VALUE AND INDEXED PROPERTY INCOME TRUST PLC

Long, strong, indexed property income

Annual report and accounts to 31 March 2025

VIP plc

Long, strong, indexed property income

56% rent from top six tenants

M&S EST. 1884 · BLUE DIAMOND · tenpin · Premier Inn · Sainsbury's · GOV.UK

Rent indexation

100%

Rent collection

Fully Let No Voids

100%

Leases

13.3 years
weighted average unexpired lease length to break
30 properties - **32** leases

EPCs

A B C

100%
EPCs rated A-C

Debt

4.5% average rate
6.9 years maturity
96% at a fixed rate
39% loan to value

Property yield

%

6.3%
net initial property yield

Total property return

	VIP	MSCI Index
Over 1 year	9.0%	6.3%
Over 5 years	3.9% p.a.	2.1% p.a.
Over 10 years	6.7% p.a.	4.0% p.a.
Over 38 years	10.9% p.a.	7.7% p.a.

Real growth over 38 years above RPI

Real Dividend Growth	2.8% p.a.
Real Total Property Return	7.0% p.a.

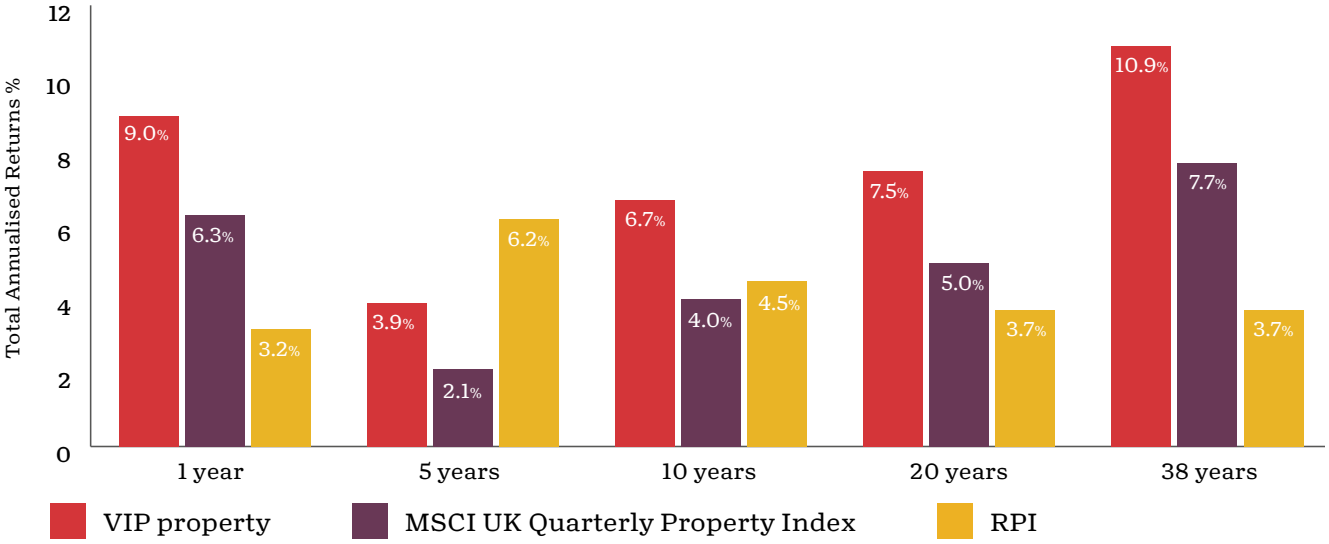
VIP - A Real Estate Investment Trust (REIT) from 1 April 2025

Over the year, VIP's share price increased by 6.9% to give a share price total return of 15.0%. The net asset value (NAV) total return was 7.1%. The dividend yield at 31 March 2025 was 7.5% (2024: 7.7%).

During the year to 31 March 2025, Value and Indexed Property Income Trust PLC (VIP or the Company) was an investment trust company listed on the London Stock Exchange. On 1 April 2025, the Company became a UK Real Estate Investment Trust (REIT). The Company invests directly in UK commercial property to deliver long, strong, indexed income. Its performance benchmark is the MSCI UK Quarterly Property Index, the main benchmark for commercial property performance. OLIM Property Limited is the Investment Manager.

VIP's dividend per share has risen every year since 1986 when OLIM's management began. It has risen by 1,004% (6.5% p.a.) against the Retail Prices Index rise of 293% (3.7% p.a.). Three interim dividends of 3.4p per share each were paid on 25 October 2024, 31 January 2025 and 25 April 2025. The targeted total dividend for the full year is 13.8p per share (+4.5%). VIP's medium term dividend policy is for increases at least in line with inflation, underpinned by VIP's indexed property income. 651,514 shares were bought back over the year for £1.174 million.

VIP property portfolio performance record over 38 years to 31 March 2025



As the chart above shows, VIP's property portfolio delivered a total return of 9.0% over the year against 6.3% for the MSCI UK Quarterly Property Index. Over the past five years, VIP's total property return was 3.9% p.a. (Index 2.1% p.a.), over 10 years it was 6.7% p.a. (Index 4.0% p.a.) and over 38 years it was 10.9% p.a. (Index 7.7% p.a.).

Over the past three years, as the table below shows, the average interest rate on VIP's borrowings was cut from 5.6% to 4.5% (of which 96% is fixed), the loan to value ratio rose from 30% to 39% and the average loan length rose from 6.2 years to 6.9 years. The fixed rate loan expiring in March 2033 was increased by £15 million and used mainly to repay £10 million of the loan expiring in March 2026 (£6 million in January 2025 and £4 million in April 2025, post VIP's year end).

Borrowings	31 March 2025	31 March 2024	31 March 2023	31 March 2022
Average interest rate	4.5%	3.9%	3.9%	5.6%
Total loans (loan to value)	£59 million (39%)	£50 million (35%)	£50 million (32%)	£57 million (30%)
Loan maturity	6.9 years	6.9 years	7.9 years	6.2 years

Over the year to 31 March 2025, VIP's portfolio was improved by the sale of six properties at sale prices totalling £12.4 million (£12.3 million net), 5.0% above their valuation total at a net initial yield of 7.4%. These sales comprised four shorter let industrial investments, a short let library and convenience store in Wales and an over-rented London pub. One acquisition was made during the year, the Bridgemere Garden Centre investment near Nantwich, at a price of £16.5 million (£17.5 million including costs) at a net initial yield of 6.6%, rising to 7.8% in December 2025 with 24 years unexpired to Blue Diamond UK Ltd on an RPI-linked lease.

Key dates

25 October 2024
First quarterly dividend of 3.4p per share for the year to 31 March 2025

25 November 2024
Announcement of Half-Yearly Financial Results for the six months to 30 September 2024

31 January 2025
Second quarterly dividend of 3.4p per share for the year to 31 March 2025

20 March 2025
General Meeting - Resolution passed to allow conversion to a Real Estate Investment Trust (REIT)

1 April 2025
Conversion to a REIT

25 April 2025
Third quarterly dividend of 3.4p per share for the year to 31 March 2025

10 June 2025
Announcement of Annual Financial Results for the year to 31 March 2025

10 July 2025
Annual General Meeting, Shepherd & Wedderburn LLP, 4th floor, 1-6 Lombard Street, London EC3V 9AA (12.30pm)

25 July 2025
Final dividend of 3.6p per share payable for the year to 31 March 2025, to be paid as a Property Income Distribution (PID)

31 October 2025
First quarterly PID payable for the year to 31 March 2026

November 2025
Announcement of Half-Yearly Financial Results for the six months to 30 September 2025

27 January 2026
Second quarterly PID payable for the year to 31 March 2026

The intended investor in the Company is a retail investor who is seeking long-term (at least five years) real growth in dividends and capital value from investing in directly held UK commercial property, plus cash or near cash securities, pending re-investment. The Company changed its investment policy and its name from Value and Income Trust PLC in January 2021. The Company entered the UK REIT regime on 1 April 2025 following Shareholders' approval of amendments to the Articles of Association at the General Meeting held on 20 March 2025.

For full details of the REIT conversion, please click on the following link to view Value and Indexed Property Income Trust Literature. **https://olimproperty.co.uk/value-and-indexed-property-income-trust.html**

Strategic Report

Chairman's Statement 8
Manager's Report 11
Business Review 36

Governance Report

Directors' Details 48
Directors' Report 49
Directors' Remuneration Report 58
Statement of Corporate Governance 62
Statement of Directors' Responsibilities 70
Report of the Audit and Management Engagement Committee 71
Independent Auditor's Report 75

Financial Statements

Group Statement of Comprehensive Income 86
Company Statement of Comprehensive Income 87
Group Statement of Financial Position 88
Company Statement of Financial Position 89
Group Statement of Cashflows 90
Company Statement of Cashflows 91
Group and Company Statement of Changes in Equity 92
Notes to the Financial Statements 93

Additional Information

Property record over 38 years 120
List of properties 122
Alternative Investment Fund Managers Directive 124
How to Invest in Value and Indexed Property Income Trust PLC 126
Glossary 127
Notice of Annual General Meeting 128
Conversion to UK REIT 133
Contact Information 135

Brentwood

Strategic Report

I am pleased to report that the Company has now completed the transition begun in 2021 from a mainly equity-based investment trust to a property company, and on 1 April 2025 it became a Real Estate Investment Trust (REIT), with the tax and marketing advantages that status offers. Subject to approval at this years' Annual General Meeting (AGM), Shareholders will receive their first Property Income Distribution (PID) on 25 July 2025. Further information on the Company's new REIT status can be found on pages 133 and 134 of this Annual Report or by visiting the Company's web pages hosted by the Investment Manager at **www.olimproperty.co.uk/value-and-indexed-property-income-trust.html**.

The Company is proud of its sustained record of progressive dividend growth, which it seeks to continue to maintain. At the year end, the yield on the Company's shares (at the proposed dividend) was 7.5%.

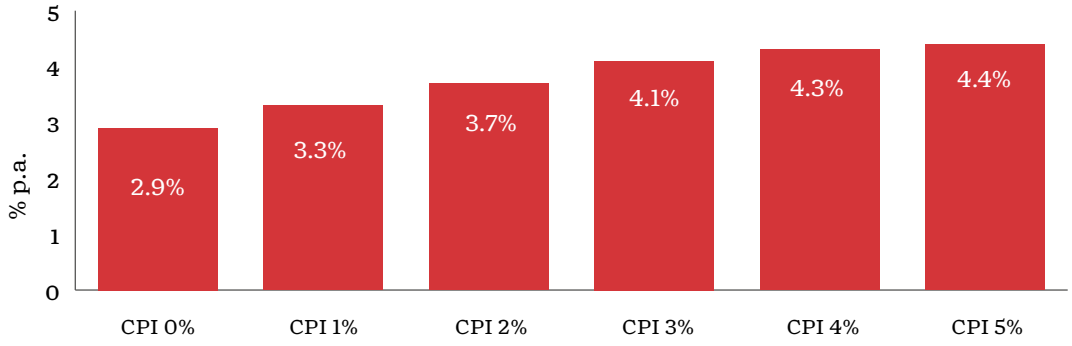
Rents in the property portfolio are all indexed, although the details of the indexation provisions vary - some are linked to the Retail Prices Index (RPI), others to the Consumer Prices Index (CPI), which is the reference measure for the Bank of England's target, which generally rises slightly more slowly. Most reviews are subject to caps and collars. As the table below shows, the return on the Company's portfolio should broadly match inflation so long as the rate does not differ too much from the official target.

The portfolio has increased marginally in capital value during the period under review, and the Company's NAV total return for the year is 7.1%. Some smaller and lower quality properties have been sold and the major change in portfolio structure is the acquisition of a large garden centre in a prosperous part of north-west England. The portfolio is diversified by sector and geography but the emphasis on alternatives remains strong.

The property portfolio's total return, including both income and capital growth, has been 9.0% over the year. This return outperformed the 6.3% return on its benchmark, the MSCI UK Quarterly Property Index, as it has over 5, 10, 20 and 38 years.

The share price total return for the year is 15.0%, substantially above the NAV total return, due to a continued and welcome reduction in the discount of the share price to NAV. The Board reiterates its commitment to Shareholders to provide an exit at NAV less costs and proposals to achieve this will be put to the 2026 AGM.

Forecast VIP rental income growth over five years



The economic outlook has become more uncertain, and as I write, the news is filled with the erratic and bombastic utterances of President Trump. While his tariff measures have little direct impact on the performance of the investments in our portfolio, the resulting disruption to world trade and the increase in the uncertainties which affect all businesses can only be detrimental. We have some protection from instabilities in financial markets as a result of moves to secure longer term financing of our debt, but short term predictions of inflation and interest rates are particularly hazardous today.

The property market has stabilised. This follows difficult years, characterised by the Covid pandemic and the end of the abnormal period of very low interest rates which followed the financial crisis. Although these factors affected all kinds of property, different sectors experienced differential effects. Secondary retail and office properties suffered from the continued growth of online retailing and the development of 'working from home'.

The Board believes that these trends are permanent. Offices which do not meet modern expectations of amenities and environmental standards will continue to lose value. The city centres of the future will have a very different character from their historic emphasis on functional shops and other services for office workers.

The Company's portfolio has benefited from the Manager's early recognition of these changes and the rebalancing of property investment towards out-of-town facilities – 'alternatives' and industrials/warehouses – properties outside the traditional sectoral focus on offices and shops.

International geopolitics are threatening. The wars in Gaza and Ukraine continue, and Chinese political priorities are evidently more aggressive in tone. While UK politics appear relatively stable, the long century in which political opinions and political parties were identifiably placed along a one-dimensional left-to-right axis of economic policies is at an end. The proximate causes and particular manifestations of the decline of traditional allegiances are different in the UK, the US, France, Germany, Italy and other countries. But the phenomenon is common across the Western world and the consequences will play out over decades to come.

These consequences may include the rise of populist strong men, the fragmentation of political parties, and the realignment of international alliances. All these events are likely to have negative effects on markets, although they will also offer opportunities. Advances in technology will continue to change the nature of business, in ways that will change the nature and identity of desirable property assets. A portfolio such as ours, based on real assets with inbuilt protection against inflation, should offer a safer, if not safe, haven in such an uncertain world.

