

AVIVA INVESTORS UK PROPERTY FEEDER TRUST

Annual Report and Financial Statements

For the period from 18 August 2017 to 30 September 2017

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

TRUST INFORMATION

MANAGER

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

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

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

DIRECTORS

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

ADMINISTRATOR AND REGISTRAR

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

FUND ACCOUNTING AND PRICING AGENT

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

TRUSTEE

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

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

INDEPENDENT AUDITORS

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

MANAGER'S REPORT

THE TRUST

Aviva Investors UK Property Feeder Trust (the Trust) is a Unit Trust incorporated in England and Wales since 21 August 2017. The property of the Trust is entrusted to Citibank Europe plc, UK Branch (the Trustee and Depositary). The shareholders are not liable for any debts of the Trust.

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

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

AUTHORISED STATUS

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

THE FINANCIAL STATEMENTS

We are pleased to present the annual report and financial statements of the Trust for the year ended 30 September 2017. As required by the Regulations, information for each of the funds has been included in these financial statements. On the following pages we review the performance of each of those funds during the period. We hope that you find our review useful and informative.

ANNUAL GENERAL MEETINGS

The Trust will not be holding any Annual General Meetings.

SIGNIFICANT INFORMATION

On 18 August 2017 Aviva Investors UK Fund Services Limited launched a the two sub-funds of the Aviva Investors UK Property Feeder Trust called the Aviva Investors UK Property Feeder Inc Fund and the Aviva Investors UK Property Feeder Acc Fund.

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

REMUNERATION

In line with the requirements of AIFMD, the Manager is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under AIFMD.

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

For the period ended 31 December 2016 (The Manager's accounting period end date), remuneration paid by Aviva Plc, the ultimate parent of the Manager, to its senior management team, and staff whose actions have a material impact on the risk profile of the Manager ("Code staff"), is as follows:

	Senior Management	Other Code Staff
Total Remuneration:	£0.6m	£0.4m
Of which, Fixed Remuneration	27%	59%
Variable Remuneration	66%	28%
Pension/Benefits	7%	13%
Number of Code staff:	7	9

Publication of Prices

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

STATEMENT OF CROSS HOLDINGS

There are no cross holdings as at 30 September 2017.

POLICIES AND RISKS

ACCOUNTING POLICIES

a Basis of accounting

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

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

b Unit classes

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

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

c Recognition of revenue

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

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

d Basis of valuation of investments

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

e Expenses

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

f Taxation and deferred taxation

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

g Unclaimed distributions

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

h Cash flow statement

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

DISTRIBUTION POLICIES

a Distribution policy

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

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

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

b Equalisation

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

POLICIES AND RISKS (CONTINUED)

RISK MANAGEMENT POLICIES

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

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

a Foreign currency risk

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

b Interest rate risk

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

c Market risk

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

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

d Liquidity risk

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

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

AVIVA INVESTORS UK PROPERTY FEEDER ACCUMULATION FUND

INVESTMENT OBJECTIVE

To obtain returns via income and capital appreciation.

INVESTMENT APPROACH

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

RISK PROFILE

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

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

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

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

MANAGER'S REPORT

TOTAL PERFORMANCE

During the period from 18 August 2017 to 30 September 2017, the Feeder Fund* produced a total return (after the deduction of charges and non-recoverable expenses) of 0.26 per cent.

During the reporting period the Fund held a negligible amount of Real Estate Securities which had a de minimis effect on overall performance.

AVIVA INVESTORS UK PROPERTY FUND PROFILE AND PORTFOLIO REVIEW

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

The total assets of the Unit Trusts as at 30 September 2017 were £1,058.49m, (£1,061.39 including accumulated income)³.

The asset split was 82.18% in direct property (30 properties), 16.44% in cash and 1.38% in other assets.³

The Fund did not complete on any purchases during the period to 30 September 2017, and has continued to focus on the restructuring of the portfolio. The Fund maintains a focus on holding quality properties in durable locations, where people congregate to live, work, play and learn and has continued to add value through focused asset management continued with the final phases of the redevelopment or refurbishment programmes detailed below.

During the reporting period, we have continued to progress our asset management and key development projects;

Redevelopment – Corn Exchange, Manchester

The Corn Exchange has been remodelled and transformed in to the City's premium dining destination by the Fund. The property location benefits from being in the heart of Manchester's city centre and close to all the major tourist attractions. The centre is award winning and has been awarded 'Catering and Leisure – Gold Winner' by the British Council of Shopping Centres. The construction work has continued on the development of a 114 room hotel in the upper levels of the site, with it being 100% pre-let to operator Roomz and due for completion in Q1 2018.

Redevelopment – Forum St Pauls, London

Forum St. Pauls, an office property in the City of London has been comprehensively refurbished to provide 60,000 sq ft of modern office space. The redevelopment provides a differentiated product for the City, which is a market where we've seen a marked shift in demand, moving away from the more corporate financial services sector which has traditionally dominated this part of London and towards the more progressive technology and creative sectors. The space has been specifically designed to appeal to this new generation of office user where companies are looking for collaborative space, outside areas and contemporary finishes rather than the traditional raised floors and suspended ceilings you'd find in the vast majority of City office buildings. Leasing Forum St. Paul's is a key priority for the Fund, with the building potentially delivering approximately £3.7m in annual rent once fully income producing.

