £000	2021 £000
First quarterly dividend of 3.00p per share (2021- 2.90p) paid 29 October 2021	1,307	1,321
Second quarterly dividend of 3.00p per share (2021- 2.90p) paid 28 January 2022	1,307	1,321
Third quarterly dividend of 3.00p per share (2021 - 2.90p) payable 29 April 2022	1,307	1,263
Final quarterly dividend of 3.60p per share (2021 - 3.60p) payable 29 July 2022	1,568	1,568
	5,489	5,473

The final dividend is based on the latest share capital of 43,557,464 Ordinary Shares excluding those held in Treasury.

9 Investments

	Investment properties £'000	Equities £'000	Total £'000
Group			
Cost at 31 March 2021	70,589	18,766	89,355
Unrealised appreciation	10,543	9,815	20,358
Valuation at 31 March 2021	81,132	28,581	109,713
Purchases	63,418	30,456	93,874
Sales proceeds	(3,298)	(36,235)	(39,533)
Realised gains on sales	(767)	11,207	10,440
Movement in unrealised appreciation in year	15,353	(7,138)	8,215
Valuation at 31 March 2022	155,838	26,871	182,709

	Investment properties £'000	Investment in Subsidiary £'000	Equities £'000	Total £'000
Company				
Cost at 31 March 2021	70,589	200	18,766	89,555
Unrealised appreciation	10,543	-	9,815	20,358
Valuation at 31 March 2021	81,132	200	28,581	109,913
Purchases	63,418	–	30,456	93,874
Sales proceeds	(3,298)	–	(36,235)	(39,533)
Realised gains on sales	(767)	–	11,207	10,440
Movement in unrealised appreciation in year	15,353	–	(7,138)	8,215
Valuation at 31 March 2022	155,838	200	26,871	182,909

The fair value valuation given by Savills plc excludes prepaid or accrued operating lease income arising from the spreading of lease incentives or minimum lease payments and for adjustments to recognise finance lease liabilities for one leasehold property, both in accordance with IFRS 16. The valuation has, therefore, been increased.

	2022 £'000	2021 £'000
Savills plc valuation	155,478	80,550
Operating lease assets	(2,502)	(2,289)
Finance lease liabilities	2,862	2,871
Valuation of Investment Properties	155,838	81,132
Increase in fair value	360	582

The fair value valuation given by Savills plc includes £3,278,000 relating to the properties at Barton-upon-Humber and Bradford where contracts have been exchanged for sale in May 2022.

The movement in unrealised appreciation in the year disclosed in the Company's Statement of Comprehensive Income includes amortisation of £nil (2021 - £630,000) relating to the transfer of the 11% Debenture Stock 2021 from Audax Properties Limited to the Company in 2014.

9 Investments – continued

Transaction costs

During the year expenses were incurred in acquiring and disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within gains and losses on investments in the Statement of Comprehensive Income. The total costs were as follows:-

	2022 £'000	2021 £'000
Purchases	95	27
Sales	32	75
	127	102

The fair values of the investment properties were independently valued by professional valuers from Savills (UK) Limited, acting in the capacity of External Valuers as defined in the RICS Red Book (but not for the avoidance of doubt as an External Valuers of the portfolio as defined by the Alternative Investment Fund Managers Regulations 2013). The valuations were prepared on the basis of Fair Value as required by the IFRS (International Financial Reporting Standards). In addition, the valuations have also been prepared in accordance with RICS Valuation – Professional Standards VPS 3.5 Fair Value and VPS 4.1 Valuations for Inclusion in Financial Statements. The definition of Fair Value is set out in IFRS 13 and is adopted by the International Accounting Standards Board as follows: “The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date” The RICS Red Book directs us to consider that Fair Value is consistent with the concept of Market Value, the definition of which is set out in Valuation Practice Statement 4 1.2 of the Red Book, as follows: “The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.” The valuations have been arrived at predominantly by reference to market evidence for comparable property (Level 3 of the Fair Value Hierarchy). As part of Savills’ standard process, the valuations were carried out by specialist valuers, which were peer reviewed and reviewed again prior to the valuation date. During the review process, the various characteristics of each property were taken into consideration.

	Fair value - Group		Inputs	
Property portfolio	£'000	Key unobservable input	Range	Blended Yield
Industrial	52,174	Net Equivalent Yield	3.00% - 5.25%	4.50%
Supermarkets	42,584	Net Equivalent Yield	4.00% - 6.50%	5.00%
Pubs	20,456	Net Equivalent Yield	4.50% - 8.50%	6.50%
Other	13,285	Net Equivalent Yield	4.75% - 8.00%	5.50%
Roadside	10,802	Net Equivalent Yield	5.25% - 5.50%	5.50%
Leisure	7,751	Net Equivalent Yield	6.50% - 7.50%	7.50%
Hotels	7,386	Net Equivalent Yield	4.85%	4.85%
	154,438*			

*The aggregate excludes the Premier Inn Alnwick, valued at £1,400,000 as this is a development property.

A 50 bps increase in the equivalent yield applied would have increased the net assets attributable to the Group and Company’s Shareholders and the total gain for the year by £17,012,000. A 50 bps decrease in the equivalent yield applied would have decreased the net assets attributable to the Group and Company’s Shareholders and the total gain for the year by £13,428,000. A 5% decrease in the

9 Investments – continued

rental value applied would have decreased the net assets attributable to the Group and Company's Shareholders and the total gain for the year by £3,998,000. A 5% increase in the rental value applied would have increased the net assets attributable to the Group and Company's Shareholders and the total profit for the year by £4,652,000.