The Board is recommending a final dividend of 3.6 pence per Ordinary Share making total dividends of 13.8p per share for the year to 31 March 2025 compared to 13.2p per Ordinary Share for the previous year, an increase of 4.5%. Subject to Shareholder approval at the 2025 AGM, the final dividend, which will be paid as a PID, will be paid on 25 July 2025 to Shareholders on the register on 27 June 2025. The ex-dividend date is 26 June 2025.

During the year under review, the Directors were delighted to announce the appointment of Lorraine Reader as a Non-executive Director, further strengthening the Board's overall property expertise.

Following the completion of the transition from an investment trust to an exclusively property oriented company, I have decided to retire after 31 years on the Board. I am proud of the dividend record the Company has been able to maintain over this period and believe that the income and capital returns have served Shareholders well. I am confident that the Company will continue to prosper under its new status with its newer Directors. Accordingly, I will step down as Chairman and from the Board following the conclusion of the 2025 AGM and I am pleased to report that David Smith will be appointed Chairman in my place.

The Board looks forward to welcoming Shareholders to the AGM to be held at the offices of Shepherd & Wedderburn LLP, 4th floor, 1-6 Lombard Street, London EC3V 9AA at 12.30pm on Thursday, 10 July 2025. The Notice of the Annual General Meeting can be found on pages 128 to 132 of this Annual Report. The Board encourages Shareholders to attend or to vote using the proxy form, which can be submitted to the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgewater Road, Bristol BS99 6ZY. Proxy forms should be completed and returned in accordance with instructions thereon and the latest time for the receipt of proxy forms is 12.30pm on 8 July 2025. Proxy votes can also be submitted by Crest or online using the registrar's Share Portal Service at **investorcentre.co.uk/eproxy**.

John Kay
Chairman

10 June 2025

VIP property portfolio - sector weightings since 2014

Sector	Mar 2025	Mar 2024	Mar 2023	Mar 2022	Mar 2021	Mar 2020	Mar 2014
Supermarkets	29%	29%	31%	30%	16%	2%	5%
Industrial / Warehouse	23%	28%	29%	33%	35%	32%	8%
Bowling and Health Club	18%	19%	9%	5%	8%	12%	0%
Garden Centre	12%	0%	0%	0%	0%	0%	0%
Hotels	8%	9%	9%	6%	0%	0%	0%
Caravan Park / Other	7%	9%	9%	9%	14%	16%	15%
Pubs / Restaurants	3%	6%	9%	13%	24%	32%	17%
Offices	0%	0%	0%	0%	0%	0%	0%
Shops	0%	0%	0%	0%	0%	0%	39%
Roadside	0%	0%	4%	4%	3%	6%	16%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Number of Properties	**30**	**35**	**39**	**43**	**31**	**26**	**29**

The property market

UK commercial property capital values, as measured by the MSCI UK Quarterly Property Index, the main benchmark for institutional property performance, were just ahead by 0.4% on average over 2024 as a whole, after two years of steep declines. Including rental income, the total return was +5.5%. But capital values still fell by 5% on average for the office sector, with 0% - 2% declines in the alternatives sector, offset by capital gains averaging 2% for retail property and 4% for industrials.

MSCI UK Quarterly Property Index

		Growth %		
Calendar 2024	Total Return %	Capital	Rental Value	Rent Passing
Retail	8.3	2.1	2.0	0.7
Office	0.0	-4.6	3.0	0.6
Industrial	8.3	3.6	5.7	5.4
Alternatives	3.9	-1.1	3.4	3.5
All property	5.5	0.4	3.7	2.9

Retail and industrial property outperformed the market, but for different reasons: retail had the highest income yield, while industrials showed better capital growth. Capital values in the alternatives sector generally stabilised over the year, while office capital values kept falling, with rising vacancies eroding total rents received on office property portfolios.

Westbury

The property market has continued to edge higher overall from its post-downturn low point last June, but President Trump's first quarter in the White House is now making buyers nervous in property, as in other markets. Turnover has, therefore, been low, with occasional keen yields achieved for flavour of the month investments which tick every box for the few active institutional investors. Some private equity houses are targeting big corporate deals at a discount, mainly in the industrial sector. But most of the market is thin and cautious at present.

% changes by sector peak to trough and recovery since

Sector	June 2022 to June 2024	June 2024 to March 2025
Retail	-18.7	+3.0
Office	-28.7	-1.3
Industrial	-25.5	+3.9
Alternatives	-14.1	-0.8
All property	-22.7	+1.5

UK commercial property – % growth rates to March 2025

		6 months	1 year	3 years	5 years	10 years
Capital values	All property	1.2	1.5	-7.2	-2.4	-0.7
Rental values	All property	2.0	3.9	3.7	2.2	1.8
Total returns	All property	3.7	6.5	-2.7	2.2	4.0

Source: MSCI UK Quarterly Property Index March 2025 - Standing Investments

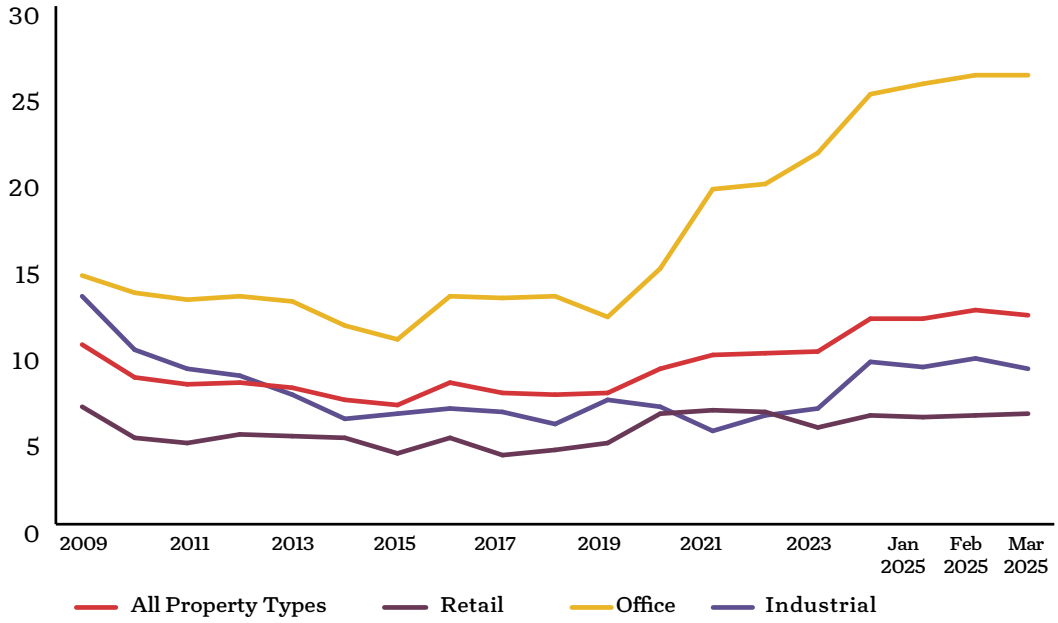
Underlying rental values are still generally improving, led by industrials, with all sectors showing some growth.

Comparative investment yields – End December (except 2025 end March)

		2025	2024	2023	2022	2021	2020	2011	2008	2006
Property (equivalent yield)		6.6	6.6	6.5	6.1	5.1	5.8	6.9	8.3	5.4
Long Gilts	Conventional	4.7	3.9	3.5	3.8	1.0	0.2	2.5	3.7	4.6
	Index linked	1.4	0.4	0.2	0.3	-2.6	-2.6	-0.2	0.8	1.1
UK Equities		3.5	3.8	3.8	3.6	3.1	3.4	3.5	4.5	2.9
RPI (annual rate)		3.2	4.3	5.2	13.4	7.5	1.2	4.8	0.9	4.4
Yield gaps:	Property less Conventional Gilts	1.9	2.7	3.0	2.3	4.1	5.6	4.4	4.6	0.8
	Property less Index Linked Gilts	5.2	6.2	6.3	5.8	7.7	8.4	7.1	7.5	4.4
	Property less Equities	3.1	2.8	2.7	2.5	2.0	2.4	3.4	3.8	2.5

Source: MSCI UK Quarterly Property Index and ONS for the RPI

MSCI UK Monthly Property Index vacancy rates %



Source: MSCI UK Monthly Property Index March 2025

As the chart above shows, the All Property vacancy rate has seen a significant increase over the past year to an all time high of 12.4% in February 2025. The previous high was 10.7% in November 2009 in the wake of the Global Financial Crisis. This is mainly due to office vacancies more than doubling to 26.0% from 12.0% in December 2019 pre-Covid, but industrial vacancies have also risen over the year from 6.7% to 9.6% to near record levels.

UK commercial property, with its high running yield and growing rental income, offers fair value against UK equities and conventional fixed-coupon gilts, and excellent value against index-linked gilts, which still only offer low real returns at considerable capital risk, as shown by their performance since 2021.

Property portfolios with strong tenants, paying affordable rents on long, preferably indexed leases for sustainable buildings in prosperous locations should continue to outperform. Weaker or ex-growth properties need to be weeded out and portfolio quality upgraded by new, stronger purchases and improvements to existing properties. Secure and sustainable growing income will be the key to delivering attractive real total returns and outperforming the competition for UK commercial property portfolios in the years ahead. Safety first must be the property investor's motto, with UK inflation far from dead and US economic and foreign policy in flux.

Property prospects by sector

Industrial: Pressures building amid a "cautiously optimistic" environment

Investor enthusiasm failed to translate to significant transaction volumes in Q1 2025; only a few larger core assets traded. 2024 transaction volumes totalled £11.1bn, slightly up on 2023's levels but still way below the sector's glory years of 2021 and 2022 and marginally below the 10-year average. Capital values increased by 1.0% for the three months to March 2025 for all industrials in the MSCI UK Monthly Property Index and by 5.0% for the 12 month period.

The occupational market is weakening. Large, big box distribution units recorded take up in 2024 of 21.2m sq ft, 33% below the five-year average, and the industrial vacancy rate increased again to 9.0% in the MSCI UK Monthly Property Index at end March 2025. This was up again, 2.1% over the 12 months from March 2024 (6.9%) and almost double the record low of 5.2% in October 2021. Industrial vacancy rates were last recorded above 9% in the first half of 2013.

Occupiers are reacting to rising labour and increasing occupational costs. Given the rental growth of recent years, industrial will be the hardest hit sector after the rates rise in April 2025 and occupiers are now consolidating their property holdings and exiting any surplus or out of date space, which no longer works for them physically or environmentally.

The sector's estimated future rental growth has decelerated and market forecasts are now 3% p.a. and 4% p.a. for the next five years. These forecasts are too high and will only reduce further with occupiers' affordability concerns. Rental value growth in the MSCI UK Annual Index has run at an average of 2.8% per annum over the last 20 years, and 5.6% over the past 10. These records are skewed by the post Covid boom in industrial and warehouse rents in 2021 and 2022, which both saw growth over 10%.

Incentives, offered as an inducement to take a new lease, are also increasing – another sign of a weakening occupational market. A tenant taking a new 10 year lease in 2023 would have received an average of eight months' rent free (10 months' today). In addition, capital contributions are increasing. Industrial units are usually offered in a shell state for an occupier to fit out at their cost with a landlord providing a small financial incentive if demanded. Average fit out costs for industrial are c.£60 per sq ft, which is now a prohibitive cost for many occupiers. Prologis, the industrial investor, for example, has had to "retrofit", at its cost, several of its industrial units to attract occupiers.

In summary, the industrial property market is now fighting headwinds as occupiers grapple with increasing costs and investors face up to tenant insolvency risk, rising void rates and uninspiring future rental growth. Those investors who have been buying into the sector on the back of aggressive rental growth and limited vacancy assumptions should be concerned. We remain cautious for 2025 - investment volumes will stay flat, yields for the more secondary stock could well expand a little, and income growth, the traditional driver of performance under this stagnant backdrop, will be dull.

Aylesford

Despite these short-term indicators, to be expected during a downturn in a property cycle, there is still a solid argument for UK industrial property for the medium to long term. The sector's fundamentals are strong: rents are still growing, land values in the South in particular will be underpinned by residential demand and global supply pressures could signal more onshoring and increased occupational take up. There is still strong pent-up demand from UK and overseas investors for the sector, which will drive values up again when confidence returns.

Offices: The outlier – values still falling with market activity at an all-time low

Office transaction volumes remained well below the long run averages for the sector with the UK office market achieving a record annual low in 2024 at £9.7bn, 52% below the 10-year average. Within that, the City of London market, usually held up during down cycles by larger lot sizes trading, had the lowest annual transaction volume since 1989 at £2.3bn, significantly down on 2023 and 65% below the five-year average of c.£6bn. The few properties trading are either super prime or much smaller lot sizes for conversions to leisure / residential uses. Office capital values are still falling. The MSCI UK Monthly Property Index recorded no growth over the month to end March 2025, -3.1% over the 12-month period and -12.5% per annum over three years.

Vacancy rates have hit an all-time high at 26%. Annual take-up for the sector for 2024 was 10.8 million sq ft, below the sector's 10-year average. Occupiers who require more than 100,000 sq ft of space would normally commit to space at least 24 months prior to need, yet pre letting activity was at a three-year low last year. These occupiers are either downsizing or deferring their costly move and negotiating lower rates on their current space with their desperate landlord.

Some landlords are hoping occupancy rates will improve as the "return to the office" gathers momentum throughout 2025 but occupier costs have increased again with the business rates increase in April 2025. It is estimated that the office sector will have almost £700 million added to its annual business rates bill and larger premises may see at least a 20% increase. Occupiers will either delay any property decisions and take-up will fall further or they will be prompted to vacate space sooner and the vacancy rate will rise more.

One of the UK's largest office landlords, Land Securities, have announced the sale of c. £2bn worth of key office investments to rebalance their portfolio with more retail and residential. Other major office investors such as British Land are expected to follow suit. The traditional investors are no longer interested in the sector.

We just cannot envisage the office sector again becoming the mainstream player it once was for the foreseeable future. The economic backdrop only makes the sector look even more unattractive and not the "safe haven" investors seek out. The only way the sector could gain any traction is if capital and rental values fall further to stimulate demand.