The Fund has continued to selectively sell property assets as it focuses on its core portfolio, and during the period under review the Fund has sold a further two properties for a total of approximately £67.7m. The Fund has deliberately been selling out of weaker assets in non-core locations.

– **Man Truck and Bus UK Ltd, Manchester** – Property comprises two industrial buildings used by the tenant for sales, maintenance and repair of HGV's. The sale provided the Fund with additional liquidity. In addition to this the lot size of the asset was considered to be sub-scale for the Fund.

– **Tesco, Carina Road, Kettering** – The property consists of a large, purpose built food store and petrol station with extensive car parking. The achievable price exceeded the assessed worth valuation with the sale of the asset removing a significantly over-rented asset with a reducing income profile from the Fund.

As at 30 September 2017 the sector split within the direct property portfolio as compared with the Investment Property Databank (IPD) Authorised Property Unit Trust Funds benchmark (a benchmark consisting of authorised property unit trust funds considered similar to that of Aviva Investors UK Property Fund as at 30 September 2017) was offices 42.9% (29.2%), retail 37.5% (40.0%), industrial 13.5% (21.2%) and other 6.1% (9.6%)^{3 4}.

The Fund strategy continues to evolve and reflects a movement away from a purely benchmarking philosophy towards a conviction based approach focused around value investing where market pricing is attractive relative to intrinsic value. We will be looking to invest in locations where people congregate to live, work, play and learn in clusters of high value economic activity and where we see opportunities to unlock or create value that compensates for the risk being taken. Real estate is a local asset class and by focussing on fewer more robust locations that will drive the growth of the knowledge based economy it will allow us to leverage our expertise in those particular centres and give us an opportunity to work with local authorities and other key policy makers.

AVIVA INVESTORS UK PROPERTY FEEDER ACCUMULATION FUND (CONTINUED)

TRUST PROFILE AND PORTFOLIO REVIEW (CONTINUED)

The main drivers of this are forecast structural trends and technological changes which are changing the requirements in the office, retail and industrial markets and in tenant demands. These changes have already played a key role in the Fund's asset disposal and retention decisions and in line with the wider Aviva Investors Real Estate Initiative the Fund will invest in fewer centres in coming years. We have developed, and continue to garner considerable local market knowledge and expertise through becoming deeply embedded in those locations and expect to drive performance for clients through clustering of our investments both within these centres and across funds.

The amount of un-let (void) accommodation as at 30 September 2017 stood at 8.75%².

On the 18th August 2017 the Aviva Investors Property Trust transitioned from Trust status into a tax-efficient Property Authorised Investment Fund, or PAIF. The PAIF structure was introduced by HMRC in 2008 to enable eligible investors to be paid income gross of tax from their investments in authorised UK property funds. Eligible investors include charities, ISA holders, SIPP holders and other pension investors. The Aviva Investors Property Trust was therefore renamed the Aviva Investors UK Property Fund.

It is important to note that from an investment point of view, the Fund has not changed. It will still be run with the same objective and most processes will remain unchanged. The conversion to a PAIF relates only to the tax treatment of the income distribution from the Fund.

UK real estate market background

Q3 2017 was a robust quarter for real estate investment markets with a combination of yield compression and income growth serving to generate another above-trend quarterly return. According to the IPD Monthly Index (IPDMI), the market delivered a total return of 2.7% on the quarter. This represents the fourth consecutive quarter of robust positive returns following the Brexit-inspired weakness of Q3 last year. With that weakness now dropping out of the annual comparison, the market delivered a total return of 10.4% on a year-on-year (y-o-y) basis. In general, valuations remain very well supported at current levels, especially for prime assets. Transaction activity continued its post-Brexit recovery during the third quarter with Propertydata.com (as at October 18th) recording transactions worth almost £15.1bn. While this was well off the record levels seen during 2014 and 2015, it represents a 45% increase on the level recorded in Q3 2016 in the wake of the referendum and is 6% ahead of the five-year quarterly average. Overseas investors were again the most prominent group in Q3, acting as buyers in nearly 60% of transactions by value, as they increased their exposure to the UK market by almost £4.8bn. This figure is well in excess of their average net investment of recent years and, in fact, is the biggest net investment figure from this buyer group since these records began in 2000. As has been the case for a number of years, investors from the Middle East and especially the Far East have been especially acquisitive.

UK real estate market prospects

Modest total returns are forecast on UK real estate between 2017 and 2021. For investors concerned primarily with income rather than total returns however, property pricing remains attractive on a relative basis given the spread over bond yields. Pockets of the market, such as Central London offices, remain popular with overseas investors, whilst UK local authorities are still actively investing further up the risk curve. Regional offices still look most attractive on a risk-adjusted basis with pricing in most other sectors not appropriately reflecting the weaker outlook for occupier markets.

The excess returns on offer from moving up the risk curve are looking increasingly thin. Prime versus secondary yield spreads have narrowed sharply over the past few years. These spreads are not yet sending warning signals, remaining some way above the lows seen in 2006, but on a risk-adjusted basis, dry, non-trophy prime real estate is perhaps most appropriately priced.

With economic indicators, particularly the state of the UK consumer turning downwards, now is an appropriate time to de-risk, implementing defensive strategies where appropriate; including focusing on income returns, reducing credit risk, minimising voids and selling assets.