Investment in subsidiary

Name	Country of incorporation	Date of acquisition	% Ownership	Principal activity
Value and Indexed Property Income Services Limited (formerly Value and Income Services Limited)	UK	16 January 2014	100	AIFM

10 Receivables

	2022 Group £000	2022 Company £000	2021 Group £000	2021 Company £000
Amounts falling due within one year:				
Dividends receivable	98	98	251	251
Prepayments and accrued income	418	418	721	721
Amounts due from brokers	4,193	4,193	–	–
	4,709	4,709	972	972
Amounts falling due after more than one year:				
Rental	2,238	2,238	2,017	2,017
	6,947	6,947	2,989	2,989

Many of the Company's leases provide for minimum and maximum increases of rental at future rent reviews. Minimum increases have been averaged over the life of the lease, generating amounts receivable which require to be recognised as an asset.

11 Payables

	2022 Group £000	2022 Company £000	2021 Group £000	2021 Company £000
Amounts due to OLIM Property Limited	103	103	84	84
Accruals and other creditors	1,676	1,676	1,653	1,653
Value Added Tax payable	312	312	572	572
Amounts due to brokers	324	324	-	-
Lease liability	8	8	9	9
	2,423	2,423	2,318	2,318

The amount due to OLIM Property Limited comprises the monthly management fee for March 2022, subsequently paid in April 2022.

	2022 Group £000	2022 Company £000	2021 Group £000	2021 Company £000
12 Non-current liabilities				
Bank loans	37,000	37,000	37,000	37,000
Balance of costs incurred	(473)	(473)	(536)	(536)
Costs incurred in the year	–	–	(22)	(22)
Add : Debit to income for the year	85	85	85	85
	36,612	36,612	36,527	36,527
9.375% Debenture Stock 2026	20,000	20,000	20,000	20,000
Add : Balance of premium less issue expenses	135	135	159	159
Less : Credit to income for the year	(24)	(24)	(24)	(24)
	20,111	20,111	20,135	20,135
Total borrowings	56,723	56,723	56,662	56,662
Lease liability payable in more than one year				
- within 2 - 5 years	28	28	37	37
- over 5 years	2,826	2,826	2,825	2,825
Total payables	2,854	2,854	2,862	2,862
	59,577	59,577	59,524	59,524

The Company has a £15,000,000 fixed term secured loan facility for a period of up to ten years to 31 March 2026 (2021 - £15,000,000). At 31 March 2022, £11,893,750 was drawn down at a rate of 4.344% and £3,106,250 was drawn down at a rate of 3.60%. The terms of the loan facility contain financial covenants that require the Company to ensure that:-

- in respect of each 3 month period ending on 31 March and 30 September (the Half Year dates), net rental income shall be at least 200 per cent of interest costs;
- in respect of each 12 month period beginning immediately after 31 March and 30 September, net rental income shall be at least 200 per cent of interest costs; and
- at all times, the loan shall not exceed 60 per cent of the value of the properties that have been charged.

On 28 November 2019, the Company entered into a £22,000,000 fixed term secured loan facility for a period of up to seven years to 30 November 2026. On 3 March 2021, this facility was extended until 31 March 2031. At 31 March 2022, £20,900,000 was drawn down at a fixed rate of 3.28099% and £1,100,000 was drawn down at a variable rate of 2.55550% (being LIBOR for the period equal in length to the interest period of the loan plus a margin of 2.35%). The terms of the loan facility contain financial covenants that require the Company to ensure that:-

- the total debt ratio does not at any time exceed 50 per cent;
- projected interest cover is not less than 200 per cent at all times; and
- the Loan to Value shall not exceed 68% of the value of the properties that have been charged.

The 9.375% Debenture Stock 2026 issued by VIP is repayable at par on 30 November 2026 and is secured by a floating charge over the property and assets of the Company.

12 Non-current liabilities – continued

The Trust Deed of the 9.375% Debenture Stock contains restrictions and events of default. The restrictions require that the aggregate group borrowings, £57 million, must not at any time exceed the total group capital and reserves (equivalent to net assets of £136.9 million as at 31 March 2022).

The fair values of the loan and the debentures are disclosed in Note 21 on pages 89 to 94 and the net asset value per share, calculated with the borrowings at fair value, is disclosed in Note 17 on pages 87 and 88.

13 Deferred tax

Under IAS 12, provision must be made for any potential tax liability on revaluation surpluses. As an investment trust, the Company does not incur capital gains tax and no provision for deferred tax is, therefore, required in this respect.

As disclosed in Note 6 on pages 79 and 80, a deferred tax asset has been recognised to reflect the estimated value of tax losses carried forward which are likely to be capable of offset against future profits.

14 Share capital

	2022 £000	2021 £000
Authorised:		
56,000,000 ordinary shares of 10p each (2021 - 56,000,000)	5,600	5,600
Called up, issued and fully paid:		
43,557,464 ordinary shares of 10p each (2021 - 43,557,464)	4,356	4,356
Treasury shares:		
1,992,511 ordinary shares of 10p each (2021 - 1,992,511)	199	199
	4,555	4,555

The ordinary share capital on the Statement of Financial Position relates to the number of Ordinary Shares in issue and in Treasury. Only when shares are cancelled, either from Treasury or directly, is a transfer made to the Capital Redemption Reserve.

During the prior year, the Company repurchased 1,992,511 Ordinary Shares at a cost of £4,332,281 including expenses. All of these shares were placed in Treasury.

15 Share premium

	2022		2021	
	Group £000	Company £000	Group £000	Company £000
Opening balance	18,446	18,446	18,446	18,446

16 Retained earnings

	2022 Group £000	2022 Company £000	2021 Group £000	2021 Company £000
Opening balance at 31 March 2021	95,082	95,082	92,306	91,676
Profit for the year	24,262	24,262	12,620	13,250
Dividends paid (see Note 8)	(5,445)	(5,445)	(5,512)	(5,512)
Buyback of Ordinary Shares for Treasury (see Note 14)	–	–	(4,332)	(4,332)
Closing balance at 31 March 2022	113,899	113,899	95,082	95,082

The table below shows the movement in retained earnings analysed between revenue and capital items.