Gloucester

Retail: An under the radar resurgence

Retailers have to navigate challenging market conditions with persisting inflation, low consumer confidence and low retail sales volumes. But activity levels across prime retail markets remained surprisingly resilient throughout 2024, with valuers reporting modest rental growth in some places. In recent years most investors have passed the sector over, with many expecting the adoption of online shopping to continue eating away at the need for physical retail spaces. Some retailers have upsized, opened flagship stores, plus there have been new international brands entering the UK in 2024. Retailer distress is at historic lows, vacancy rates are broadly stable, and while a few big names have tumbled – Ted Baker, The Body Shop, Carpetright and Homebase – 2024 has been relatively uneventful for closures, but WH Smith and Poundland now have doubtful futures.

Values and pricing levels have been relatively stable on the high street as there has been no real market evidence, but the out of town sector has been more active. Retail investment volumes have slowed down with the February figure below the five-year monthly average of £680m. The year-to-date total of £620m is 40% below the corresponding 2024 figure. In one of February's largest transactions, Tesco bought back its Newmarket store from Supermarket Income REIT for £64m at a 5.5% yield.

However, over the twelve months to March 2025, retail was the best performing sector on the MSCI UK Monthly Property Index with a total return of 11.4% v 8.5% for All Property driven by a high income return of 7.2% (All Property 5.9%) and capital growth (3.9% v 2.5%). This is despite retail rental value growth at 1.8% underperforming All Property at 3.4%.

High Street and Shopping Centres: While retail sales volumes remain subdued, a sustained focus on re-aligning retail footprints to match post-Covid shopping habits has helped return confidence to the occupational market. High street retail has been evolving where it is now more Leisure and Food & Beverage focused. The top centres continue to attract significant interest from large multi-national retailers and leading brands, whilst improving levels of footfall are helping to attract new occupiers. According to MSCI, the vacancy rate for institutionally held shopping centres, representing a broad range of asset sizes and qualities, contracted during 2024 falling to 11.1% of floorspace. For best-in-class locations void levels have continued to reduce. The shopping centre market saw some recovery during 2024, with total volumes exceeding £2bn as a result of over 40 deals, with the bulk being UK institutions buying out partners in the larger regional centres. In Q1 2025, several centres have been brought to the market as investors are attracted by the high income returns. Investor demand for the high street, even in strong south east locations, remains very limited with most transactions only taking place at double figure yields.

Supermarkets: Supermarket performance during 2024 was driven by income return with only modest capital growth. There continues to be a lack of quality stock being brought to the market with strong institutional demand for the £20m to £40m lot sizes let to Tesco and Sainsbury's and smaller stores let to Marks & Spencer, Aldi and Lidl. Investor sentiment towards Asda and Morrisons continues to be weak.

Aldi's sales grew by 5.6% year on year in the 12 weeks to 23 March, pushing its market share to 11% for the first time, up from 10.7%. Lidl's sales grew by 9.1% in the same period, pushing its market share to 7.8%, up from 7.4% a year ago. Lidl attracted 385,000 additional shoppers last month, more than any other grocer, and saw a double-digit rise in footfall.

Newport

M&S sales grew the fastest, with spend on groceries in its stores increasing by 13.1%, and to a 3.7% market share before it suffered a serious cyber attack in May 2025. Its online partner, Ocado, increased sales by 11.2%, to take a 2% share of the market for the first time. Tesco grew sales by 5.4%, taking its share to 27.9%, up from 27.3% last year. Sainsbury's sales were up 4.1% year on year, taking its share to 15.2%, up from 15.1%.

Asda's market share continued to drop from 13.6% to 12.5%. Executive chairman Allan Leighton recently promised significant investment in prices and stores to tempt shoppers back. Sainsbury's and Morrisons have both announced in store café closures as part of cost cutting exercises.

Out of Town Retail: Inflationary pressures and a focus on value from households have helped many operators within the out of town market. During 2024 the sector saw continued exposure to business failures which included both Homebase and Carpetright (competitors such as The Range and Tapi absorbed a significant amount of space).

Despite this, retail warehousing generated the highest total returns of all property sectors during 2024, +12.2% due to strong capital value growth, compared to supermarkets +6.9%, shopping centres +8.2% and shops +3.3%. £1.3bn of retail warehouse transactions (33 deals) completed in Q4 2024 pushing yields down. Purchasers were mainly listed and private property companies attracted by low vacancy rates and strong occupier demand. The momentum for this sector has continued into 2025. According to MSCI, the vacancy rate for institutionally held retail parks increased marginally during 2024 up to 4% from 3.7% at the end of 2023. The final quarter of 2024 saw over £1.6bn transact, contributing over 50% of total annual investment volumes and marking the largest single quarterly volume recorded in recent history. British Land, Realty Income and Redevco were the major players during the year, accounting for a significant proportion of activity, and reaffirming appetite from institutional capital for the sector.

Alternatives: Defensive assets let on long leases to strong tenants at realistic rents are outperforming

Assets outside the traditional office, retail, and industrial sectors now account for 25% of the MSCI UK Quarterly Property Index, compared to 22% for offices, 18% for retail, and 35% for industrial. Properties in the 'Alternatives' sector are often seen as defensive, featuring long, index-linked leases and a diverse range of tenants, making them attractive in uncertain market conditions.

The alternatives sector accounted for the largest share of Q4 2024 investment volumes at 39%, but the 'cautious optimism' felt at the beginning of that quarter has been tempered by the higher National Insurance contributions, increases in the National Living Wage and rising business rates. The Government's decision to freeze the standard rates multiplier to increase with inflation and to cut hospitality and leisure rates relief from 75% to 40% will see many business rates bills rise by 140% in April, or even higher. Businesses are looking at ways to mitigate these costs, some will fail in the short term, while others will likely reduce staff and increase costs to the consumer as they try to keep their heads above the water. Investment appetite has slowed in Q1 2025, and transaction volumes across all sectors are down. (-37% in February 2025 v's February 2024).

High-quality, well-let assets, particularly those in the £1m–£3m lot size range, are still attracting interest, particularly from private investors and property companies, but buyers are increasingly selective and demanding higher risk premiums. The focus is more than ever on covenant strength, affordability of rents, income growth and future alternative use value.

Pubs and Restaurants: In December 2024, UK pubs and restaurants saw a welcome sales boost, marking a strong finish to the year. This growth was driven by festive celebrations and the resulting uptick in consumer spending, especially in London. However, the hospitality sector continues to face considerable challenges, with many closures, mainly of smaller pubs, attributed to rising operational costs and more cautious consumer spending. In April, when rate bills rise, restaurants will see their annual bills increase from an average of £5,563 to £13,351, with pubs similarly affected. Independent and privately-backed pubs and restaurants are struggling the most.

Well-managed operators with strong cash flows, such as Greene King, Wetherspoons, Fullers, Youngs, and Shepherd Neame, are better positioned to weather these cost pressures. However, even these industry leaders will face increasingly narrow margins post-April. In its recent interim results, Wetherspoons projected that rising labour costs and National Insurance contributions would add around £60m to its annual costs. Shepherd Neame, despite reporting a strong second half-year performance with operating profits up by 7.4%, warned of a 'challenging market' and rising 'unwelcome' costs, which it plans to address through a combination of price hikes and cost efficiencies. Pubs let on long leases to strong tenants remain attractive to investors, though yields have moved out and are under pressure for assets where covenants look uncertain, and rents have grown too high too fast.

Bowling: As one of the most affordable family-friendly outings, bowling continues to attract diverse income groups. The dominant market leaders, Hollywood Bowl and Ten Entertainment (Tenpin) are still performing strongly. These operators are focusing on value-for-money, multiple-concept experiences and site refurbishments. The bowling sector presents an opportunity for specialist investors to acquire long-let, index-linked leases at high yields, with rents often below neighbouring retail warehouses or industrial properties, but future alternative use value does now need to underpin investment value to access the widest possible market.

Budget Hotels and Caravan Parks: Budget hotels, particularly Premier Inn (Whitbread), have benefited from a cost-conscious consumer. Despite operational challenges affecting profits, investor interest in long-let, index-linked hotel investments rose significantly in 2024 with transaction volumes in this sector double those of 2023, marking the highest level since 2019. While volumes slowed in Q4 2024, total returns for the 12 months to March 2025 stood at +9.7%. Transactions in Q1 2025 have been limited and yields have moved out slightly, particularly where unexpired terms have shortened. Caravan Parks are also facing higher overheads, most notably in staffing and employment costs. 2024 had lower than typical transaction volumes with fewer active buyers and a lack of supply, with more operators choosing to sit on their hands. The proposed change to Business and Agricultural Property Relief has already focussed the minds of some operators looking towards succession, which may affect supply over the next few years.

Garden Centres: Some garden centre operators, such as Dobbies, have struggled with over-expansion, unseasonal weather, and excess stock. However, well-financed operators like Blue Diamond, the UK's leading garden centre group, are thriving and expanding through their own sale and leaseback programmes. The sector is undergoing consolidation, with smaller or less profitable centres being acquired by strong operators. Larger, profitable garden centres with valuable sites and future alternative use potential continue to attract investor interest.

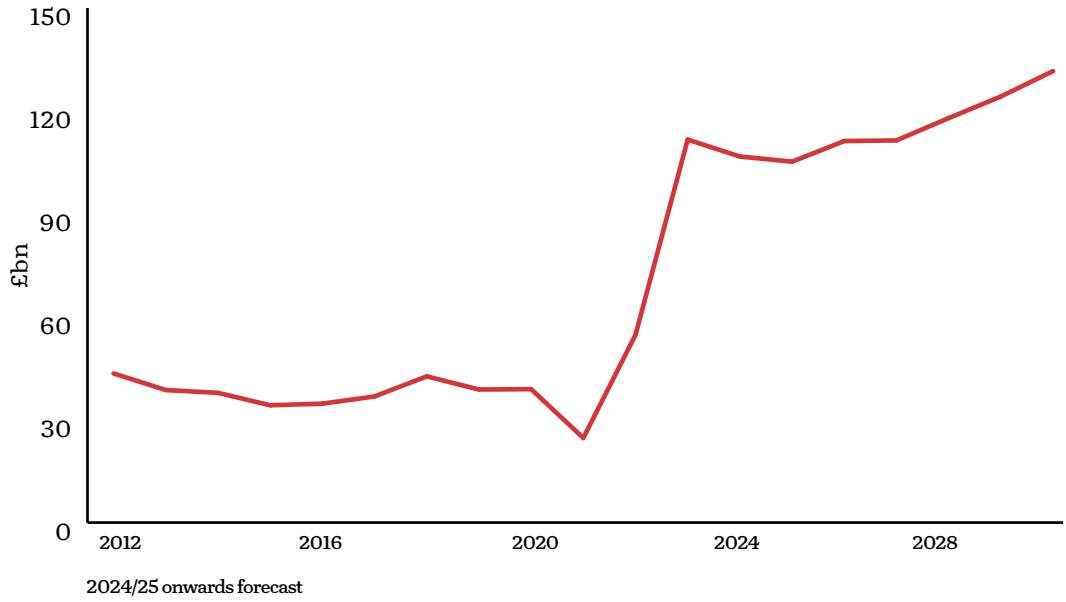
Student Accommodation: Investment in student accommodation reached over £3.8bn in 2024, an increase of 14% on the previous year, but Q4 2024 volumes were down as yields rose and capital values came under pressure from rising bond yields - there has been very little trade so far in 2025. Growth over the past few years has been fuelled by the substantial deployment of capital into a sector underpinned by robust student demand, long term income streams, strong annual rental growth and limited supply, but there are occupancy challenges. Some operators have increased rents above what students can afford, increasing voids. There has also been a notable decrease in international student numbers (applications for study visas were down 17% in 2024 v's 2023). Strategic partnerships between universities and developers are a viable solution to address financial pressures and housing shortages, so long as the planners play ball and university finances permit. When properties let to notable universities on long index-linked leases do come to market, there is stiff competition.

The economy

The British economy has suffered four severe shocks over the past ten years – Brexit, COVID, the war in Ukraine and now Trump, so economic forecasting is even more "art" than "science". Unquantifiable uncertainty abounds, and our basic economic statistics, from average earnings to employment to wholesale prices, have broken down as they have failed to cope with post-COVID changes in working patterns and falling survey response rates. So the Treasury and the Office of Budget Responsibility, like all forecasters, are flying almost blind through thick fog.

Unlike most other Western economies, the UK is still trying to adjust to major changes in our pattern of exports and imports with the European Union (with half our overseas trade against less than 20% for the USA). And the UK's legacy of high public debt post-COVID, with financially stretched public services and a fast-growing interest bill on our short-dated Government borrowings, meant that in her Spring Statement on 26 March, the Chancellor looked to be walking a tightrope while wearing a straitjacket.

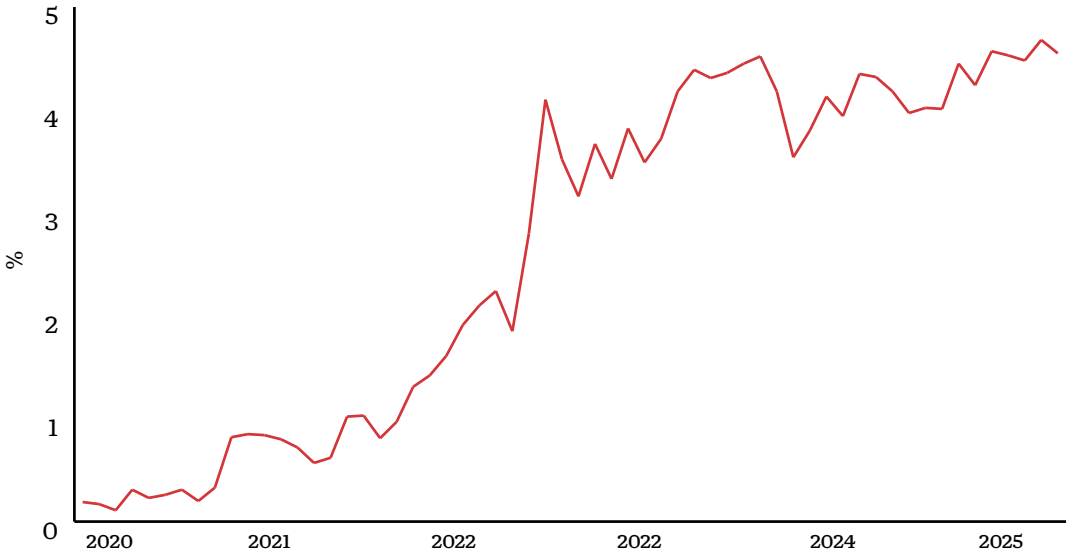
Government net debt interest by fiscal year, £bn



Source: OBR

UK 10 year gilt yields have been highly volatile but shown little net change over the past two years, rising from 4.5% to 4.6% over 2024 and to 4.7% at end March 2025. International yield movements were the key driver. UK gilts traded generally around 4% for much of 2024, but then rose to 4.6% after the UK Autumn Budget and President Trump's re-election in November. They are now getting some support from international investors' aversion to America.