The likelihood of a severe correction still appears low, with yield-driven investor demand for real estate set to remain robust in a lower for longer interest rate environment.

November 2017

* Source: Lipper for Investment Management (performance calculated on a bid to bid basis, net income reinvested) as at 30 September 2017 (unit 2 acc)

² Source: Investment Property Databank (IPD) AIPT vacancy analysis as at 30 September 2017

³ Source: Aviva Investors as at 30 September 2017

⁴ Source: Aviva Investors IPD APUT benchmark report September 2016

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

PROPERTY RELATED SECURITIES SALES

Aviva Investors UK Property Fund[†]

[†] Investment managed by a related party.

PROPERTY RELATED SECURITIES PURCHASES

Aviva Investors UK Property Fund[†]

[†] Investment managed by a related party.

COMPARATIVE TABLES

Class 1 (Acc)*	2017 p per unit
Change in net assets per unit	
Opening net asset value per unit	100.00
Return before operating charges [†]	1.43
Operating charges	(0.16)
Return after operating charges [†]	1.27
Distributions	(0.19)
Retained distributions on accumulation units	0.19
Closing net asset value per unit	101.27
† after direct transaction costs of	–
Performance	
Return after operating charges	1.27%
Other information	
Closing net asset value (£000)	134,402
Closing number of units	132,716,918
Operating charges (%) [‡]	1.35%
Direct transaction costs (%) [#]	–
Prices[≈]	
Highest unit price	105.12
Lowest unit price	98.75

Class 2 (Acc)*	2017 p per unit
Change in net assets per unit	
Opening net asset value per unit	100.00
Return before operating charges [†]	1.41
Operating charges	(0.08)
Return after operating charges [†]	1.33
Distributions	(0.25)
Retained distributions on accumulation units	0.25
Closing net asset value per unit	101.33
† after direct transaction costs of	–
Performance	
Return after operating charges	1.33%
Other information	
Closing net asset value (£000)	266,190
Closing number of units	262,701,616
Operating charges (%) [‡]	0.72%
Direct transaction costs (%) [#]	–
Prices[≈]	
Highest unit price	100.44
Lowest unit price	98.76

Class 6 (Acc)*	2017 p per unit
Change in net assets per unit	
Opening net asset value per unit	100.00
Return before operating charges [†]	1.42
Operating charges	(0.12)
Return after operating charges [†]	1.30
Distributions	(0.23)
Retained distributions on accumulation units	0.23
Closing net asset value per unit	101.30
† after direct transaction costs of	–
Performance	
Return after operating charges	1.30%
Other information	
Closing net asset value (£000)	462
Closing number of units	456,476
Operating charges (%) [‡]	1.00%
Direct transaction costs (%) [#]	–
Prices[≈]	
Highest unit price	105.16
Lowest unit price	98.76

* Unit class launched on 18 August 2017.

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

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

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

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

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

Ongoing Charges Figure*[†]

Unit class	OCF* 30.09.17	PER** 30.09.17	Total*** 30.09.17
Class 1	1.35%	0.76%	2.11%
Class 2	0.72%	0.76%	1.48%
Class 6	1.00%	0.76%	1.76%

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the period. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the period, except for those payments that are explicitly excluded (performance fees).

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

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

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

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

FUND PORTFOLIO STATEMENT

As at 30 September 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Collective Investment Schemes 99.61%				
Aviva Investors UK Property Fund†	GBP	395,303,679	399,510	99.62
Total collective investment schemes			399,510	99.62
Investment assets			399,510	99.62
Net other assets			1,544	0.38
Net assets			401,054	100.00

† Investment managed by a related party.

STATEMENT OF TOTAL RETURN

For the period from 18 August 2017 to 30 September 2017

	Notes	Period ended 30.09.17* £000
Income		
Net capital gains	2	3,598
Revenue	3	1,609
Expenses	4	(449)
Net revenue before taxation		1,160
Taxation	5	(194)
Net revenue after taxation		966
Total return before distributions		4,564
Distributions	6	(966)
Change in net assets attributable to unitholders from investment activities		3,598

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the period from 18 August 2017 to 30 September 2017

	Period ended 30.09.17* £000
Opening net assets attributable to unitholders	–
Movement due to issue and cancellation of units:	
Amounts receivable on issue of units	436,558
Amounts payable on cancellation of units	(40,798)
	395,760
Dilution adjustment	771
Change in net assets attributable to unitholders from investment activities (see above)	3,598
Retained distribution on accumulation units	925
Closing net assets attributable to unitholders	401,054

* Fund launched on 18 August 2017.

BALANCE SHEET

As at 30 September 2017

	Notes	As at 30.09.17 £000
Assets:		
Investments		399,510
Current assets:		
Debtors	8	4,489
Cash and bank balances	9	145
Total assets		404,144
Liabilities:		
Creditors:		
Other creditors	10	(3,090)
Total liabilities		(3,090)
Net assets attributable to unitholders		401,054

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policies

Please see pages 5 and 6 for accounting basis and policies.