	2022 Revenue £000	2022 Capital £000	2022 Total £000	2021 Revenue £000	2021 Capital £000	2021 Total £000
Group						
Opening balance at 31 March 2021	96	94,986	95,082	3,191	89,115	92,306
Profit for the year	1,873	22,389	24,262	2,417	10,203	12,620
Dividends paid (see Note 8)	(5,445)	–	(5,445)	(5,512)	–	(5,512)
Buyback of Ordinary Shares for Treasury (see Note 14)	–	–	–	–	(4,332)	(4,332)
Closing balance at 31 March 2022	(3,476)	117,375	113,899	96	94,986	95,082
Company						
Opening balance at 31 March 2021	(991)	96,073	95,082	2,070	89,606	91,676
Profit for the year	1,873	22,389	24,262	2,451	10,799	13,250
Dividends paid (see Note 8)	(5,445)	–	(5,445)	(5,512)	–	(5,512)
Buyback of Ordinary Shares for Treasury (see Note 14)	–	–	–	–	(4,332)	(4,332)
Closing balance at 31 March 2022	(4,563)	118,462	113,899	(991)	96,073	95,082

Of the Company's Retained Earnings of £113,899,000, £85,326,000 is considered to be distributable.

17 Net asset value per equity share

The net asset values per Ordinary Share are based on the Group's net assets attributable of £136,900,000 (2021 - £118,083,000) and on the Company's net assets attributable of £136,900,000 (2021 - £118,083,000) and on 43,557,464 (2021 - 43,557,464) Ordinary Shares in issue at the year end, excluding shares held in Treasury.

The net asset value per Ordinary Share, based on the net assets of the Group and the Company adjusted for borrowings at fair value (see Note 21) of £132,836,000 (2021 - £111,755,000) is 304.97p (2021 - 256.57p)

17 Net asset value per equity share – continued

	2022 Group	2022 Company	2021 Group	2021 Company
Net assets at 31 March 2022	136,900	136,900	118,083	118,083
Fair value adjustments	(4,064)	(4,064)	(6,328)	(6,328)
Net assets with borrowings at fair value	132,836	132,836	111,755	111,755
Number of shares in issue	43,557,464	43,557,464	43,557,464	43,557,464
Net asset value per share	314.30p	314.30p	271.10p	271.10p
Net asset value per share with borrowings at fair value	304.97p	304.97p	256.57p	256.57p

18 Reconciliation of income from operations before tax to net cash inflow from operating activities

	2022 Group £000	2022 Company £000	2021 Group £000	2021 Company £000
Income from operations before tax	26,566	26,566	18,705	19,301
Gains on investments	(19,237)	(19,237)	(9,773)	(10,369)
Investment management fee	(1,090)	(1,090)	(1,003)	(1,003)
Other operating expenses	(870)	(870)	(771)	(771)
Decrease/(increase) in receivables	303	303	(274)	(274)
Increase in other payables	218	218	391	391
Net cash from operating activities	5,890	5,890	7,275	7,275

19 Reconciliation of current and non-current liabilities arising from financing activities

	2022 Group £000	2022 Company £000	2021 Group £000	2021 Company £000
Cash movements				
Payment of rental (for leasing)	88	88	209	209
Repayment of debenture	–	–	15,000	15,000
Loan costs	32	32	22	22
Non-cash movements				
Finance costs (for leasing)	(78)	(78)	1,179	2,407
Changes in fair value	(33)	(33)	–	630
Amortisation of loan premium and expenses and fair value adjustment	(61)	(61)	(61)	(61)
Change in debt in the year	(52)	(52)	16,349	18,207
Opening debt at 31 March 2021	(59,533)	(59,533)	(75,882)	(77,740)
Closing debt at 31 March 2022	(59,585)	(59,585)	(59,533)	(59,533)

20 Relationship with the Investment Manager and Related Parties

Value and Indexed Property Income Services Limited is a wholly owned subsidiary of Value and Indexed Property Income Trust PLC and all costs and expenses are borne by Value and Indexed Property Income Trust PLC. Value and Indexed Property Income Services Limited has not traded during the year.

Matthew Oakeshott is a director of OLIM Property Limited which has an agreement with the Group to provide investment management services, the terms of which are outlined on page 39 and in Note 3 on page 78.

21 Financial instruments and investment property risks

Risk management

The Group's and the Company's financial instruments and investment property comprise securities, property and other investments, cash balances, loans and debtors and creditors that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement or debtors for accrued income.

The Manager has a dedicated investment management processes that ensures that the Investment Policy set out on page 27 is achieved. For equities, stock selection procedures are in place based on active portfolio management and the identification of stocks. The portfolio is reviewed on a periodic basis by a senior investment manager and by OLIM Property's Investment Committee.

Additionally, the Manager's Compliance Officer continually monitors the Group's investment and borrowing powers and reports to the Manager.

The main risks that the Group faces from its financial instruments are:

(i) market risk (comprising price risk, interest rate risk and currency risk)

(ii) liquidity risk

(iii) credit risk

The Board regularly reviews and agrees policies for managing each of these risks. The Manager's policies for managing these risks are summarised below and have been applied throughout the year.

(i) Market risk

The fair value of, or future cash flows from, a financial instrument held by the Group may fluctuate because of changes in market prices. This market risk comprises three elements - price risk, interest rate risk and currency risk.

Price risk

Price risks (i.e. changes in market prices other than those arising from interest rate or currency risk) may affect the value of the Group's investments.

It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular sector. For equities, asset allocation and stock selection, as set out in the Investment Policy on page 27, both act to reduce market risk. The Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. The investments held by the Company are listed on the London Stock Exchange.

All investment properties held by the Group are commercial properties located in the UK with long, strong income streams.

21 Financial instruments and investment property risks – continued

Price risk sensitivity

If market prices at the date of the Statement of Financial Position had been 10% higher or lower, while all other variables remained constant, the return attributable to ordinary shareholders for the year ended 31 March 2022 would have increased/decreased by £18,271,000 (2021 - increase/decrease of £10,971,000) and equity reserves would have increased/ decreased by the same amount.