10 year UK government bond yield, %



Source: Refinitiv

Consumer price inflation is not going to fall back sustainably to the Bank of England's official 2% target any time soon. The annual rate of increase of the CPI dipped below 3% early in 2025 but may be back to 4% over the summer. Water, energy and council tax bills rose sharply on 1 April, and employers will pass on in prices what they can of the continuing increases in the National Minimum Wage (9.8% in April 2024 and 6.7% in April 2025 for adults and up to 21.2% and 16.3% for young workers) and the increases in employers' national insurance contributions. The Chancellor had no real alternative to raising employers' national insurance, being boxed in by commitments not to raise other taxes; but lowering the starting point from £9,100 to £5,000 meant the cost burden fell most heavily on employers of large numbers of low paid and part-time workers. As well as the likely loss of part-time job opportunities for people on the edge of unemployment, the extra cost has fallen heavily on consumer-facing retail, leisure and hospitality businesses whose increased prices will show up quickly and clearly in the consumer price indices.

Unemployment may rise slightly this year; after that it will depend on whether the Spring Statement's benefit and welfare changes bring more people into work as hoped.

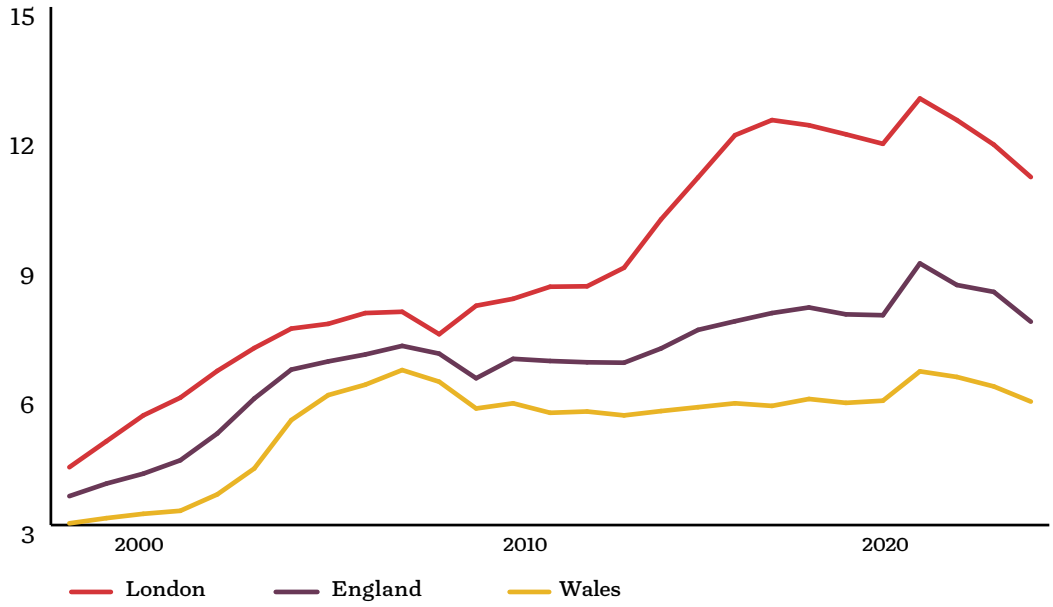
More generally, consumer price inflation will stay above the official 2% target if productivity and GDP per head grow around 1% a year over the next four years, while average earnings and service sector inflation stay near their present 5% annual growth rates. Even with the Government's oft-repeated commitment to growth, 3% still looks a more realistic central forecast for annual UK CPI growth than 2% over the next few years. And it may be even higher in a world of tariffs and trade shocks. So the Monetary Policy Committee of the Bank of England needs to tread carefully in cutting short term interest rates from the current 4.25%.

The Chancellor's redefinition of public sector debt in the Autumn Budget has enabled public sector net investment to rise to average 2.6% of GDP over the next five years. Part of the increase in defence spending to 2.5% of GDP in 2027, and then to 3% when resources allow, will be achieved through capital projects. But the severe cut to 0.3% of GDP in the overseas aid budget comes from current spending.

Housing, after many years of policy neglect under all Governments, provided the main bright spot in the OBR analysis of Britain's public finances and growth prospects. The new Government's commitment to build 1.5 million homes over the next 5 years is unrealistic, starting from a base of only 200,000 a year. But the OBR, and many experts, do now believe the Government's policy changes make 300,000 homes a year achievable by 2029-30. These include the National Policy Planning Framework and a strengthened presumption in favour of development, increased social housebuilding and improved productivity. Mortgage rates are still adjusting to higher levels (from an average of 3.7% to 4.7% in 2028 as lower fixed rates run off). High land prices are still the main difference between housing costs in the UK and comparable countries, so compulsory purchase of land for affordable housebuilding at existing use values could make a real difference here.

Since 2021, house prices in England and Wales have increased by 1%, while average earnings have risen 20 per cent. But typical mortgage rates have risen from 2% to 4%-5%. House prices are particularly unaffordable in London and south east England, where real house prices, especially at the higher end of the market are overvalued and have further to fall. But lower priced homes in other regions are now more realistically valued, especially by comparison with renting.

Ratio of House Prices to Average Earnings



Source: ONS

Raising Britain's poor relative rates of investment and particularly growth will be a long, hard but not impossible slog. Most British businesses are in reasonable financial health, household savings rates at 10% are relatively high and the economy is still growing through all the headwinds. But confidence is low. British pension funds and private investors have run their holdings in productive UK assets – ranging from quoted shares to unlisted direct property and wider infrastructure - right down over the past 25 years so foreign buyers are snapping them up from the bargain basement. Boosting British business and the London Stock Exchange by focussing ISA tax relief just on UK investments could shake off the gloom and save British taxpayers' cash by stopping subsidising our competitors' shares around the world. Tesla needs no British tax breaks.

The outlook for the world economy had been improving at the end of 2024. But the International Monetary Fund have now cut their forecasts for GDP growth in the USA to 1.8%, in 2025 and 1.7% in 2026, with growth in the Euro area and UK around 1% in both years with China at 4% and India at 6%. These could still be too high, especially if the USA tariff confrontation with China drags on.

Frequent, unexpected and erratic changes in public policy by the new US Administration, from cuts in public spending and employment at home, to stopping the US Aid programme across the world, are undermining investor, business and consumer confidence in America. The almost complete reversal of US support for Ukraine, its half-hearted (at best) commitment to NATO and open hostility to the European Union, have already led the new German government to raise the roof on defence spending and investment. Seen from London, the Atlantic looks wider and the English Channel much narrower than at any time since 2016 and the Euro will grow as a reserve currency.

President Trump may modify or draw back from some of his more extreme demands, but investors in all markets would be wise to assume that the world is now a more dangerous place for the next few years and stick to safe, income-producing investments, avoiding over concentration on the USA. The White House will also be actively hostile to action on climate change, both directly at the inter-governmental level and indirectly by its hostility to investors' growing efforts in recent years to make business prioritise the environment.

Economic policymakers and investors alike have to manage as best they can in these turbulent times with a consistent concentration on sustainable growth and security. But upheavals always bring opportunities. Over the past 50 years in Britain, the best long term investments have usually been made under dark skies before the gloom starts to lift.

Annual portfolio summary

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

The portfolio comprises 30 properties across seven well diversified sub-sectors, fully let on 32 full repairing and insuring leases (WAULT 13.3 years to the tenants' option to break) to 18 different tenant covenants across England and Scotland, with 79% of rents coming from the top ten tenants. Following the sale of the long leasehold Doncaster property on 24 April 2025, post the year end, all properties are freehold.

Index-related rent reviews

The current rental income on the whole portfolio stands at £9.8 million per annum. 100% has either index-linked or fixed increases.

Over the financial year, 9 rent reviews completed representing 29.3% of the rent roll, with an average annual increase of 3.0% on their rents passing. This added £0.1 million (1.2%) to all held properties. Six were RPI-linked annual reviews, two had five yearly RPI-linked reviews and one had an annual fixed increase of 2.0%. The two rent concessions at Brentwood and York also ended in the year, increasing the rent passing from these two properties by 29.8%, which added a further £0.2 million to the portfolio's rental income.

There are 32 leases, which are reviewed with either RPI-linked (88%), CPI-linked (9%) or fixed increases (3%). There are no longer any properties with open market rent reviews.

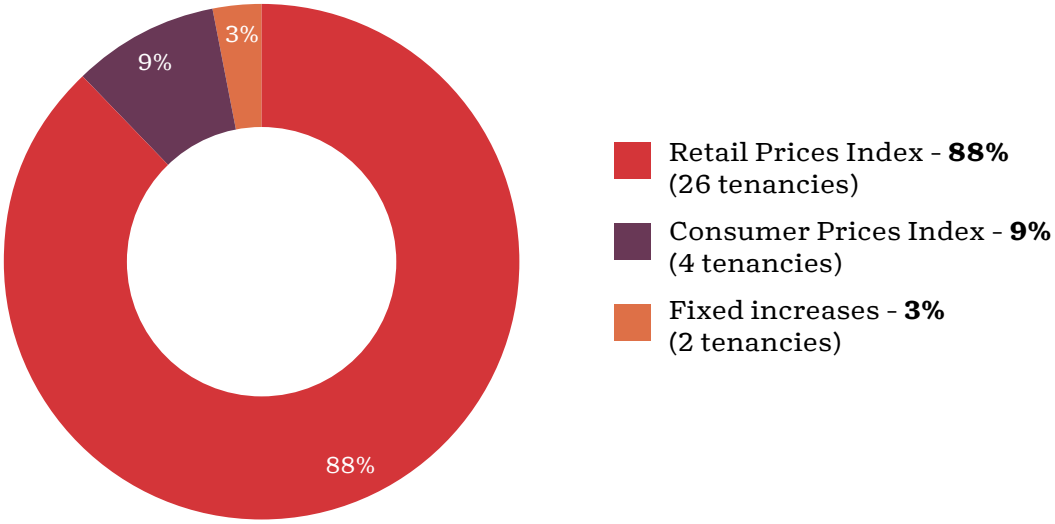
Eight tenancies representing 29% (year ended 31 March 2025) of the rental income have annual rent reviews and 24 (71%) have five yearly reviews. Over the next five years, the following percentage of rental income will be reviewed in each financial year, based on the portfolio as at 31 March 2025.

Year ending 31 March	Annual	5 yearly	Total
2026	29%	40%	**69%**
2027	29%	6%	**35%**
2028	29%	11%	**40%**
2029	29%	10%	**39%**
2030	29%	3%	**32%**

Over the next 12 months, 18 tenancies, representing 69% of the total rent, will undergo a rent review.

Of the index-related rents within the portfolio; 68% of the RPI-linked and CPI-linked rents are subject to collared uplifts, which average 1.6% per annum and 89% are subject to capped uplifts, which average 3.8% per annum. 9% of the total indexed income has uncapped RPI increases. Fixed rent review uplifts average 2.3% per annum.

Indexed income review pattern by current income



Purchases and sales

One purchase for £16.5 million and six sales for £12.4 million completed over the year.

Purchases completed

Garden Centre – Bridgemere Garden Centre, near Nantwich (Cheshire). The purchase of a long-let Garden Centre investment on a 36.5 acre site with indexed income completed in August 2024 at a purchase price of £16.5 million at a net initial yield of 6.6%, rising to an estimated 7.8% in December 2025. It is let to Blue Diamond Limited on a full repairing and insuring lease without break to 2049 (WAULT of 24 years) with five yearly rental increases in line with the Retail Prices Index (RPI), capped at 4% p.a. and collared at 1% p.a.

Sales completed

The sale of six properties completed during the year for £12.4 million, 5.0% above valuation at an average net yield of 7.4%. These were four shorter let industrial properties at Dundee (let to Screwfix), Staines and Thurrock (let to Halfords) and the unindexed, leasehold Fareham (let to the Local Authority), the shorter let library and convenience store at Risca (let to Caerphilly Council and Tesco), and an overrented long let London pub, which was sold to the tenant, Shepherd Neame.

Sales exchanged / completed since 31 March 2025

Contracts were exchanged in March 2025 for the sale of the leasehold bowling alley in Doncaster at valuation and at a net sale yield of 8.4%, and the sale completed on 24 April 2025.

The purchases and sales increased the portfolio's weighted average unexpired lease term to break to 13.3 years from 11.6 years (March 2024).