2 Net capital gains

	Period ended 30.09.17* £000
Net capital gains on investments during the period comprise:	
Realised non-derivative securities losses	(237)
Unrealised non-derivative securities gains	3,835
Net capital gains	3,598

3 Revenue

	Period ended 30.09.17* £000
Interest on debt securities	11
Property income distributions	1,407
UK dividends	191
Total revenue	1,609

4 Expenses[†]

	Period ended 30.09.17* £000
Payable to the Manager, associates of the Manager and agents of either of them:	
Manager's periodic charge	400
Registration fees	48
	448
Payable to the Trustee, associates of the Trustee and agents of either of them:	
Safe custody fee	1
	1
Total expenses	449

* Fund launched on 18 August 2017.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Taxation**a Analysis of tax charge**

	Period ended 30.09.17* £000
Corporation tax	194
Total current tax	194
Total tax for the period (see note 5b)	194

b Factors affecting current tax charge

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

The differences are explained below:

	Period ended 30.09.17* £000
Net revenue before taxation	1,160
Corporation tax at 20%	232
Effects of:	
UK dividends not subject to corporation tax	(38)
	(38)
Total tax for the period (see note 5a)	194

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

c Deferred tax

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

6 Distributions

	Period ended 30.09.17* £000
The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:	
Final distribution	925
	925
Add: Revenue deducted on cancellation of units	49
Deduct: Revenue received on issue of units	(8)
Distributions	966

* Fund launched on 18 August 2017.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Fair value hierarchy

	As at 30.09.17 Assets £000
Level 2: Observable market data	399,510
Total value	399,510

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

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

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

Level 3: Valuation techniques using unobservable inputs.

8 Debtors

	As at 30.09.17 £000
Accrued revenue	1,609
Amounts receivable on issue of units	519
Sales awaiting settlement	2,361
Total debtors	4,489

9 Cash and bank balances

	As at 30.09.17 £000
Cash and bank balances	145

10 Other creditors

	As at 30.09.17 £000
Accrued expenses	448
Amounts payable for cancellation of units	1,918
Corporation tax payable	194
Purchases awaiting settlement	530
Total creditors	3,090

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the period end.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 Related party transactions

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

The Manager's periodic charges paid to Aviva Investors UK Fund Services Limited ("the Manager") are shown in note 4 and details of units issued and cancelled by the Manager are shown in the statement of change in net assets attributable to unitholders. The balance due to the Manager at the period end in respect of the Manager periodic charges was £400,000. Any balance due from the Manager in respect of issues is shown in note 8. Any balance due to the Manager in respect of cancellations is shown in note 10.

Distributions payable to the Manager and related parties of the Manager during the period amounted to £101,000. The amount outstanding at the period end was £101,000. Related parties of the Manager are deemed to be all companies under the control of Aviva Plc. This will include companies which hold units in the Fund on behalf of other external investors.

Any investments managed and advised by Aviva Investors Global Services Limited or associated with the Aviva Group are marked on the portfolio statement. The total purchases and sales on these investments during the period amounted to £436,780,000 and £40,868,000 respectively. The income received during the period amounted to £1,609,000.

Holdings at the period end are as follows:

	Holdings at 30.09.17 (units)
The Manager and related parties (Class 1 units)	51,353,269
The Manager and related parties (Class 2 units)	113,434
The Manager and related parties (Class 6 units)	65,421

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

13 Unitholder funds

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

Class 1:	1.25%
Class 2:	0.62%
Class 6:	0.90%

The net asset value per unit class, the net asset value per unit and the number of units in the class are shown on page 9. The distributions per unit class are given in the distribution tables on page 18. All the unit classes have the same rights on winding up.

14 Units in issue reconciliation

	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue at 30.09.17
Class 1 Accumulation	159,003,620	(26,286,702)	–	132,716,918
Class 2 Accumulation	277,070,836	(14,369,220)	–	262,701,616
Class 6 Accumulation	461,579	(5,103)	–	456,476

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on page 5.

Fair value of financial assets and financial liabilities

There is no significant difference between the carrying values of the financial assets and liabilities and their fair values.

Foreign currency risk

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

Interest rate risk

At the period end date 0.04% of the net assets of the Fund were interest bearing. The exposure is not considered significant.

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

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

Market price risk

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

16 Direct transaction costs

Due to the nature of the investments held, no transaction costs or taxes were incurred on the Fund's purchases or sales during the current period ended 30 September 2017. The total purchases for the period amounted to £436,780,000 and the total sales amounted to £40,868,000.

Dealing spread

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

17 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the period end.

DISTRIBUTION TABLES

Final distribution payable in pence per unit for the period from 18 August to 30 September 2017

Accumulation units		Net revenue	Equalisation	Final distribution payable 30 November 2017
Class 1 (Acc)	Group 1	0.1949	–	0.1949
	Group 2	0.0832	0.1117	0.1949
Class 2 (Acc)	Group 1	0.2532	–	0.2532
	Group 2	0.1153	0.1379	0.2532
Class 6 (Acc)	Group 1	0.2273	–	0.2273
	Group 2	0.1053	0.1220	0.2273

Final Distribution

Group 1 units are those units purchased at 12:00 noon on 18 August 2017.

Group 2 units are those units purchased after 12:00 noon on 18 August 2017.

Equalisation

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

AVIVA INVESTORS UK PROPERTY FEEDER INCOME FUND

INVESTMENT OBJECTIVE

To obtain returns via income and capital appreciation.

INVESTMENT APPROACH

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

RISK PROFILE

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

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

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

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

MANAGER'S REPORT

TOTAL PERFORMANCE

During the period from 18 August 2017 to 30 September 2017, the Feeder Fund* produced a total return (after the deduction of charges and non-recoverable expenses) of -0.04 per cent.