Interest rate risk

Interest rate movements may affect:

- the fair value of the investments in property; and
- the level of income receivable on cash deposits.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

The Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions and reviews these on a regular basis. Borrowings comprise debenture stock and five and ten year bank loans, providing secure long-term funding. It is the Board's policy to maintain a gearing level, measured on the most stringent basis of calculation after netting off cash equivalents, of between 25% and 50%. Details of borrowings at 31 March 2022 are shown in Notes 11 and 12 on pages 84 to 86.

Interest risk profile

The interest rate risk profile of the portfolio of financial assets and liabilities at the statement of financial position date was as follows:

	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
At 31 March 2022				
Assets				
Sterling	–	–	–	5,153
Total assets	–	–	–	5,153
At 31 March 2022				
Liabilities				
Sterling	6.17	5.64	57,000	–
Total liabilities	6.17	5.64	57,000	–
At 31 March 2021				
Assets				
Sterling	–	–	–	65,965
Total assets	–	–	–	65,965
At 31 March 2021				
Liabilities				
Sterling	7.17	5.64	57,000	–
Total liabilities	7.17	5.64	57,000	–

21 Financial instruments and investment property risks – continued

The weighted average interest rate on borrowings is based on the interest rate payable, weighted by the total value of the loans. The maturity dates of the Group's loans are shown in Notes 11 and 12 on pages 84 to 86.

The floating rate assets consist of cash deposits on call, earning interest at prevailing market rates. The Group's equity and property portfolios and short term receivables and payables are non interest bearing and have been excluded from the above tables. All financial liabilities are measured at amortised cost.

Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates at the statement of financial position date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the Group's:

- profit for the year ended 31 March 2022 would increase/decrease by £31,000 (2021 - increase / decrease by £47,000). This is mainly attributable to the Group's exposure to interest rates on its floating rate cash balances.
- the Group holds no financial instruments that will have an equity reserve impact.

In the opinion of the Directors, the above sensitivity analyses are not representative of the year as a whole, since the level of exposure changes frequently as part of the interest rate risk management process used to meet the Group's objectives.

Currency risk

A small proportion of the Group's investment portfolio is invested in securities whose fair value and dividend stream are affected by movements in foreign exchange rates. It is not the Group's policy to hedge this risk.

Currency sensitivity

There is no sensitivity analysis included as the Group has no outstanding foreign currency denominated monetary items. Where the Group's equity investments (which are non-monetary items) are affected, they have been included within the other price risk sensitivity analysis so as to show the overall level of exposure.

(ii) Liquidity risk

This is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities.

The Group's assets comprise of readily realisable securities which can be sold to meet commitments if required and investment properties which, by their nature, are less readily realisable. The maturity of the Group's existing borrowings is set out in the interest risk profile section of this note.

The table below details the Group's remaining contractual maturity for its financial liabilities, based on the undiscounted cash outflows, including both interest and principal cash flows, and on the earliest date upon which the Group can be required to make payment.

21 Financial instruments and investment property risks – continued

As at 31 March 2022	Carrying value £'000	Expected cashflows £'000	Due within 3 months £'000	Due between 3 months and 1 year £'000	Due after 1 year £'000
Borrowings	57,850	75,519	1,261	1,955	72,303
Leases	2,895	7,265	22	65	7,178
Other payables	356	356	356	–	–
Total	61,101	83,140	1,639	2,020	79,481
As at 31 March 2021					
Borrowings	57,853	78,738	1,268	1,951	75,519
Leases	2,871	7,351	22	65	7,264
Other payables	527	527	527	–	–
Total	61,251	86,616	1,817	2,016	82,783

(iii) Credit risk

This is the failure of a counterparty to a transaction to discharge its obligations under that transaction that could result in the Group suffering a loss.

The risk is not significant and is managed as follows:

- investment transactions are carried out on behalf of VIP by an outsourced dealing agent. Settlement of these transactions is executed by a large investment bank whose credit standing is reviewed periodically by OLIM Property (which reports to VIS).
- the risk of counterparty exposure due to failed trades causing a loss to the Group is mitigated by the review of failed trade reports on a daily basis. In addition, a stock reconciliation to third party administrators' records is performed on a daily basis to ensure that discrepancies are picked up on a timely basis.
- cash is held only with reputable banks with high quality external credit ratings which are monitored on a regular basis.

Credit risk exposure

In summary, compared to the amounts on the Group Statement of Financial Position, the maximum exposure to credit risk during the year to 31 March was as follows:

	2022		2021	
	Statement of Financial Position £'000	Maximum exposure £'000	Statement of Financial Position £'000	Maximum exposure £'000
Current assets				
Cash and cash equivalents	5,153	58,689	65,965	83,209
Other receivables	4,709	5,186	597	7,733
	9,862	63,875	66,562	90,942

21 Financial instruments and investment property risks – continued

(iv) Property risk

The Group's commercial property portfolio is subject to both market and specific property risk. Since the UK commercial property market has been markedly cyclical for many years, it is prudent to expect that to continue. The price and availability of credit, real economic growth and the constraints on the development of new property are the main influences on the property investment market.

Against that background, the specific risks to the income from the portfolio are tenants being unable to pay their rents and other charges, or leaving their properties at the end of their leases. All leases are on full repairing and insuring terms, with upward only rent reviews and the average unexpired lease length is 20 years (2021 - 17 years). Details of the tenant and geographical spread of the portfolio are set out on page 16. The long-term record of performance through the varying property cycles since 1987 is set out on page 22. OLIM Property is responsible for property investment management, with surveyors, solicitors and managing agents acting on the portfolio under OLIM Property's supervision.

The Group leases out its investment property to its tenants under operating leases. At 31 March 2022, the future minimum lease receipts under non-cancellable leases are as follows:-

	2022 £000	2021 £000
Due within 1 year	8,159	5,152
Due between 2 and 5 years	32,525	20,362
Due after more than 5 years	78,686	63,155
	119,370	88,669

This amount comprises the total contracted rent receivable as at 31 March 2022.