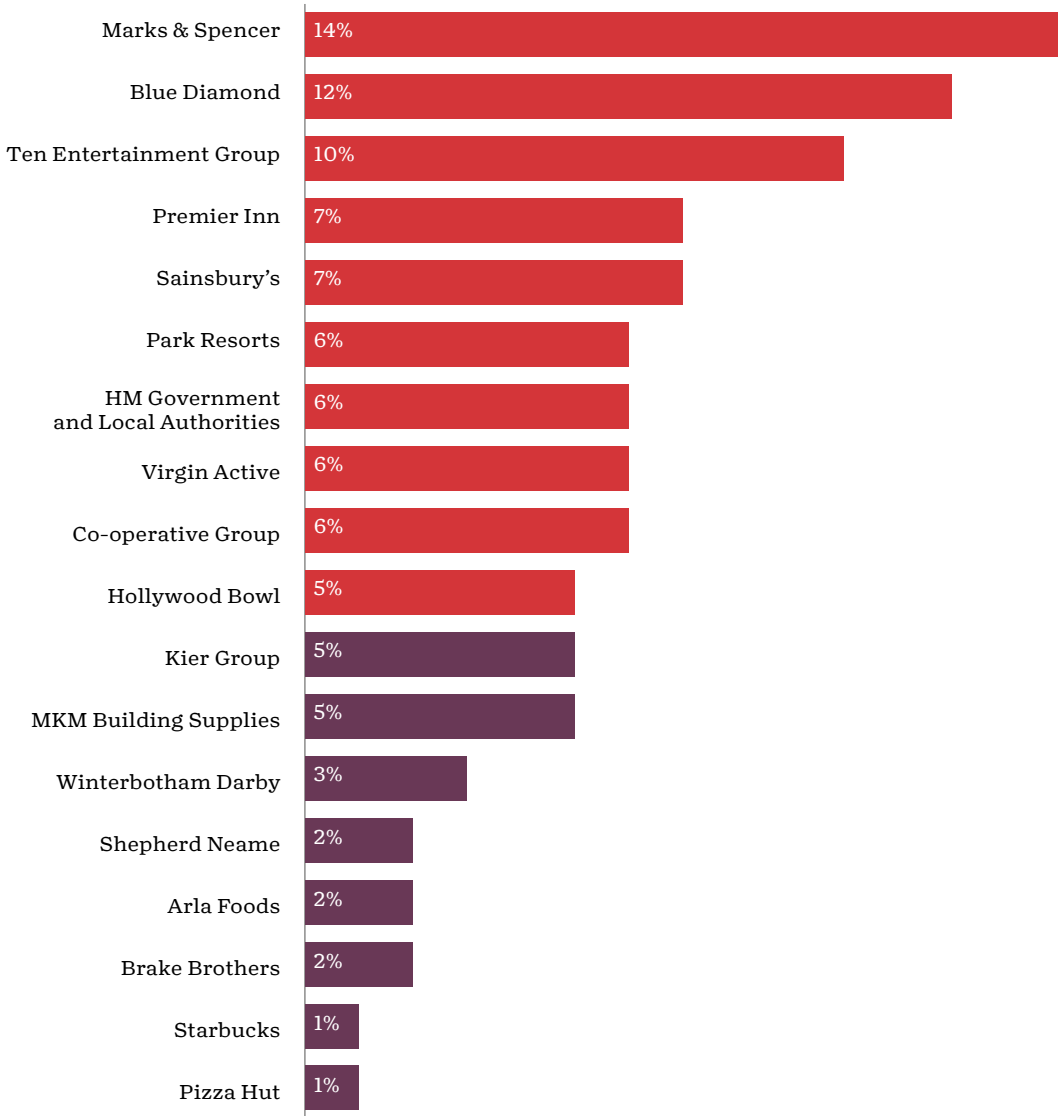
The sales proceeds were used towards the purchase of the Bridgemere Garden Centre and for partial repayment of a £15 million loan expiring in March 2026. £6 million of this loan was repaid on 31 January 2025 and £4 million post the year end on 30 April 2025.

Rent collection

100% of all rents were collected during the year to 31 March 2025. The top ten tenants have 22 leases: Marks & Spencer, Blue Diamond, Ten Entertainment Group, Premier Inn, Sainsbury's, Park Resorts, HM Government, Virgin Active, Co-operative Group and Hollywood Bowl.

One of the smaller tenants in part of the Bowling complex in Coventry, Pizza Hut, entered into administration in January 2025. The company was bought out of administration by DC London Pie Ltd, to whom the lease was assigned. The unit is still trading as a Pizza Hut restaurant and all rents due have been collected.

Income by tenant %



Fully let

The portfolio is fully let, with no voids (MSCI UK Monthly Property Index void rate: 12.1%).

Ashford

Responsible impact based ESG management

OLIM Property has always taken a cautious and responsible approach to managing VIP's property portfolio, with environmental impact, social responsibility and governance (ESG) taken fully into account in selecting high quality properties and suitable tenants for acquisition, long term management and disposal. Occupier relationships are crucial. We engage with our tenants to understand and establish sustainable rental levels and grow future income streams, working closely with them to address value add energy performance targets.

All VIP's properties are regularly reviewed, ESG improvements implemented at appropriate asset management stages and properties, such as Fareham, sold where performance may be negatively impacted by ESG factors.

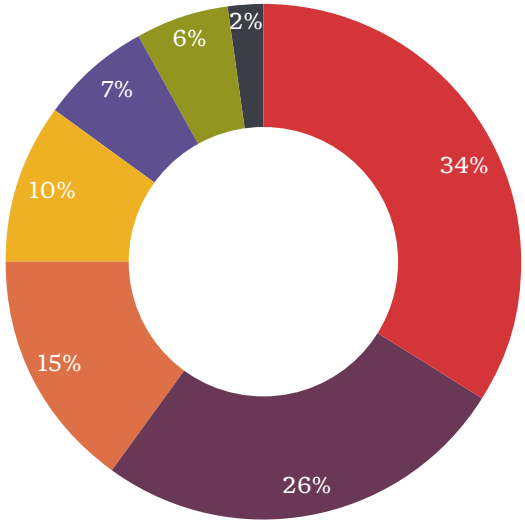
Energy Performance Certificates (EPCs)

100% of the properties now have an EPC rating A-C (up from 64% in 2022). We continue to work with our tenants to upgrade properties and improve EPC ratings.

Top 10 properties by capital value

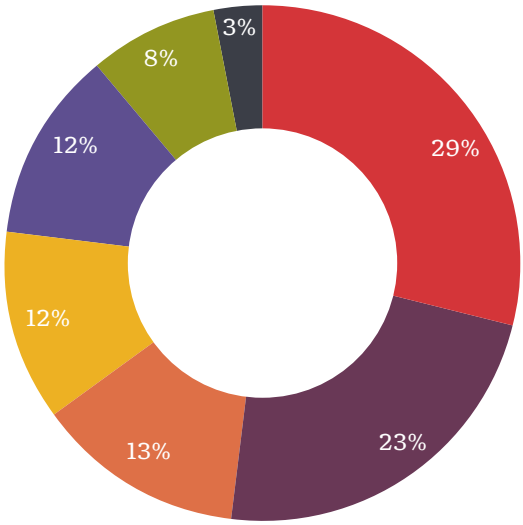
Property	Tenant	Sector	% of portfolio by capital value
Nantwich	Blue Diamond	Garden Centre	12%
Dover	Park Resorts	Caravan Park	7%
Newport, Isle of Wight	Marks and Spencer	Supermarket	7%
Rayleigh	Marks and Spencer	Supermarket	6%
Garstang	Sainsbury's	Supermarket	6%
Coventry	Tenpin, Pizza Hut and Starbucks	Bowling	5%
Brentwood	Virgin Active	Health Club	5%
Aylesford	Kier	Industrial/ Warehouse	4%
Alnwick	Premier Inn	Hotel	4%
Catterick	Premier Inn	Hotel	4%
Total			**60%**

Capital value % by region



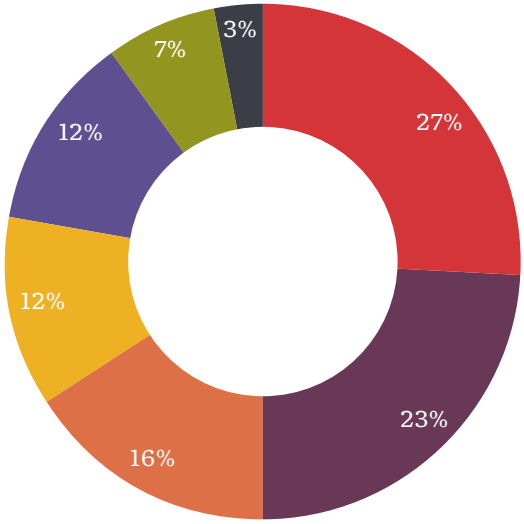
- North - **34%** (9 properties)
- South East - **26%** (6 properties)
- East Anglia - **15%** (4 properties)
- Midlands - **10%** (3 properties)
- South West - **7%** (3 properties)
- Scotland - **6%** (4 properties)
- London - **2%** (1 property)

Capital value % by sector weighting



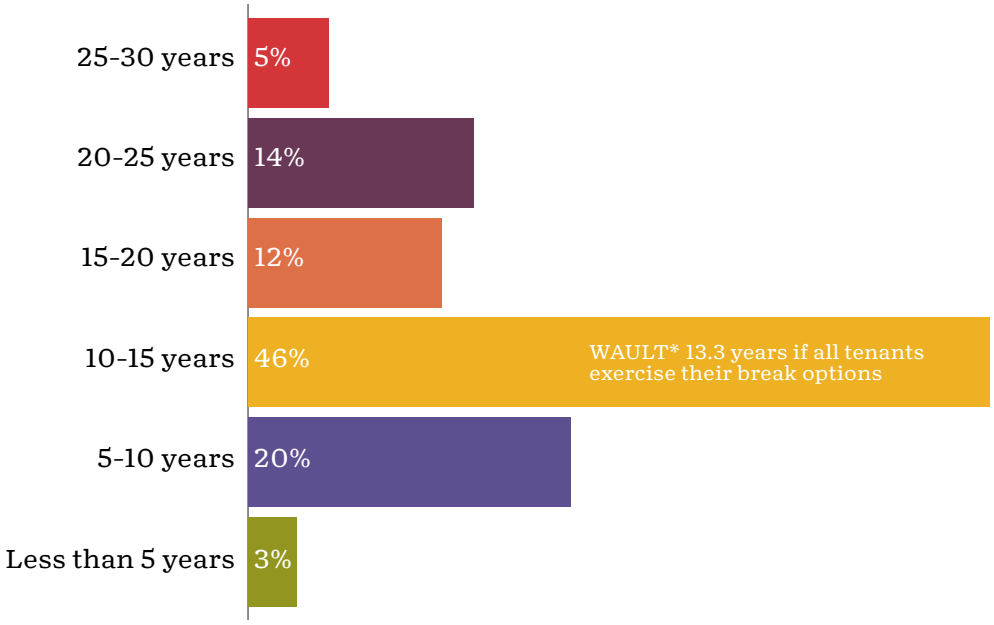
- Supermarkets - **29%** (9 properties)
- Industrial / Warehouse - **23%** (9 properties)
- Bowling - **13%** (5 properties)
- Health Club and Caravan Park - **12%** (2 properties)
- Garden Centre - **12%** (1 property)
- Hotels - **8%** (2 properties)
- Pubs - **3%** (2 properties)

Sector weighting % by income



- Supermarkets - **27%**
- Industrial / Warehouse - **23%**
- Bowling - **16%**
- Health Club and Caravan Park - **12%**
- Garden Centre - **12%**
- Hotels - **7%**
- Pubs - **3%**

Income by lease expiry % (if all break options exercised)



* Weighted Average Unexpired Lease Term

Westbury

Performance and independent revaluation

Savills' independent valuation at 31 March 2025 on all 30 properties totalled £146,000,000, as detailed in Note 9 to the Financial Statements on pages 102 to 104 of this Annual Report, reflecting a net initial yield of 6.3% after deducting notional purchase costs (31 March 2024: 6.6%, 30 September 2024: 6.4%). The valuation totals at 31 March 2024 were £138,100,000 and at 30 September 2024 (half-year) £146,150,000.

On a like for like basis, excluding purchases and sales, the portfolio's capital value increased by 1.1% in the first half of the year and by 1.0% in the second.

All sectors in the portfolio gained in value, over the year except the pubs, the health club and caravan park which were unchanged. The properties held within the industrial / warehouse sector gained in value by 2.5% over the 12 months to March 2025, the supermarket sector also increased by 4.1% over the year. Each of the bowling and hotel sectors increased by 0.8%.

Spot annualised rental income at the year end rose to £9.8 million against £9.7 million a year before, despite sales, due mainly to rent increases over the year delivering rental growth of 3.2% on all held properties. There are no empty properties.

The property portfolio has been further upgraded and its weighted average unexpired lease term improved with the sale of six shorter let properties, which completed for £12.4 million (four industrials, a library and convenience store and an over-rented London pub) with the net sale proceeds partly reinvested into the purchase of the long-let Garden Centre in Nantwich for £16.5 million with an RPI-linked lease.

The property portfolio produced a total return of 4.8% over the past six months and 9.0% over the past year to March, against 3.5% and 6.3% for the MSCI UK Quarterly Property Index, the main benchmark for commercial property performance. The portfolio's main drivers of out performance were an above average income yield and on the capital front, no offices or high street shops.

The returns on VIP's property portfolio have been above the MSCI averages by between 1.8% and 3.0% a year over 1, 5, 10, 20 and 38 years. The real returns were behind the Retail Prices Index over last year and three and five years but well above it over longer periods, with a real total return of over 7.0% a year over 38 years since the inception of OLIM's management.

Sarah Martin, Matthew Oakeshott and Louise Cleary
OLIM Property Limited

10 June 2025

Property portfolio at 31 March 2025

1. Supermarkets

9	27%	9.6
properties	of rent	years WAULT

Newport

2. Industrial / Warehouse

9	23%	9.0
properties	of rent	years WAULT

Aylesford

3. Bowling

5
properties

16%
of rent

17.8
years WAULT

Ashford

4. Health Club and Caravan Park

2
properties

12%
of rent

10.2
years WAULT

Brentwood

5. Garden Centre

1
property

12%
of rent

24.4
years WAULT

Nantwich

6. Hotels

2
properties

7%
of rent

13.9
years WAULT

Alnwick

7. Pubs

2
properties

3%
of rent

23.8
years WAULT

London

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. During the year to 31 March 2025, the Company operated as an investment trust company that invested in accordance with the investment objective and investment policy outlined on page 38 of this Business Review. The Company entered the UK REIT regime on 1 April 2025 following Shareholders' approval of amendments to the Articles of Association at the General Meeting of the Company held on 20 March 2025.