During the reporting period the Fund held a negligible amount of Real Estate Securities which had a de minimis effect on overall performance.

AVIVA INVESTORS UK PROPERTY FUND PROFILE AND PORTFOLIO REVIEW

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

The total assets of the Unit Trusts as at 30 September 2017 were £1058.49m, (£1,061.39 including accumulated income)³.

The asset split was 82.18% in direct property (30 properties), 16.44% in cash and 1.38% in other assets.³

The Fund did not complete on any purchases during the period to 30 September 2017, and has continued to focus on the restructuring of the portfolio. The Fund maintains a focus on holding quality properties in durable locations, where people congregate to live, work, play and learn and has continued to add value through focused asset management continued with the final phases of the redevelopment or refurbishment programmes detailed below.

During the reporting period, we have continued to progress our asset management and key development projects;

Redevelopment – Corn Exchange, Manchester

The Corn Exchange has been remodelled and transformed in to the City's premium dining destination by the Fund. The property location benefits from being in the heart of Manchester's city centre and close to all the major tourist attractions. The centre is award winning and has been awarded 'Catering and Leisure – Gold Winner' by the British Council of Shopping Centres. The construction work has continued on the development of a 114 room hotel in the upper levels of the site, with it being 100% pre-let to operator Roomz and due for completion in Q1 2018.

Redevelopment – Forum St Pauls, London

Forum St. Pauls, an office property in the City of London has been comprehensively refurbished to provide 60,000 sq ft of modern office space. The redevelopment provides a differentiated product for the City, which is a market where we've seen a marked shift in demand, moving away from the more corporate financial services sector which has traditionally dominated this part of London and towards the more progressive technology and creative sectors. The space has been specifically designed to appeal to this new generation of office user where companies are looking for collaborative space, outside areas and contemporary finishes rather than the traditional raised floors and suspended ceilings you'd find in the vast majority of City office buildings. Leasing Forum St. Paul's is a key priority for the Fund, with the building potentially delivering approximately £3.7m in annual rent once fully income producing.

The Fund has continued to selectively sell property assets as it focuses on its core portfolio, and during the period under review the Fund has sold a further two properties for a total of approximately £67.7m. The Fund has deliberately been selling out of weaker assets in non-core locations..

– **Man Truck and Bus UK Ltd, Manchester** – Property comprises two industrial buildings used by the tenant for sales, maintenance and repair of HGV's. The sale provided the Fund with additional liquidity. In addition to this the lot size of the asset was considered to be sub-scale for the Fund.

– **Tesco, Carina Road, Kettering** – The property consists of a large, purpose built food store and petrol station with extensive car parking. The achievable price exceeded the assessed worth valuation with the sale of the asset removing a significantly over-rented asset with a reducing income profile from the Fund.

As at 30 September 2017 the sector split within the direct property portfolio as compared with the Investment Property Databank (IPD) Authorised Property Unit Trust Funds benchmark (a benchmark consisting of authorised property unit trust funds considered similar to that of Aviva Investors UK Property Fund as at 30 September 2017) was offices 42.9% (29.2%), retail 37.5% (40.0%), industrial 13.5% (21.2%) and other 6.1% (9.6%)^{3 4}.

The Fund strategy continues to evolve and reflects a movement away from a purely benchmarking philosophy towards a conviction based approach focused around value investing where market pricing is attractive relative to intrinsic value. We will be looking to invest in locations where people congregate to live, work, play and learn in clusters of high value economic activity and where we see opportunities to unlock or create value that compensates for the risk being taken. Real estate is a local asset class and by focussing on fewer more robust locations that will drive the growth of the knowledge based economy it will allow us to leverage our expertise in those particular centres and give us an opportunity to work with local authorities and other key policy makers.

AVIVA INVESTORS UK PROPERTY FEEDER INCOME FUND (CONTINUED)

TRUST PROFILE AND PORTFOLIO REVIEW (CONTINUED)

The main drivers of this are forecast structural trends and technological changes which are changing the requirements in the office, retail and industrial markets and in tenant demands. These changes have already played a key role in the Fund's asset disposal and retention decisions and in line with the wider Aviva Investors Real Estate Initiative the Fund will invest in fewer centres in coming years. We have developed, and continue to garner considerable local market knowledge and expertise through becoming deeply embedded in those locations and expect to drive performance for clients through clustering of our investments both within these centres and across funds.

The amount of un-let (void) accommodation as at 30 September 2017 stood at 8.75%².

On the 18th August 2017 the Aviva Investors Property Trust transitioned from Trust status into a tax-efficient Property Authorised Investment Fund, or PAIF. The PAIF structure was introduced by HMRC in 2008 to enable eligible investors to be paid income gross of tax from their investments in authorised UK property funds. Eligible investors include charities, ISA holders, SIPP holders and other pension investors. The Aviva Investors Property Trust was therefore renamed the Aviva Investors UK Property Fund.

It is important to note that from an investment point of view, the Fund has not changed. It will still be run with the same objective and most processes will remain unchanged. The conversion to a PAIF relates only to the tax treatment of the income distribution from the Fund.