None of the Group's financial assets is past due or impaired.

Fair values of financial assets and financial liabilities

All assets and liabilities of the Group other than receivables and payables and the borrowings are included in the Statement of Financial Position at fair value.

(i) Fair value hierarchy disclosures

All assets and liabilities of the Group other than receivables and payables and the borrowings are included in the Statement of Financial Position at fair value.

The table below sets out fair value measurements using the IFRS 13 Fair Value hierarchy:-

At 31 March 2022	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Equity investments	26,871	–	–	26,871
Investment properties	–	–	155,838	155,838
	26,871	–	155,838	182,709
At 31 March 2021				
Equity investments	28,581	–	–	28,581
Investment properties	–	–	81,132	81,132
	28,581	–	81,132	109,713

21 Financial instruments and investment property risks – continued

Company and Group numbers per the above fair value disclosures are the same except for the investment of £200,000 made by the Company in its subsidiary, which was the subject of an inter-group transfer in 2014.

Fair value categorisation within the hierarchy has been determined on the basis of the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety as follows:-

Level 1 - inputs are unadjusted quoted prices in an active market for identical assets

Level 2 - inputs, not being quoted prices, are observable, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - inputs are not observable

There were no transfers between Levels during the year.

(ii) Borrowings

The fair value of borrowings has been calculated at £61,064,000 as at 31 March 2022 (2021 - £62,652,000) compared to a Statement of Financial Position value in the Financial Statements of £56,723,000 (2021 - £56,662,000) per Notes 11 and 12.

The fair value of the debenture is determined by comparison with the fair value of an equivalent gilt edged security, discounted to reflect the differing levels of credit worthiness of the borrowers. The fair values of the loans are determined by a discounted cash flow calculation based on the appropriate inter-bank rate plus the margin per the loan agreement. These instruments are, therefore, considered to be Level 2 as defined above. There were no transfers between Levels during the year.

All other assets and liabilities of the Group are included in the Statement of Financial Position at fair value.

	Fair Value		Statement of Financial Position Value	
	2022 £000	2021 £000	2022 £000	2021 £000
9.375% Debenture Stock 2026	23,592	25,517	20,111	20,135
	23,592	25,517	20,111	20,135
Bank loans	37,472	37,135	36,612	36,527
	61,064	62,652	56,723	56,662

22 Capital management policies and procedures

The Group's capital management objectives are:

- to ensure that the Group will be able to continue as a going concern; and
- to maximise the return to its equity shareholders in the form of long term real growth in dividends and capital value without undue risk through the optimisation of the debt and equity balance.

The capital of the Group consists of equity, comprising issued capital, reserves, borrowings and retained earnings.

The Board monitors and reviews the broad structure of the Group's capital. This review includes:

- the planned level of gearing which takes into account the Managers' views on the market and the extent to which revenue in excess of that which requires to be distributed should be retained.

The Group's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

Details of the Group's gearing and financial covenants are disclosed in Notes 11 and 12 on pages 84 to 86.

23 Commitments

At the Statement of Financial Position date, the Company had entered into capital expenditure commitments on a land asset within the property portfolio. This undertaking is dependent on a number of outcomes and independent valuations.

Property	£000
Alnwick - Land at Willowburn Trading Estate, Willowburn Avenue	6,000

24 Events after the Statement of Financial Position Date

The Company announced on 9 May 2022 an increase of £8 million on an existing loan at a net effective interest rate of 3.65% and an extension in its maturity to 31 March 2033 from 31 March 2031.

The Company announced on 24 May 2022 that its 2026 Debenture Stock will be redeemed early on 28 June 2022, under and in terms of the trust deed constituting the 2026 Debenture Stock (the Trust Deed). The redemption price for the 2026 Debenture Stock will be determined in accordance with the terms of the Trust Deed and will be communicated to holders of the 2026 Debenture Stock shortly before the redemption date.

The Board is recommending the payment of a final dividend of 3.6p per Ordinary Share (2021: 3.6p) and, subject to receiving Shareholder approval at the 2022 AGM, will be paid on 29 July 2022 to all Shareholders on the register on 1 July 2022.

There are no other significant subsequent events for the Group or the Company though purchases and sales of property in the normal course of business which completed after the year end are disclosed on page 12.

Value and Indexed Property Income Trust PLC (the Company) is an alternative investment fund (AIF) for the purposes of the Alternative Investment Fund Managers Directive (AIFMD). The Company has appointed its wholly owned subsidiary, Value and Indexed Property Income Services Limited (VIS), to act as its alternative investment fund manager (AIFM). VIS is authorised and regulated by the FCA.

As the AIFM, VIS has responsibility for the portfolio management and risk management of the assets of the Company. VIS has delegated its portfolio management responsibilities for the property and equity portfolios to OLIM Property (the Investment Manager). The delegation by VIS of its management responsibilities is in accordance with the delegation requirements of the AIFMD. The Investment Manager remains subject to the supervision and direction of VIS and the Board.

An additional requirement of the AIFMD is to appoint a depositary on behalf of the Company to oversee the custody and cash arrangements of the Company. The Company has appointed BNP Paribas Securities Services to act as the Company's Depositary.

DISCLOSURES

The Company and VIS are required to make certain disclosures available to investors in accordance with the AIFMD. Those disclosures which require to be made prior to investment are contained in an investor disclosure document which can be found on the Company's web pages hosted by the Investment Manager at **www.olimproperty.co.uk/value-and-indexed-property-income-trust.html**.

The Investor Disclosure Document was updated in May 2022 following an increase in borrowings on one of the Company's secured term loans.