Value and Indexed Property Income Trust PLC's (VIP or the Company) Ordinary Shares are listed on 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 and 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

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

VIS delegated its portfolio management responsibilities to OLIM Property Limited (OLIM Property), the Investment Manager responsible for managing the property portfolio. With effect from 8 September 2024, the Company appointed OLIM Property as its AIFM, in place of VIS, with no change to the portfolio management or fee arrangements.

Capital structure

As at 31 March 2025, and as at the date of this Annual Report, VIP's issued share capital comprised 45,549,975 Ordinary Shares of 10p each of which 3,536,939 Ordinary Shares of 10p were 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 and, therefore, the total number of voting rights in the Company as at the date of this Annual Report is 42,013,036.

Share dealing

Shares in VIP can be purchased and sold in the market through a stockbroker or regulated investment platform, or indirectly through a lawyer, accountant or other professional adviser. Further information on how to invest in VIP is detailed on page 126.

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 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. The returns to investors are based on investments in directly held property.

Summary of the year

- Net Asset Value total return* of 7.1% (2024: -9.7%) over one year and -16.8% (2024: -10.2%) over three years.
- Share Price total return* of 15.0% (2024: -10.3%) over one year and -6.3% (2024: -3.2%) over three years.
- MSCI UK Quarterly Property Index total return of 6.3% over one year (2024: -1.1%) and -2.9% (2024: 1.2%) over three years.
- Dividends for the year up 4.5% - the 38th consecutive year of dividend increases.
- Dividend yield at 31 March 2025 of 7.5% (2024: 7.7%).

Financial record

	30 Sep 1986	31 Mar 1987	31 Mar 2016	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Mar 2020	31 Mar 2021	31 Mar 2022 Restated**	31 Mar 2023 Restated**	31 Mar 2024	31 Mar 2025
NAV (p)	44.0	55.1	319.0	345.5	330.5	332.5	253.1	271.1	310.9	244.4	213.5	214.7
Share price (p)	42.0	52.0	221.8	255.0	262.0	251.0	165.0	218.0	239.0	204.5	171.3	183.0
Discount of share price to NAV* (%)	4.6	5.6	30.5	26.2	20.7	24.5	34.8	19.6	23.1	16.3	19.8	14.8
Dividend per share (p)	N/A	1.25	10.5	11.0	11.4	11.8	12.1	12.3	12.6	12.9	13.2	13.8
Total assets less current liabilities (£m)	17.4	24.8	185.5	207.3	200.4	205.6	176.2	177.6	195.0	157.0	143.1	139.2

* This is an Alternative Performance Measure (APM) which has been explained in the Glossary on page 127.

** The 2022 and 2023 Financial Statements were restated to correct an error in the calculation of the operating lease asset brought forward.

Garstang

Investment objective and investment policy

Investment objective

The Company invests directly in UK commercial property to deliver long, strong, index-related income. 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 and cash or near cash securities. UK directly held commercial property will usually account for at least 80% 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 Company will not use derivatives.

The Company is permitted to invest cash held for working capital purposes pending re-investment in cash deposits, gilts and money market funds.

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-related 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% of the Company's gross asset value and no single tenant (except UK Government and public sector) will account for more than 30% of the Company's total rental income.

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% and 50% of the total portfolio. The Company will not raise new borrowings if total net borrowings would then represent more than 50% of the total assets.

Detail of the Company's current borrowings, comprising two fixed term secured loan facilities can be found in Notes 11 and 12 to the Financial Statements on pages 105 to 107 of this Annual Report.

Performance, results and dividend

As at 31 March 2025, the Net Asset Value (NAV) total return over one year was 7.1% and the Share Price total return over one year was 15.0%. This compares to the MSCI UK Quarterly Property Index total return of 6.3%. Total assets less current liabilities were £139.2 million. A review of the performance of the property portfolio is detailed in the Chairman's Statement on pages 8 to 10 and in the Manager's Report on pages 11 to 35.

For the year to 31 March 2025, quarterly dividends of 3.4p per share were paid as Ordinary Dividends on 25 October 2024, 31 January 2025 and 25 April 2025, respectively. The Directors have declared a final dividend of 3.6p per Ordinary Share (2024: 3.6p) which, if approved by Shareholders at the 2025 AGM, will be paid on, or around, 25 July 2025 to Shareholders on the register on 27 June 2025. The ex-dividend date is 26 June 2025. This final dividend will be paid as a Property Income Distribution (PID). This represents an annual increase in dividends of 4.5% as compared with the 3.2% and 3.4% annual increases in the Retail Prices and Consumer Prices (including Housing) Indices, respectively, as at the end of March 2025.

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:

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 investment properties held by the Group are commercial properties located in the UK, mainly with long-term, index-related income streams.

All leases are on full repairing and insuring terms, with upward only rent reviews, and the weighted average unexpired lease length to the break option is 13.3 years. Details of the tenant and geographical spread of the portfolio are set out on pages 27 and 29. The long-term performance record through the varying property cycles since 1987 is set out on pages 120 and 121. OLIM Property is responsible for property investment management, with surveyors, solicitors and managing agents acting on the portfolio under OLIM Property's supervision.

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 two elements - price risk and interest rate 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.

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 limits on a regular basis. Current borrowings comprise two secured term loans, with one and eight 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%.

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 investment properties which, by their nature, are not readily realisable. The long maturity of the Company's mainly fixed rate borrowings helps mitigate this risk and is detailed on page 3 of this Annual Report and in the interest rate risk profile section of Note 21 to the Financial Statements on pages 111 to 116.

Political risk

Political changes that result in parties with extreme political or social agendas having power or influence over policies could lead to instability and uncertainty in the markets, legislation and the economy.

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 on pages 111 to 116.

Climate change and social responsibility risk

The Board recognises that climate change is an important risk that all companies should take into consideration within their strategic planning. As referred to elsewhere in this Strategic Report on pages 28 and 40 and in the Governance Report on pages 51 and 68 in this Annual Report, the Company has little direct impact on environmental issues. All of the Company's properties are let on full repairing and insuring leases, with the tenants responsible for complying with statutory obligations. The Board is aware that the Manager continues to take into account environmental, social and governance (ESG) matters, and, in particular, Energy Performance Certificates and flood risks, in managing the portfolio. In accordance with the RICS Professional Standard 'Sustainability and ESG in commercial property valuation and strategic advice', the Savills' valuation of the Company's properties takes into consideration sustainability and ESG factors.

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. These factors can be impacted during times of geopolitical uncertainty and volatile markets, including pandemics and the ongoing wars in Ukraine and the Middle East. The Board monitors the economic and market environment closely, 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. As an investment trust, 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. From 1 April 2025, in order to operate as a UK REIT, the Company requires to comply with the legislation contained in Part 12 of the Corporation Tax Act 2010.

  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 **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 London Branch as its Depositary. With effect from 8 September 2024, the Company appointed OLIM Property as its AIFM, in place of VIS, with no change to the portfolio management or fee arrangements. 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, 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 Summary of the year and Financial record section on page 37 of this Business Review. Definitions of the APMs can be found in the Glossary on page 127.

The Directors have identified the following as key performance indicators:

- Net Asset Value (NAV) and Share Price total returns relative to the MSCI UK Quarterly Property Index (total returns); and
- Dividend growth relative to consumer price inflation.

The NAV total return is considered to be an appropriate measure of Shareholder value as it includes the current NAV per share and the sum of dividends paid to date.

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

The Board reviews the Company's rental 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 97 and 98.

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

651,514 Ordinary Shares were bought back in the year to 31 March 2025 (2024: 347,914 Ordinary Shares bought back). As at 31 March 2025, 3,536,939 Ordinary Shares of 10p each were held in Treasury. As at the date of this Annual Report, no further shares had been purchased since the year end. Further information can be found in Note 14 to the Financial Statements on page 107.

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 8 to 10) and in the Manager's Report (pages 11 to 35).

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:

Form of Engagement	Influence on Board decision making
Stakeholder: 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 further information on the AGM in the Directors' Report on pages 56 and 57). 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 may include investor and wealth manager lunches and roadshows organised by the Company's Corporate 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 8 and 9. During the year, the Board recognised that the Company's deferred tax reserves were being depleted, without which the Company would need to pay corporation tax on the income and capital gains on its property portfolio. As the Board is conscious of the importance that Shareholders place on the Company's dividend policy and, in line with that policy of reliably growing the dividend for Shareholders, on 25 February 2025 the Company published a Circular to Shareholders proposing that from 1 April 2025 the Company enter the UK REIT regime. At a General Meeting of the Company held on 20 March 2025, Shareholders approved a change to the Company's Articles of Association, which enabled the Company to proceed to enter the UK REIT regime. As referred to in the Chairman's Statement on pages 8 and 9 the final dividend in respect of the year to 31 March 2025, and future dividends, will be paid as a Property Income Distribution (PID). Share buy-back policy – the Directors recognise the importance to Shareholders of the Company maintaining a share buy-back policy and considered this when establishing the current programme. Further details can be found in this Business Review on page 42 and in the Directors' Report on page 57. The Directors recognise the importance to Shareholders of having a diverse Board with a range of skilled and experienced individuals represented, and took this into account when the decision was made during the year to appoint Lorraine Reader as a Director, further strengthening the Board's overall property expertise.

Form of Engagement	Influence on Board decision making
Stakeholder: Manager	
Quarterly Board Meetings – The Manager attends every Board Meeting and presents a detailed portfolio analysis and reports on key issues, including the performance of the property portfolio. The Directors challenge the Manager where they feel it is appropriate.	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. The Board engages constructively with the Manager to ensure investments are consistent with the agreed strategy and investment policy and supported the decision during the year to improve the portfolio by the sale of six properties, including four shorter let industrial units, a short let library/ convenience store in Wales and an over-rented London pub, together with the acquisition of the Bridgemere Garden Centre. Further details can be found in the Manager's Report on page 26. The Board also supported the Manager's proposal to repay during the year under review £6 million of borrowings, with a further £4 million of borrowings repaid post the year end, in respect of the loan due to expire in 2026. Further details can be found in the Highlights of the Year and REIT Conversion on page 3 of this Annual Report and in Notes 11 and 24 to the Financial Statements on pages 105, 106 and 117. The Manager works closely with all tenants and, as a result, 100% of all rents due were collected in the year to 31 March 2025.
Stakeholder: Corporate Broker	
The Corporate Broker attends Board Meetings regularly to present an update on the market and the Company's performance, in comparison with the performance of the Company's peers.	Shareholder communication and feedback from the Broker directly influences the Board's review of strategy, the asset allocation considerations, and the Manager's guidance on desirable investment characteristics. Since the REIT regime was introduced in 2007, almost all listed UK property investment companies have adopted REIT status and feedback from the Broker also influenced the Board's decision to propose to Shareholders that the Company convert to a REIT.
Stakeholder: Depositary and Custodian	
Regular statements and control reports received, with all holdings and balances reconciled.	The Directors review the performance of all third party service providers, including oversight of securing the Company's assets.
Stakeholder: Advisers & Registrar	
The Company relies on the expert audit, accounting and legal advice received from its Auditor, Administrator and Legal Advisers. The Directors ensure that all advisers and the registrar are a market leaders in the services they provide to the Company's Shareholders.	The Directors review the performance of all third party service providers and recommend that Shareholders vote in favour of the re-appointment of RSM UK Audit LLP as Auditors to the Company at the 2025 AGM.

There were no other key decisions made in the year to 31 March 2025 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 75 to 83.

Future strategy

The Board and the Investment Manager intend to maintain the strategic policies set out above for the year to 31 March 2026 as it is believed that these are in the best interests of Shareholders.

The Company's Viability Statement is included in the Directors' Report on page 50.

Approval

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

John Kay
Chairman

10 June 2025

York

Governance Report

John Kay
Chairman
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 and was a director of Scottish Mortgage Investment Trust. 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 as Chairman on 8 July 2022 and is a member of the Audit and Management Engagement and Nomination Committees. As referred to in the Chairman's Statement, John will retire at the conclusion of the 2025 AGM.

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 portfolio. Matthew is one of the original founders of VIP 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.

Lorraine Reader
Lorraine Reader was appointed as a Director on 1 August 2024. She is a Partner and head of the London real estate team at legal firm DLA Piper UK LLP. After graduating from Cardiff University, Lorraine joined Freeths in 1997 as a trainee, qualifying as an associate solicitor in the real estate team in May 2000. Lorraine is a member of the Company's Audit and Management Engagement and Nomination Committees.

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 currently chairs the Audit and Management Engagement and Nomination Committees. Following the retirement of John Kay at the conclusion of the 2025 AGM, David will assume the role of Chairman.

Jo Valentine
Baroness Josephine Valentine was appointed as a Director on 13 November 2020. She is a crossbench member of the House of Lords and other current roles include chair of Heathrow Southern Railway and an executive at Business in the Community. Previous roles have included chief executive of London First; investment banker at Barings Bank; head of corporate finance and planning at The BOC Group; National Lottery commissioner; member of the Board of Governors for The Peabody Trust, a London housing association; a non-executive director of HS2 and Crossrail; and board member of a Triple Point VCT. Jo is the Company's Senior Independent Director and a member of the Audit and Management Engagement and Nomination Committees.

Lucy Winterburn
Lucy Winterburn was appointed as a Director on 1 August 2022. She was formerly a Director at Savills Investment Management where she was the discretionary Fund Manager for a FTSE 100 Corporate Pension Fund for over 15 years. Lucy took the decision to leave Savills Investment Management towards the end of 2024 and has since launched an Asset and Development Management business trading as Mortimer RE Limited alongside two other founding partners. She is a Chartered Surveyor and a graduate of Aberdeen University. Lucy is a member of the Company's Audit and Management Engagement and Nomination Committees, and at the conclusion of the 2025 AGM will be appointed as Chair of these Committees.

The Directors submit their report together with the Financial Statements of the Group and the Company for the year to 31 March 2025. A summary of the financial results for the year can be found in the Summary of the year and Financial record in the Business Review on page 37. 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 62 to 69.