UK real estate market background

Q3 2017 was a robust quarter for real estate investment markets with a combination of yield compression and income growth serving to generate another above-trend quarterly return. According to the IPD Monthly Index (IPDMI), the market delivered a total return of 2.7% on the quarter. This represents the fourth consecutive quarter of robust positive returns following the Brexit-inspired weakness of Q3 last year. With that weakness now dropping out of the annual comparison, the market delivered a total return of 10.4% on a year-on-year (y-o-y) basis. In general, valuations remain very well supported at current levels, especially for prime assets. Transaction activity continued its post-Brexit recovery during the third quarter with Propertydata.com (as at October 18th) recording transactions worth almost £15.1bn. While this was well off the record levels seen during 2014 and 2015, it represents a 45% increase on the level recorded in Q3 2016 in the wake of the referendum and is 6% ahead of the five-year quarterly average. Overseas investors were again the most prominent group in Q3, acting as buyers in nearly 60% of transactions by value, as they increased their exposure to the UK market by almost £4.8bn. This figure is well in excess of their average net investment of recent years and, in fact, is the biggest net investment figure from this buyer group since these records began in 2000. As has been the case for a number of years, investors from the Middle East and especially the Far East have been especially acquisitive.

UK real estate market prospects

Modest total returns are forecast on UK real estate between 2017 and 2021. For investors concerned primarily with income rather than total returns however, property pricing remains attractive on a relative basis given the spread over bond yields. Pockets of the market, such as Central London offices, remain popular with overseas investors, whilst UK local authorities are still actively investing further up the risk curve. Regional offices still look most attractive on a risk-adjusted basis with pricing in most other sectors not appropriately reflecting the weaker outlook for occupier markets.

The excess returns on offer from moving up the risk curve are looking increasingly thin. Prime versus secondary yield spreads have narrowed sharply over the past few years. These spreads are not yet sending warning signals, remaining some way above the lows seen in 2006, but on a risk-adjusted basis, dry, non-trophy prime real estate is perhaps most appropriately priced.

With economic indicators, particularly the state of the UK consumer turning downwards, now is an appropriate time to de-risk, implementing defensive strategies where appropriate ; including focusing on income returns, reducing credit risk, minimising voids and selling assets.

The likelihood of a severe correction still appears low, with yield-driven investor demand for real estate set to remain robust in a lower for longer interest rate environment.

November 2017

* Source: Lipper for Investment Management (performance calculated on a bid to bid basis, net income reinvested) as at 30 September 2017 (unit 2 inc)

² Source: Investment Property Databank (IPD) AIP vacancy analysis as at 30 September 2017

³ Source: Aviva Investors as at 30 September 2017

⁴ Source: Aviva Investors IPD APUT benchmark report September 2016

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

November 2017

Unless stated otherwise any opinions expressed are those of Aviva Investors Global Services Limited. They should not be viewed as indicating any guarantee of return from an investment managed by Aviva Investors nor as advice of any nature. Past performance is not a guide to the future. The value of an investment and any income from it may go down as well as up and the investor may not get back the original amount invested.

PROPERTY RELATED SECURITIES SALES

Aviva Investors UK Property Fund†

† Investment managed by a related party.

PROPERTY RELATED SECURITIES PURCHASES

Aviva Investors UK Property Fund†

† Investment managed by a related party.

COMPARATIVE TABLES

Class 1 (Inc)*	2017 p per unit	Class 5 (Inc)*	2017 p per unit
Change in net assets per unit		Change in net assets per unit	
Opening net asset value per unit	100.00	Opening net asset value per unit	100.00
Return before operating charges [†]	1.09	Return before operating charges [†]	1.08
Operating charges	(0.16)	Operating charges	(0.08)
Return after operating charges [†]	0.93	Return after operating charges [†]	1.00
Distributions	(0.19)	Distributions	(0.26)
Closing net asset value per unit	100.74	Closing net asset value per unit	100.74
[†] after direct transaction costs of	–	[†] after direct transaction costs of	–
Performance		Performance	
Return after operating charges	0.93%	Return after operating charges	1.00%
Other information		Other information	
Closing net asset value (£000)	124,622	Closing net asset value (£000)	16
Closing number of units	123,702,430	Closing number of units	16,419
Operating charges (%) [‡]	1.35%	Operating charges (%) [‡]	0.65%
Direct transaction costs (%) [#]	–	Direct transaction costs (%) [#]	–
Prices[™]		Prices[™]	
Highest unit price	105.12	Highest unit price	100.44
Lowest unit price	98.75	Lowest unit price	98.76

Class 2 (Inc)*	2017 p per unit
Change in net assets per unit	
Opening net asset value per unit	100.00
Return before operating charges [†]	1.07
Operating charges	(0.08)
Return after operating charges [†]	0.99
Distributions	(0.25)
Closing net asset value per unit	100.74
[†] after direct transaction costs of	–
Performance	
Return after operating charges	0.99%
Other information	
Closing net asset value (£000)	194,144
Closing number of units	192,711,747
Operating charges (%) [‡]	0.72%
Direct transaction costs (%) [#]	–
Prices[™]	
Highest unit price	100.44
Lowest unit price	98.76

COMPARATIVE TABLES (CONTINUED)

Class 6 (Inc)*	2017 p per unit
Change in net assets per unit	
Opening net asset value per unit	100.00
Return before operating charges†	1.09
Operating charges	(0.12)
Return after operating charges†	(0.97)
Distributions	(0.23)
Closing net asset value per unit	100.74
† after direct transaction costs of	–
Performance	
Return after operating charges	0.97%
Other information	
Closing net asset value (£000)	2,101
Closing number of units	2,085,357
Operating charges (%)‡	1.00%
Direct transaction costs (%)#	–
Prices*	
Highest unit price	105.16
Lowest unit price	98.76

* Unit class launched on 18 August 2017.