The Company and VIS also make the following periodic disclosures to investors in accordance with the requirements in the AIFMD:

- ***Investment Management:*** Details of the investment objective, strategy and policy of the Company are included in the Strategic Report. A list of all holdings is included on page 20 (properties) and page 24 (equities).
- ***Valuation of illiquid assets:*** None of the Company's assets is subject to special arrangements arising from their illiquid nature.
- ***Liquidity management:*** There are no new arrangements for managing the liquidity of the Company or any material changes to the liquidity management systems and procedures employed by the Company.
- ***Risk Management:*** VIS has an ongoing process for identifying, evaluating and managing the principal and emerging risks faced by the Company. Further details of the risk profile and risk management systems of the Company are set out in the Strategic Report and in Note 21 to the Financial Statements. There have been no changes to the risk management systems in place in the period under review and no breaches of any of the risk limits set, with no breach expected.
- ***AIFM Remuneration:*** All authorised AIFMs are required to comply with the AIFMD Remuneration Code. The expenses which VIS incurs in the provision of AIFM services are met by the Company. During the year ended 31 March 2022, all of the directors of VIS were the same as the Directors of the Company, with the exception of Matthew Oakeshott who is not a director of VIS, and no additional staff were employed by VIS. The Directors of the Company do not receive a separate fee in respect of being directors of VIS

and details of the remuneration of the Directors is set out in the Directors' Remuneration Report on pages 43 to 45. The Investment Manager receives remuneration separately (as set out on page 39). The Investment Manager is bound by regulatory requirements on remuneration that are equally as effective as those applicable to VIS under the AIFMD Remuneration Code.

LEVERAGE

Circumstances when the Company may use leverage

Leverage may be used where it is believed that the assets funded by borrowed monies will generate a return in excess of the cost of borrowing.

In a rising market, gearing will tend to enhance returns because of the increased exposure to the markets but it will tend to increase losses in the event of a falling market. Leverage is, therefore, consistently monitored.

Types and sources of leverage permitted

The Company has a long-standing policy of funding most of the increases in its property portfolio through the judicious use of borrowings. Gearing will normally be within a range of 25 per cent. and 50 per cent. of the total portfolio. The Company will not raise new borrowings if total net borrowings would then represent more than 50 per cent. of the total assets.

On 26 February 2015, a five year secured term loan facility of £5 million was arranged at a five year fixed interest rate of 4% including all costs. This facility was used to fund further property acquisitions. This loan was refinanced on 12 May 2016 and a new ten year secured term loan facility of £15 million was arranged at a ten year interest rate of 4.4% including all costs and replaced the original £5 million loan arranged in February 2015.

On 28 November 2019, the Company agreed a seven year secured term loan of £22 million at a fixed interest rate of 3.1% per annum (3.3% per annum after all expenses) on £20.9 million and at a floating rate of Libor plus 2.35% on the balance of £1.1 million. The net proceeds were held on accessible deposit until 31 March 2021 when they were used to refinance the Company's £15 million 11% First Mortgage Debenture Stock 2021 which expired on that date and to support the acquisition of further UK properties and equities in accordance with the Company's investment policy. On 3 March 2021, the term of this agreement was extended to 31 March 2031 at a new fixed interest rate of 3.28% on the £20.9 million. On 27 April 2022, an additional £8 million was borrowed bringing the loan amount to £30 million, with the term of the loan extended to 31 March 2033. This borrowing is now at a rate of 3.46% on £28.5 million with the balance of £1.5 million on a floating rate (SONIA) plus a margin of 2.2%.

The maximum level of leverage which the AIFM is entitled to employ on behalf of the Company

Under the AIFMD, the Company is required to calculate leverage under the two methodologies specified by the AIFMD, the 'Gross Method' and the 'Commitment Method', the difference being that the Commitment Method allows some netting and hedging arrangements to reduce exposures.

VIS has set a maximum leverage limit of 200% under both the Gross Method and Commitment Method. As noted above, these leverage limits are subject to a long-standing policy not to raise new borrowings if total net borrowings would represent more than half of total assets.

The table below sets out the current maximum permitted range and the actual level of leverage for the Company, as a percentage of adjusted Shareholders' funds:

	Gross Method (%)	Commitment Method (%)
Limit	200	200
Actual level at 31 March 2022	140	142

There have been no changes to the maximum level of leverage that the Group has employed and no changes to the right of reuse of collateral or any guarantee granted under the leveraging arrangements.

How to Invest in Value and Indexed Property Income Trust PLC

The Company's leveraging arrangements are collateralised through the granting of charges over the properties in the property portfolio to the Trustee of the Debenture Stock and to the respective providers of the two secured term loans.

Direct

Investors can buy and sell shares in Value and Indexed Property Income Trust PLC directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser.

Keeping you Informed

The net asset value per Ordinary Share of the Company is calculated and published monthly on the London Stock Exchange where the latest Ordinary Share price is also displayed, subject to a delay of 15 minutes. "VIP" is the Code for the Ordinary Shares which may be found at **www.londonstockexchange.com**. Additional data on the Company and other investment trusts may be found at **www.trustnet.co.uk**.

Customer Services

For enquiries in relation to Ordinary Shares held in certificated form, please contact the Company's registrars:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol, BS99 6ZZ
Telephone: 0370 703 0168
www.investorcentre.co.uk/contactus

Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, may be changed by future legislation.

Unsolicited Offers for Shares (Boiler Room Scams)

Shareholders in a number of UK registered companies have received unsolicited calls from organisations, usually based overseas or using false UK addresses or phone lines routed abroad, offering to buy shares at prices much higher than their current market values or to sell non-tradeable, overpriced, high-risk or even non-existent securities. Whilst the callers may sound credible and professional, Shareholders should be aware that their intentions are often fraudulent and high-pressure sales techniques may be applied, often involving a request for an indemnity or a payment to be provided in advance.

If you receive such a call, you should exercise caution and, based on advice from the FCA, the following precautions are suggested:

- obtain the name of the individual or organisation calling;
- check the FCA register to confirm if the caller is authorised;
- call back using the details on the FCA register to verify the caller's identity;
- discontinue the call if you are in any doubt about the intentions of the caller, or if calls persist; and
- report any individual or organisation that makes unsolicited calls with an offer to buy or sell shares to the FCA and the City of London Police.