Principal activity and status

During the year under review, the Company was 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. Post the year end, on 1 April 2025, the Company entered the UK REIT regime. 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 Chairman's Statement on pages 8 to 10, the Manager's Review on pages 11 to 35, and in the Business Review on pages 36 to 45, 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 risk (price risk and interest rate risk), liquidity risk, credit risk and property risk. The Directors believe that the Group and the Parent Company are well placed to manage their business risks. As detailed in Note 11 to the Financial Statements on pages 105 to 106, as at 31 March 2025, the £9 million fixed rate loan is due to be repaid, in the normal course of business, on or before 31 March 2026; £4 million of which was repaid post the year end as detailed in Note 24 to the Financial Statements on page 117.

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 page 93) when preparing the Annual Report and Accounts.

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 2030. The Board considers that this five-year period is appropriate for a company of its size and based on the financial position of the Company as detailed in the Chairman's Statement, the Manager's Report 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 and the current geopolitical unrest.

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 £146m as at 31 March 2025 as detailed in Note 9 to the Financial Statements on pages 102 to 104 of this Annual Report. The loan facilities expiring in 2026 and 2033 require security of £105.91m.

b. The Company is closed ended in nature and, therefore, does not require to sell investments when Shareholders wish to sell their shares. Proposals will be put to the 2026 AGM of the Company to offer Shareholders an exit at net asset value less costs.

c. 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 111 to 116 and have concluded that the Company would be able to take appropriate action to protect the value of the Company.

d. 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 2025 are 19.38% of total expenses) which reduces as NAV declines. Expenses including interest were covered 2.18 times by income in the year.

e. There are no capital commitments currently foreseen that would alter the Board's view.

f. Details of the financial covenants which the Company complies with are detailed in Notes 11 and 12 to the Financial Statements on pages 105 to 107.

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 to 31 March 2030.

Financial instruments

The Company's financial instruments comprise of its investment portfolio, cash balances, and payables and receivables 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 on pages 111 to 116.

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 any direct 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 2025, and as at the date of this Annual Report, the Company's issued share capital comprised 45,549,975 Ordinary Shares of 10p each of which 3,536,939 shares were held in Treasury (31 March 2024: 45,549,975 Ordinary Shares of 10p nominal value in issue of which 2,885,425 shares were held in Treasury).

Each Ordinary Share entitles the holder to one vote on a show of hands and, on a poll, to one vote for every share held and, therefore, the total number of voting rights in the Company as at the date of this Annual Report is 42,013,036.

Directors

Biographies of the Directors who held office at the year end and as at the date of this Annual Report are shown in the Directors' Details section on page 48 of this Annual Report.

The Directors' interests in the shares of the Company at the year end are shown in the table on page 61. The Directors' interests were unchanged as 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. While Matthew Oakeshott is not considered to be independent as he is chairman of OLIM Property, the Investment Manager, and a substantial Shareholder, he is considered to be objective.

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.

During the year under review, the Nomination Committee undertook a review of the composition of the Board, and after considering a number of potential candidates, recommended to the Board that Lorraine Reader be appointed as a Non-executive Director. On 17 July 2024, on the recommendation of the Nomination Committee, the Board announced the appointment of Lorraine Reader to the Board with effect from 1 August 2024. Lorraine is a Partner and head of the London real estate team at legal firm DLA Piper UK LLP. Lorraine will stand for election by Shareholders at the 2025 AGM, being the first AGM following her appointment.

No external search consultancy was used by the Company during the year to 31 March 2025.

As referred to in the Chairman's Statement, John Kay has decided to retire from the Board at the conclusion of the 2025 AGM and will not stand for re-election.

During the year under review, the Nomination Committee reviewed the skills, experience and independence of Matthew Oakeshott, Lorraine Reader, David Smith, Jo Valentine and Lucy Winterburn, being the Directors standing for election and/or re-election. The process was led by the Senior Independent Director and involved discussions with each Director on their performance, the performance of the Committees of the Board, and of the Board as a whole. No individual Director was responsible for their own appraisal. The appraisal of the Senior Independent Director was undertaken by the Chair of the Nomination Committee. Following the review, the Committee has no hesitation in recommending to the Board and to Shareholders their election and/or re-election as Directors at the AGM.

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

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 property experience and is the chairman of OLIM Property Limited, (OLIM Property) the Company's Investment Manager.

Lorraine Reader has experience dealing with all aspects of commercial property transactions, including investment, development, real estate finance and landlord and tenant matters, which has significantly enhanced the Board's commercial property expertise.

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 and Nomination Committees. David will be appointed Chairman of the Company at the conclusion of the 2025 AGM, replacing John Kay who will retire as Chairman and from the Board.

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. Jo is the Company's Senior Independent Director.

Lucy Winterburn is a Chartered Surveyor and former Director in Savills Investment Management UK team where she was a Fund Manager investing throughout the UK across all commercial property sectors. She has recently chosen to focus her efforts on asset and development management in her new role at Mortimer RE, and brings a wealth of real estate knowledge and investment experience to the Board.

Further information on the qualifications, skills, and experience of the Directors subject to election/re-election can be found in the Directors' Details section on page 48 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 election/re-election be elected/re-elected and Resolutions to this effect will be proposed at the 2025 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 contractually delegated its management responsibilities for the property portfolio to OLIM Property. With effect from 8 September 2024, the Company appointed OLIM Property as its AIFM, in place of VIS, with no change to the portfolio management or fee arrangements.

VIP and OLIM Property entered into a new investment management agreement from 8 September 2024, that provides that VIP shall pay to OLIM Property a management fee of 0.6% per annum of the total value of VIP's assets (such assets being valued at quarterly valuation dates on 31 March, 30 June, 30 September, and 31 December in each year). The notice period is 12 months and there is no performance fee.

Accordingly, during the year ended 31 March 2025, OLIM Property received an annual investment management fee of £888,000 (2024 - £863,000) excluding VAT.

The Directors, together with the Audit and Management Engagement Committee, 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.

During the year under review, costs and expenses of VIS were 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 2025, 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*	8,334,750	18.30
RATHBONE NOMINEES LIMITED <CHARITY>*	4,500,000	9.88
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <SMKTISAS>	3,444,016	7.56
HARGREAVES LANSDOWN (NOMINEES) LIMITED <15942>	1,821,705	4.00
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <SMKTNOMS>	1,692,300	3.72
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <TDWHSIPP>	1,531,533	3.36
HARGREAVES LANSDOWN (NOMINEES) LIMITED <HLNOM>	1,398,344	3.07
HARGREAVES LANSDOWN (NOMINEES) LIMITED <VRA>	1,375,175	3.02

* Included in the Rathbones Nominees Limited and the Rathbones Nominees Limited (Charity) holding is 10,915,000 Ordinary Shares (24.0%) indirectly held by Matthew Oakeshott, as detailed on page 61.

As at 6 June 2025, 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*	8,433,129	18.51
RATHBONE NOMINEES LIMITED <CHARITY>*	4,500,000	9.88
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <SMKTISAS>	3,494,106	7.67
HARGREAVES LANSDOWN (NOMINEES) LIMITED <15942>	1,905,565	4.18
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <SMKTNOMS>	1,694,973	3.72
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <TDWHSIPP>	1,516,061	3.33
HARGREAVES LANSDOWN (NOMINEES) LIMITED <HLNOM>	1,393,021	3.06

* Included in the Rathbones Nominees Limited and in the Rathbone Nominees Limited (Charity) holding is 10,915,000 Ordinary Shares (24.0%) indirectly held by Matthew Oakeshott, as detailed on page 61.

Independent auditor

RSM UK Audit LLP (RSM) was appointed as the Company's Independent Auditor on 14 November 2023.

The Directors are of the view that the Company's Independent Auditor should continue in office, and Resolutions 9 and 10 will be proposed at the 2025 AGM to propose the re-appointment of RSM and to authorise the Directors to fix its remuneration. The Directors have received assurances from RSM that it is independent and objective and the Directors remain satisfied that objectivity and independence is being safeguarded by RSM. No non-audit services were provided by RSM to the Company and, accordingly, no non-audit fees were paid to RSM during the year to 31 March 2025.

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 8 to 10 and in the Business Review on pages 36 to 45. 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.

As referred to in the Directors' Remuneration Report on page 60, the Company has in place Directors' and Officers' liability insurance.

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 Thursday, 10 July 2025 at 12.30pm at the offices of Shepherd & Wedderburn LLP, 4th floor, 1-6 Lombard Street, London EC3V 9AA and related notes can be found on pages 128 to 132 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 130 to 132 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 11 to 14. Resolutions 1 to 10 are self-explanatory and require no further explanation.

Issue of Ordinary Shares by the Company

Resolution 11, which is an Ordinary Resolution, will, if passed, renew the Directors' authority to allot new Ordinary Shares up to a nominal value of £455,499. This will allow the Directors to allot up to 4,554,990 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 128 to 132 of this Annual Report).

During the year ended 31 March 2025, no Ordinary Shares were allotted (2024: nil).

Limited disapplication of pre-emption rights

Resolution 12, 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 £455,499, being up to 4,554,990 Ordinary Shares, representing 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 128 to 132 of this Annual Report. 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 11. 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 2025, 651,514 Ordinary Shares were bought back by the Company and held in Treasury, (2024: 347,914 shares bought back and held in Treasury).

As at 31 March 2025, and as at the date of this Annual Report, there were 3,536,939 Ordinary Shares held in Treasury.

The Company's buy back authority was last renewed at the AGM held on 11 July 2024. Special Resolution 13 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 (being approximately 6,827,941 Ordinary Shares as at the date of the Notice of Annual General Meeting set out on pages 128 to 132 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 11, 12 and 13 shall expire at the conclusion of the AGM in 2026 or, if earlier, on the expiry of 15 months from the date of the passing of Resolutions 11, 12 and 13 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 14, 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 14 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 2026 or, if earlier, on the expiry of 15 months from the date of passing of Resolution 14, unless renewed prior to such time.

Recommendation

Your Board considers Resolutions 1 to 11 inclusive, which are all Ordinary Resolutions, and Resolutions 12 to 14 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 14 inclusive to be proposed at the AGM to be held on Thursday, 10 July 2025.

By order of the Board

Maven Capital Partners UK LLP
Company Secretary

10 June 2025

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 made. Where disclosures have been audited, they are indicated as such, and the Auditor's Opinion is included in their report on pages 75 to 83.

The Nomination Committee of the Board, currently chaired by David Smith, 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.

As at 31 March 2025, and as at the date of this Annual Report, the Company had six Directors and their biographies are shown in the Directors' Details section on page 48 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 59.

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/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 to approve the Directors' Remuneration Policy for the three-year period ending 31 March 2026, was last approved at the AGM held in 2023, an Ordinary Resolution for its approval for the three years to 31 March 2029 will next be proposed at the AGM to be held in 2026.

At the AGM held on 2 August 2023, the result in respect of the Ordinary Resolution to approve the Directors' Remuneration Policy for the three years to 31 March 2026 was as follows:

	Percentage of votes cast for	Percentage of votes cast against	Number of votes withheld
Remuneration Policy	99.19	0.81	43,352

During the year to 31 March 2025, 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 to 31 March 2023, the Nomination Committee carried out a review of the remuneration policy and the level of Directors' fees and recommended to the Board that rates should be increased by approximately 10% for each Director with effect from 1 April 2023 for the year to 31 March 2024 and fixed at that revised rate for the year to 31 March 2025. Accordingly, the rates for the year to 31 March 2025 remained at the rates agreed for the year to 31 March 2024 and comprised £33,000 for the Chairman, £27,000 for the Chair of the Audit and Management Engagement Committee and £24,500 for each other Director. The Directors current intention is that the rates of remuneration for the year to 31 March 2026 will remain unchanged.

An Ordinary Resolution to approve this Directors' Remuneration Report will be put to Shareholders at the 2025 AGM. At the AGM held on 11 July 2024, the result in respect of the Ordinary Resolution to approve the Directors' Remuneration Report for the year to 31 March 2024 was as follows:

	Percentage of votes cast for	Percentage of votes cast against	Number of votes withheld
Remuneration Report	99.01	0.99	47,768

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 to 31 March 2021, 2022, 2023, 2024, 2025, and the projected fees for the year ending 31 March 2026, respectively are as follows:

	Directors' fees Year to 31 March 2021 £	% change for the year to 31 March 2022	Directors' fees Year to 31 March 2022 £	% change for the year to 31 March 2023	Directors' fees Year to 31 March 2023 £	% change for the year to 31 March 2024	Directors' fees Year to 31 March 2024 £	% change for the year to 31 March 2025	Directors' fees Year to 31 March 2025 £	% change for the year to 31 March 2026	Directors' fees Year to 31 March 2026 £
James Ferguson[1]	30,000	–	30,000	–	8,145	–	–	–	–	–	–
John Kay[2]	22,000	–	22,000	–	27,828	10.0	33,000	-	33,000	–	9,132
Dominic Neary[3]	22,000	–	6,860	–	–	–	–	–	–	–	–
Matthew Oakeshott[4]	–	–	–	–	–	-	–	–	–	–	–
Lorraine Reader[5]	–	–	–	–	–	–	–	–	16,333	–	24,500
David Smith (Chair of the Audit and Management Engagement Committee)[6]	24,500	–	24,500	–	24,500	10.2	27,000	–	27,000	–	31,340
Jo Valentine[7]	8,433	–	22,000	–	22,000	11.4	24,500	–	24,500	–	24,500
Lucy Winterburn[8]	–	–	–	–	14,667	11.4	24,500	–	24,500	–	26,308
Total	106,933	–	105,360	–	97,140	–	109,000	–	125,333	–	115,780

1 James Ferguson retired as Chairman and from the Board following the conclusion of the 2022 AGM.

2 John Kay was appointed as Chairman at the 2022 AGM and will retire as Chairman and from the Board following the conclusion of the 2025 AGM.

3 Dominic Neary retired from the Board at the 2021 AGM.

4 Matthew Oakeshott was appointed as a Director on 10 September 2020. No fees are payable to Mr Oakeshott for his services as a Director.

5 Lorraine Reader was appointed as a Director on 1 August 2024.

6 David Smith will be appointed Chairman following the conclusion of the 2025 AGM.

7 Jo Valentine was appointed as a Director on 13 November 2020.

8 Lucy Winterburn was appointed as a Director on 1 August 2022 and will assume the role of Chair of the Audit and Management Engagement Committee following the conclusion of the 2025 AGM.