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

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

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

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

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

Ongoing Charges Figure†**

Unit class	OCF* 30.09.17	PER** 30.09.17	Total*** 30.09.17
Class 1	1.35%	0.76%	2.11%
Class 2	0.72%	0.76%	1.48%
Class 5	0.65%	0.76%	1.41%
Class 6	1.00%	0.76%	1.76%

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the period. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the period, except for those payments that are explicitly excluded (performance fees).

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

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

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

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

FUND PORTFOLIO STATEMENT

As at 30 September 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Collective Investment Schemes 99.85%				
Aviva Investors UK Property Fund†	GBP	318,051,779	320,404	99.85
Total collective investment schemes			320,404	99.85
Investment assets			320,404	99.85
Net other assets			479	0.15
Net assets			320,883	100.00

† Investment managed by a related party.

STATEMENT OF TOTAL RETURN

For the period from 18 August 2017 to 30 September 2017

	Notes		Period ended 30.09.17* £000
Income			
Net capital gains	2		2,037
Revenue	3	1,251	
Expenses	4	(360)	
Net revenue before taxation		891	
Taxation	5	(148)	
Net revenue after taxation			743
Total return before distributions			2,781
Distributions	6		(743)
Change in net assets attributable to unitholders from investment activities			2,037

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the period from 18 August 2017 to 30 September 2017

		Period ended 30.09.17* £000
Opening net assets attributable to unitholders		–
Movement due to issue and cancellation of units:		
Amounts receivable on issue of units	329,893	
Amounts payable on cancellation of units	(11,391)	
		318,502
Dilution adjustment		344
Change in net assets attributable to unitholders from investment activities (see above)		2,037
Closing net assets attributable to unitholders		320,883

* Fund launched on 18 August 2017.

BALANCE SHEET

As at 30 September 2017

	Notes	As at 30.09.17 £000
Assets:		
Investments		320,404
Current assets:		
Debtors	8	4,283
Total assets		324,687
Liabilities:		
Creditors:		
Bank overdraft		(482)
Distribution payable		(734)
Other creditors	9	(2,588)
Total liabilities		(3,804)
Net assets attributable to unitholders		320,883

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policies

Please see pages 5 and 6 for accounting basis and policies.

2 Net capital gains

	Period ended 30.09.17* £000
Net capital gains on investments during the period comprise:	
Realised non-derivative securities losses	(77)
Unrealised non-derivative securities gains	2,114
Net capital gains	2,037

3 Revenue

	Period ended 30.09.17* £000
Interest on debt securities	9
Property income distributions	1,089
UK dividends	153
Total revenue	1,251

4 Expenses[†]

	Period ended 30.09.17* £000
Payable to the Manager, associates of the Manager or agents of either of them:	
The Manager's periodic charge	322
Registration fees	37
	359
Payable to the Trustee, associates of the Trustee and agents of either of them:	
Safe custody fee	1
	1
Total expenses	360

* Fund launched on 18 August 2017.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Taxation**a Analysis of tax charge**

	Period ended 30.09.17* £000
Corporation tax	148
Total current tax	148
Total tax for the period (see note 5b)	148

b Factors affecting current tax charge

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

The differences are explained below:

	Period ended 30.09.17* £000
Net revenue before taxation	891
Corporation tax at 20%	178
Effects of:	
UK dividends not subject to corporation tax	(30)
	(30)
Total tax for the period (see note 5a)	148

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

c Deferred tax

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

6 Distributions

	Period ended 30.09.17* £000
The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:	
Final distribution	734
	734
Add: Revenue deducted on cancellation of units	15
Deduct: Revenue received on issue of units	(6)
Total distributions	743

Details of the distributions per unit are set out in the distribution table on page 31.

* Fund launched on 18 August 2017.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Fair value hierarchy

	As at 30.09.07 Assets £000
Valuation technique	
Level 2: Observable market data	320,404
Total value	320,404

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

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

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

Level 3: Valuation techniques using unobservable inputs.

8 Debtors

	As at 30.09.17 £000
Accrued revenue	1,251
Amounts receivable on issue of units	133
Sales awaiting settlement	2,899
Total debtors	4,283

9 Other creditors

	As at 30.09.17 £000
Accrued expenses	360
Amounts payable for cancellation of units	1,946
Corporation tax payable	148
Purchases awaiting settlement	134
Total creditors	2,588

10 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the period end.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11 Related party transactions

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

The Manager's periodic charges paid to Aviva Investors UK Fund Services Limited ("the Manager") are shown in note 4 and details of units issued and cancelled by the Manager are shown in the statement of change in net assets attributable to unitholders. The balance due to the Manager at the period end in respect of the Manager periodic charges was £322,000. Any balance due from the Manager in respect of issues is shown in note 8. Any balance due to the Manager in respect of cancellations is shown in note 9.