Useful contact details:
ACTION FRAUD
Telephone: 0300 123 2040
Website: **www.actionfraud.police.uk**

FCA
Telephone: 0800 111 6768 (freephone)
E-mail: **consumer.queries@fca.org.uk**
Website: **www.fca.org.uk/scamsmart**

Glossary

Alternative Performance Measures

Alternative performance measures (APMs) are numerical measures of the Group's current, historical or future performance, financial position or cash flows, other than the financial measures defined or specified in the applicable financial framework. The Group's applicable financial framework includes IFRS and the AIC SORP. The Directors assess the Group's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies.

Total Return

Total return is considered to be an APM. The NAV total return is calculated by reinvesting the dividends in the assets of the Group from the relevant ex-dividend date. Dividends are deemed to be reinvested on the ex-dividend date as this is the protocol used by the Group's benchmark and other indices. The Share Price total return is calculated by reinvesting the dividends in the shares of the Group from the relevant ex-dividend date.

Net Asset Value Valuing Debt at Market

Net asset value valuing debt at market is the net value of the Group's assets, cash and other current assets less all creditors, provisions and all debt, all valued at fair value. Net income from the financial year is included. The calculation of this APM is explained in Note 17 to the Financial Statements.

Discount

The discount is the amount by which the market price of a share of an investment trust is lower than the NAV per share expressed as a percentage of the NAV per share.

	31 March 2022	31 March 2021
Share price	239.0p	218.0p
NAV (debt at market)	305.0p	256.6p
Discount	21.6%	15.0%

Notice is hereby given that the Annual General Meeting of Value and Indexed Property Income Trust PLC (the "Company") will be held at the offices of Shepherd and Wedderburn LLP, 1 Exchange Crescent, Conference Square, Edinburgh EH3 8UL on Friday, 8 July 2022 at 12.30pm, for the following purposes:

To consider and if thought fit, pass the following Resolutions, of which Resolutions 1 to 10 inclusive will be proposed as Ordinary Resolutions and Resolutions 11 to 13 inclusive will be proposed as Special Resolutions:

1. To receive the Directors' Report and audited Financial Statements together with the Auditor's Report thereon for the year ended 31 March 2022.

2. To approve the Directors' Remuneration Report for the year ended 31 March 2022.

3. To approve a final dividend of 3.6p per Ordinary Share in respect of the year ended 31 March 2022.

4. To re-elect John Kay as a Director of the Company.

5. To re-elect Matthew Oakeshott as a Director of the Company.

6. To re-elect David Smith as a Director of the Company.

7. To re-elect Josephine Valentine as a Director of the Company.

8. To re-appoint BDO LLP as Independent Auditor of the Company to hold office until the conclusion of the next Annual General Meeting at which accounts are laid before the Company.

9. To authorise the Directors to fix the remuneration of the Independent Auditor for the year to 31 March 2023.

10. Authority to Allot Shares

    That, in substitution for any existing authority, but without prejudice to the exercise of any such authority prior to the date hereof, the Directors of the Company be and are hereby generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company ("Securities") provided that such authority shall be limited to the allotment of shares and the grant of rights in respect of shares with an aggregate nominal value of up to £435,574 (being approximately 10% of the nominal value of the issued share capital (excluding Treasury shares) of the Company, as at the date of this Notice) provided that such authorisation expires (unless previously extended or renewed, varied or revoked by the Company in general meeting) at the conclusion of the next Annual General Meeting of the Company in 2023 or on the expiry of 15 months from the passing of this Resolution, (whichever is earlier) save that the Company may, at any time prior to the expiry of this authority, make offers or agreements which would or might require such Securities to be allotted or granted after such expiry and the Directors may make such offers or agreements as if such expiry had not occurred.

11. Disapplication of Pre-emption Rights

    That, subject to the passing of Resolution 10 set out above, and in substitution for any existing power but without prejudice to the exercise of any such power prior to the date hereof, the Directors of the Company be and are hereby generally empowered, pursuant to Sections 570 and 573 of the Companies Act 2006 ("the Act"), to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the authority conferred on them by Resolution 10 or by way of a sale of Treasury shares (within the meaning of section 560(3) of the Act) as if Section 561(1) of the Act did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities:

(i) (otherwise than pursuant to sub-paragraph (ii) below) up to an aggregate nominal value of £435,574 (being 10% of the nominal value of the issued share capital as at the date of this Notice); and

(ii) in connection with an offer of such equity securities by way of rights issue, open offer or other pre-emptive offer in favour of all holders of Ordinary Shares where the equity securities respectively attributable to the interests of all such holders are either proportionate (as nearly as may be) to the respective number of Ordinary Shares held by them on a record date fixed by the Directors (subject to such exclusions, limitations, restrictions or other arrangements as the Directors consider necessary or appropriate to deal with Treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in or under the laws of, or requirements of, any regulatory body or any stock exchange in any territory or otherwise howsoever); and shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the Annual General Meeting of the Company in 2023, or on the expiry of 15 months from the passing of this Resolution (whichever is earlier), save that the Company may, at any time prior to the expiry of such authority, make offers or agreements before such expiry which would or might require equity securities to be allotted after such expiry and the Directors may make such offers or agreements as if such expiry had not occurred.