Distributions payable to the Manager and related parties of the Manager during the period amounted to £23,000. The amount outstanding at the period end was £23,000. Related parties of the Manager are deemed to be all companies under the control of Aviva Plc. This will include companies which hold units in the Fund on behalf of other external investors.

Any investments managed and advised by Aviva Investors Global Services Limited or associated with the Aviva Group are marked on the portfolio statement. The total purchases and sales on these investments during the period amounted to £329,985,000 and £11,618,000 respectively. The income received during the period amounted to £1,251,000.

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

	Holdings at 30.09.17 (units)
The Manager and related parties (Class 1 units)	11,549,215
The Manager and related parties (Class 2 units)	4,387

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

12 Unitholder funds

The Fund currently has four unit classes: Classes 1 and 6 (Retail) and Classes 2 and 5 (Institutional). The annual management charges are as follows:

Class 1:	1.25%
Class 2:	0.62%
Class 5:	0.55%
Class 6:	0.90%

The net asset value per unit class, the net asset value per unit and the number of units in the class are shown on pages 21 and 22. The distributions per unit class are given in the distribution table on page 31. All the unit classes have the same rights on winding up.

13 Units in issue reconciliation

	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue at 30.09.17
Class 1 Income	126,803,440	(3,101,010)	–	123,702,430
Class 2 Income	200,964,001	(8,252,254)	–	192,711,747
Class 5 Income	16,419	–	–	16,419
Class 6 Income	2,095,626	(10,269)	–	2,085,357

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on page 5.

Fair value of financial assets and financial liabilities

There is no significant difference between the carrying values of the financial assets and liabilities and their fair values.

Foreign currency risk

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

Interest rate risk

At the period end date 0.04% of the net assets of the Fund were interest bearing. The exposure is not considered significant.

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

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

Market price risk

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

15 Direct transaction costs

Due to the nature of the investments held, no transaction costs or taxes were incurred on the Fund's purchases or sales during the current period ended 30 September 2017. The total purchases for the period amounted to £329,985,000 and the total sales amounted to £11,618,000.

Dealing spread

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

16 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the period end.

DISTRIBUTION TABLES

Final distribution payable in pence per unit for the period from 18 August to 30 September 2017

Income units		Net revenue	Equalisation	Final distribution payable 30 November 2017
Class 1	Group 1	0.1948	–	0.1948
	Group 2	0.0885	0.1063	0.1948
Class 2	Group 1	0.2531	–	0.2531
	Group 2	0.1172	0.1359	0.2531
Class 5	Group 1	0.2588	–	0.2588
	Group 2	0.2588	0.0000	0.2588
Class 6	Group 1	0.2272	–	0.2272
	Group 2	0.1052	0.1220	0.2272

Final Distribution

Group 1 units are those units purchased at 12:00 noon on 18 August 2017.

Group 2 units are those units purchased after 12:00 noon on 18 August 2017.

Equalisation

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

SECURITIES FINANCING TRANSACTIONS REGULATION DISCLOSURE (UNAUDITED)

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

STATEMENT OF THE MANAGER'S AND TRUSTEE'S RESPONSIBILITIES

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

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

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

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

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

TRUSTEE'S REPORT TO THE UNITHOLDERS

The Trustee is responsible for safeguarding the property of the Trust and, in fulfilling our obligations under the Collective Investment Schemes Sourcebook of the Financial Conduct Authority, having made due enquiries of the Manager and having carried out checks and monitoring procedures, it is the opinion of Citibank Europe Plc, UK Branch as Trustee of the Trust, to the best of our knowledge and belief, that in all respects the Manager has managed the Trust during the accounting period to 30 September 2017.

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

Citibank Europe Plc, UK Branch
London
16 February 2018

MANAGER'S STATEMENT

We hereby approve the Report and Financial Statements of Aviva Investors UK Property Feeder Trust for the period ended 30 September 2017 on behalf of Aviva Investors UK Fund Services Limited in accordance with the requirements of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority.

I Buckle
Director

S Ebenston
Director

Aviva Investors UK Fund Services Limited
London
16 February 2018

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

REPORT ON THE FINANCIAL STATEMENTS

OPINION

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

- give a true and fair view of the financial position of the Trust and each of the sub-funds as at 30 September 2017 and of the net revenue and the net capital gains on the scheme property of the Authorised Unit Trust and each of the sub-funds for the period then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

Aviva Investors UK Property Feeder Trust (the "Trust") is an Authorised Unit Trust with 2 sub-funds. The financial statements of the Trust comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheets as at 30 September 2017; the statements of total return, and the statements of change in net assets attributable to unitholders for the period then ended; the distribution tables; the accounting policies; and the notes to the financial statements, which include a description of the significant accounting policies.

BASIS FOR OPINION

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

Independence

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

REPORTING ON OTHER INFORMATION

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

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

Manager's Report

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

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the Manager for the financial statements

As explained more fully in the Statement of The Manager's and Trustee's Responsibilities set out on page 33, the Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Manager is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Trust's and each of the sub-funds' ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to wind up or terminate the Trust or individual sub-fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

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

Use of this report

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

OTHER REQUIRED REPORTING

OPINION ON MATTER REQUIRED BY THE COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK

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

COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK EXCEPTION REPORTING

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

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

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
16 February 2018

GENERAL INFORMATION

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

Past performance is not a guide to the future.

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

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

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

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

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

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

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

Publication of Prices

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