12. Authority to Make Market Purchases of Shares.

That, the Directors be and are hereby generally and unconditionally authorised, for the purposes of Section 701 of the Companies Act 2006 (the "Act"), to make one or more market purchases (within the meaning of Section 693(4) of the Act) of fully paid Ordinary Shares of 10p each in the capital of the Company ("Ordinary Shares") on such terms as the Directors of the Company think fit, either for retention as Treasury shares for future reissue, resale, transfer or cancellation, provided that:

(i) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased shall be 6,529,263 Ordinary Shares, representing 14.99% of the issued ordinary share capital of the Company as at the date of the passing of this Resolution;

(ii) the minimum price which may be paid for an Ordinary Share shall be 10p (exclusive of expenses);

(iii) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be the higher of:

(a) 105% of the average of the middle market quotations of the Ordinary Shares (as derived from the Daily Official List of the London Stock Exchange) for the five business days immediately preceding the date of purchase; and

(b) the higher of the price of the last independent trade in Ordinary Shares and the highest current independent bid for Ordinary Shares on the London Stock Exchange; and

(iv) unless previously varied, revoked or renewed, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2023 or on the expiry of 15 months from the passing of this Resolution (whichever is the earlier) save that the Company may at any time prior to such expiry, enter into a contract or arrangement to purchase Ordinary Shares under this authority which will or might be completed or executed wholly or partly after the expiration of this authority and may make a purchase of shares pursuant to any such contract or arrangement; and

(v) any Ordinary Shares so purchased shall be cancelled or, if the Directors so determine and subject to the provisions of the Act and any applicable regulations of the UK Listing Authority, be held or otherwise dealt with as permitted by the Companies Act 2006 as Treasury Shares.

13. Notice of General Meeting

That, a general meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.

By order of the Board

Maven Capital Partners UK LLP
Company Secretary

First Floor Kintyre House
205 West George Street
Glasgow G2 2LW

10 June 2022

NOTES:

(i) A member entitled to vote at the meeting may appoint a proxy or proxies to exercise all or any of his/her rights to attend, speak and vote on his/her behalf at the meeting. A proxy need not be a member of the Company. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise the rights attached to any one share. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman of the meeting) and give your instructions directly to them. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms or would like to appoint more than one proxy, please contact the Company's Registrars, Computershare Investor Services PLC on 0370 703 0168.
In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first-named being the most senior). A member present in person or by proxy shall have one vote on a show of hands and on a poll every member present in person or by proxy shall have one vote for every Ordinary Share of which he/she is the holder.

(ii) A personalised form of proxy, and reply-paid envelope, is enclosed for Ordinary Shareholders. To be valid, any proxy form or other instrument of proxy and any power of attorney or other authority, if any, under which they are signed or a notarially certified copy of that power of attorney or authority should be sent to the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY so as to arrive not less than forty eight hours (excluding non-working days) before the time fixed for the meeting.

(iii) The return of a completed proxy form or other such instrument of proxy will not prevent a member attending the Annual General Meeting and voting in person if he/she wishes to do so.

(iv) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual and by logging on to the website **www.euroclear.com/CREST**. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

(v) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (ID 3RA50) no later than 48 hours (excluding non-working days) before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

(vi) CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their

CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(vii) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

(viii) The "vote withheld" option on the proxy form is provided to enable a member to abstain on any particular resolution. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "for" or "against" a particular resolution.

(ix) The right to vote at a meeting is determined by reference to the Company's register of members as at close of business on 6 July 2022 or if this meeting is adjourned, by close of business on the day two days (excluding non-working days) prior to the adjourned meeting. Changes to entries on that register after that time shall be disregarded in determining the rights of any member to attend and vote at the meeting.

(x) As at 10 June 2022 (being the latest practicable date prior to the publication of this document) the Company's issued share capital comprised 43,557,464 Ordinary Shares of 10p each in issue and 1,992,511 Ordinary Shares held in Treasury. Each Ordinary Share in issue carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 10 June 2022 was 43,557,464. Following Resolution 12 becoming effective, the maximum aggregate number of shares hereby authorised to be purchased shall be 6,529,263 Ordinary Shares in issue immediately prior to the passing of Resolution 12.

(xi) Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the Chairman of the meeting as his proxy will need to ensure that both he and his proxy complies with their respective disclosure obligations under the UK Disclosure, Guidance and Transparency Rules.

(xii) A person to whom this Notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of members in relation to the appointment of proxies in notes (i) to (iii) above do not apply to a Nominated Person. The rights described in those notes can only be exercised by registered members of the Company.

(xiii) Biographical details of the Directors standing for re-election are set out on page 35 of this Annual Report.

(xiv) Members who have general queries about the Annual General Meeting should contact the Company Secretary in writing. Members are advised that any telephone number, website or email address which may be set out in this Notice of

Annual General Meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.

(xv) Members should note that, it is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the meeting or any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditors no later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

(xvi) No Director has a service contract with the Company. Copies of the Directors' letters of appointment are available for inspection on any day (except Saturdays, Sundays and bank holidays) from the date of this Notice until the date of the meeting during usual business hours at the Company's registered office and for 15 minutes prior to, and at, the meeting.

(xvii) Information regarding the Annual General Meeting is available from the Company's web pages, hosted by the Investment Manager, at **https://www.olimproperty.co.uk/value-and-indexed-property-income-trust.html**

(xviii) Pursuant to Section 319A of the Companies Act 2006, as a member, you have the right to put questions at the meeting relating to business being dealt with at the meeting.

Directors
James Ferguson (Chairman)
John Kay
Matthew Oakeshott
David Smith
Josephine Valentine

Secretary
Maven Capital Partners UK LLP
First Floor Kintyre House
205 West George Street
Glasgow G2 2LW
Telephone: 0141 306 7400
Website: **www.mavencp.com**
(Authorised and regulated by the Financial Conduct Authority)

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First Floor Kintyre House
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Registered Number
Registered in Scotland
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Legal Entity Identifier:
213800CU1PIC7GAER820
ISIN: GB0008484718
TIDM: VIP

Registrars
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The Pavilions
Bridgwater Road
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Telephone: 0370 703 0168
Website: **www.investorcentre.co.uk/contactus**

Independent Auditor
BDO LLP
55 Baker Street
London W1U 7EU

Investment Manager
OLIM Property Limited
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Telephone: 020 7846 3252
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(Authorised and regulated by the Financial Conduct Authority)
Matthew.Oakeshott@olimproperty.co.uk
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Value and Indexed Property Income Services Limited
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Registration number: SC467598
Legal Entity Identifier:
213800D7AEDHGXDAM208
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VALUE AND INDEXED PROPERTY INCOME TRUST PLC – VIP

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