The percentage changes are calculated based on the annualised amount payable to each individual Director.

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 to 31 March 2025 (2024: £nil).

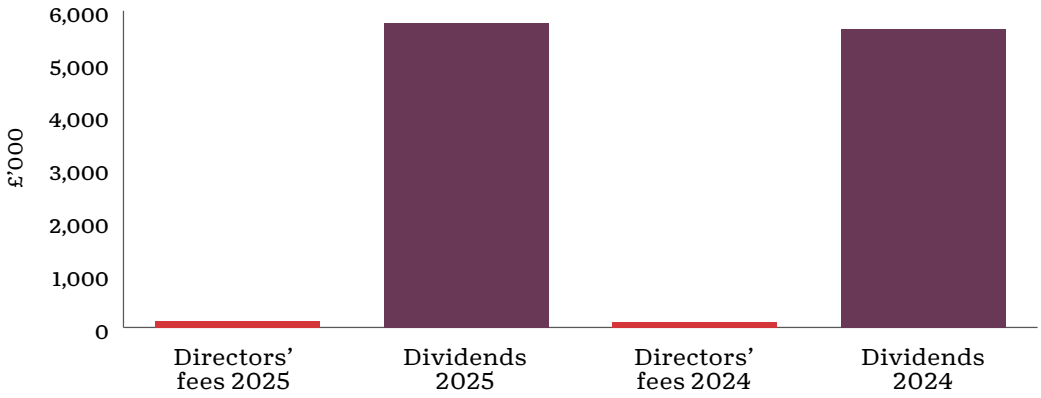
Directors do not have service contracts, but new Directors are provided with a letter of appointment. The terms of appointment provide that Directors should retire and be subject to election at the first AGM after their appointment. The Company's Articles require all Directors to retire by rotation at 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 to 31 March 2025, no communication had been received from Shareholders regarding Directors' remuneration.

Relative cost of Directors' remuneration

The chart below shows, for the years to 31 March 2025 and 31 March 2024, the cost of Directors' fees compared with the level of dividend distribution.

Relative Cost of Directors' Remuneration



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

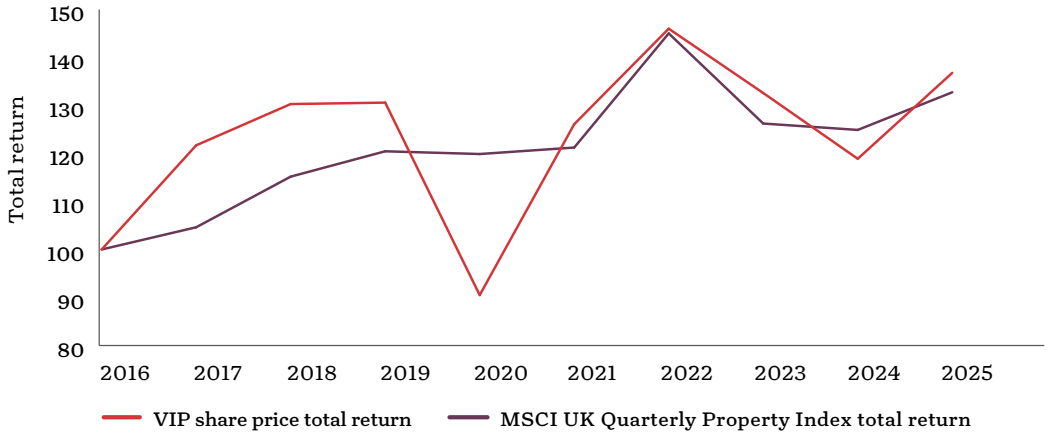
The Company purchases and maintains liability insurance covering the Directors and Officers of the Company. This insurance is not a benefit in kind, nor does it form part of the Directors' remuneration.

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 2025, assuming all dividends are reinvested, with the total shareholder return on a notional investment of £100 in the MSCI UK Quarterly Property Index. 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.

Cumulative total return for the ten year period ended 31 March 2025
(figures rebased to 100)



Directors' interests (audited)

The Directors' interests in the share capital of the Company as at 31 March 2025 (which were unchanged as at the date of this Annual Report), and as at 31 March 2024 are shown below. There is no requirement for Directors to hold shares in the Company.

	31 March 2025 Ordinary Shares of 10p each	31 March 2024 Ordinary Shares of 10p each
John Kay – inc Family and as Trustee	332,218	332,218
Matthew Oakeshott – the AIL Pension Scheme	6,415,000	6,415,000
Matthew Oakeshott - The Coltstaple Charitable Trust	4,500,000	4,500,000
Lorraine Reader	1,300	N/A
David Smith	19,320	19,320
Jo Valentine	27,000	13,500
Lucy Winterburn	–	–

Approval

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

David Smith
Director

10 June 2025

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 2018 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 three female and three male Directors. Biographies of the current Directors are shown on page 48 and indicate their high level and range of investment, industrial, commercial and professional experience.

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.

John Kay is Chairman of the Company.

Jo Valentine is the Company's Senior Independent Director.

David Smith is 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. David Smith also chairs 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 to 31 March 2025, the Board held six Board Meetings which included four quarterly Board Meetings, one meeting to approve the opening of a new bank account and one meeting to approve the appointment of Lorraine Reader to the Board; and four meetings of a Committee of the Board to approve the release of financial results and approve the release and substitution of properties from the loan agreements. In addition, there were three meetings of the Nomination Committee and two meetings of the Audit and Management Engagement Committee.

Accordingly, Directors have attended Board and Committee Meetings during the year ended 31 March 2025[1] as follows:

	Board	Board Committee	Audit and Management Engagement Committee	Nomination Committee
John Kay	5 (6)	1 (1)	1 (2)	3 (3)
Matthew Oakeshott	6 (6)	4 (4)	N/A	N/A
Lorraine Reader[2]	2 (2)	N/A	1 (1)	1 (1)
David Smith	6 (6)	4 (4)	2 (2)	3 (3)
Jo Valentine	6 (6)	N/A	2 (2)	3 (3)
Lucy Winterburn	6 (6)	N/A	2 (2)	3 (3)

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

2 Lorraine Reader was appointed as a Director on 1 August 2024.

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, and led by the Senior Independent Director, of the other Directors and the Board as a whole. The Committee considered having an externally facilitated board evaluation, but after discussion, agreed that the current process worked well based on the size of the Board.

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 or her 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 reassessed 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 71 to 74.

Nomination Committee

The Nomination Committee comprises all of the independent Directors and is currently chaired by David Smith. 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 three times 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 Chair of the Audit and Management Engagement Committee, other than to the position of Chairman; and
- reviewing the level of Directors' fees.

Board diversity policy

The Board recognises the importance of having a range of skilled, experienced individuals with the right knowledge represented on the Board (and the Committees of the Board) in order to allow it to fulfil its obligations. The Board also recognises the benefits and is supportive of the principle of diversity in its recruitment of new Board members. The Board will not display any bias for age, gender, education, professional background, ethnicity, sexual orientation, disability and socio-economic backgrounds in considering the appointment of its Directors. In view of its size, the Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment and the Board does not, therefore, consider it appropriate to set measurable objectives in relation to its diversity.

At 31 March 2025, there were three male and three female Directors on the Board. One of the male Directors is Chairman of the Company; one of the male Directors is Chair of the Audit and Management Engagement Committee and Chair of the Nomination Committee; and one of the female directors is the Company's Senior Independent Director. None of the Directors is from a minority ethnic background.

In accordance with the FCA's Listing Rule 9.8.6R (9)(a), the table below reports on gender identity or sex and ethnic background within the Board as at 31 March 2025.

	Number of Board Members	% of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Management	% of Executive Management
Men	3	50%	1	N/A	N/A
Women	3	50%	1	N/A	N/A
White British or other White (including minority-white groups)	6	100%	2	N/A	N/A
Minority ethnic background	0	0	0	N/A	N/A

1. The Company complies with the FCA's diversity target that 40% of individuals on the Board are to be women.
2. The Company complies with the FCA's diversity target that one of the senior positions on the Board is to be held by a woman.
3. The Company does not comply currently with the FCA's diversity target that requires one individual on the Board to be from a minority ethnic background. As referred to above, in view of its size, the Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment and, in doing so, the Board will seek to meet the FCA's diversity targets.

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.

During part of the year under review, VIS as the AIFM, had responsibility for the overall investment management and risk management of the assets of the Company. VIS contractually delegated its day-to-day investment management responsibilities for the property portfolio to OLIM Property (the Investment Manager). The delegation by VIS of its investment management responsibilities was in accordance with the delegation requirements of the AIFMD. The Investment Manager remained subject to the supervision and direction of VIS and was 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 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. From 8 September 2024, the Company appointed OLIM Property Limited as its AIFM in place of VIS.

Corporate governance and stewardship

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.

Socially responsible investment policy

The Directors and the Investment Manager are aware of their duty to act in the best interests of the Company and acknowledge that there are risks associated with investment in properties with tenants who fail to conduct their 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 business 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 this 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 Investment Manager. The results of proxy voting are relayed to the Market following conclusion of the AGM. Nominated persons, often the beneficial owners of shares held for them by nominee companies, 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 135.

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 **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 page 70 and the Statement of Going Concern and the Viability Statement are included in the Directors' Report on pages 49 and 50. The Independent Auditor's Report is on pages 75 to 83.

By order of the Board

Maven Capital Partners UK LLP
Company Secretary

10 June 2025

The Directors are responsible for preparing the Strategic Report and the Directors' Report, the Directors' Remuneration Report, the Statement of Corporate Governance, and the Financial Statements in accordance with UK adopted international accounting standards and applicable laws and regulations.

Company law requires the Directors to prepare Group and Company 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.

The Group and Company Financial Statements are required by law and UK-adopted International Accounting Standards to present fairly the financial position of the Group and the Company and the financial performance of the Group and the Company; the Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 UK adopted international accounting standards, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 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

John Kay
Chairman

10 June 2025

The Audit and Management Engagement Committee is chaired by David Smith. The Committee comprises all of the independent Directors, including the Chairman, John Kay, as the other Directors value his economic, finance and business expertise. 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 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 controls 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 the Directors on the investment portfolio;
- OLIM Property's Compliance Officer keeps OLIM Property's operations under review;
- written agreements are in place which specifically define the roles and responsibilities of OLIM Property and other third party service providers; and
- at its meeting in May 2025, the Audit and Management Engagement Committee carried out its annual assessment of internal controls and risk management for the year to 31 March 2025 by considering documentation from OLIM Property and Maven Capital Partners UK LLP and by taking account of events since 31 March 2025.

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 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.

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 London Branch for the safe keeping of the Company's assets. The title deeds for the property portfolio are held by the Company's lawyers to the order of the Company. 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 portfolio is reviewed by OLIM Property regularly. Management accounts are prepared quarterly and considered at the quarterly meetings of the Board.

The valuation of the property portfolio is undertaken in accordance with the Company's stated accounting policy as set out in Note 1(k) to the Financial Statements on page 95.

The Committee reviews and challenges the valuation of 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 income recognition - How the risk was addressed

The recognition of rental income is undertaken in accordance with accounting policy Note 1(e) to the Financial Statements on page 94. 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 income. The Directors are satisfied that the level of income recognised is in line with revenue estimates. The Committee concluded that there were no further issues associated with rental income recognition which required to be addressed.

Review of investment manager and risk reporting

The Committee met twice during the year under review, in May and November 2024. At the meetings in May and November 2024, 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.

Also, at its meeting in May 2024, the Committee reviewed, for recommendation to the Board, the Audit Report from the Independent Auditor and the draft Annual Report and Financial Statements for the year to 31 March 2024, along with the amount of the final dividend for the year then ended.

At its meeting in November 2024, the Committee reviewed the Half-Yearly Report for the period to 30 September 2024.

Subsequent to 31 March 2025, the Committee considered the draft Annual Report and Financial Statements for the year to 31 March 2025, and provided advice to the Board that it considered that the Annual Report and Financial Statements, taken as a whole, was fair, balanced and understandable and provided 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.

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 RSM's reporting.

The Auditor's Report is on pages 75 to 83. Alan Aitchison of RSM is the Senior Statutory Auditor responsible for the audit and RSM will rotate the Senior Statutory Auditor every five years. Alan Aitchison was appointed as Senior Statutory Auditor for the Company during the year to 31 March 2024 and will be rotated for the audit for the year to 31 March 2029. 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 appointment, and the Directors' responsibility for the remuneration, of the Auditor at each AGM. No non-audit services were provided to the Company by RSM 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 RSM is independent of the Company and that a Resolution for the re-appointment of RSM as Auditor should be put to the 2025 AGM.

David Smith
Director

10 June 2025

Independent auditor's report to the members of Value and Indexed Property Income Trust PLC

Opinion

We have audited the financial statements of Value and Indexed Property Income Trust PLC (the 'parent company') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the Group Statement of Comprehensive Income, Company Statement of Comprehensive Income, Group Statement of Financial Position, Company Statement of Financial Position, Group Statement of Cashflows, Company Statement of Cashflows, Group Statement of Changes in Equity, Company Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and UK-adopted International Accounting Standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 2025 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards and as applied in accordance with the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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 are independent of the group and 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	**Group** • Valuation of investment properties **Parent Company** • Valuation of investment properties
Materiality	**Group** • Overall materiality: £1,520,000 (2024: £1,470,000) • Performance materiality: £1,060,000 (2024: £961,000) **Parent Company** • Overall materiality: £1,519,999 (2024: £1,469,999) • Performance materiality: £1,060,000 (2024: £955,500)
Scope	Our audit procedures covered 100% of income, 100% of total assets and 100% of profit before tax.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the group and parent company financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) 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 group and parent company financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties	
Key audit matter description	Investment property is held in the financial statements at fair value. There are independent valuations which are carried out by a qualified surveyor. The Group owns a portfolio of investment properties which include supermarkets, industrial and retail properties. The valuations depend on inputs provided by management and on criteria which are subjective, despite the involvement of an independent valuation expert. This is a key audit matter because the directors' assessment of the value of investment properties is considered a significant audit risk due to the magnitude of the total amount, the potential impact of the movement in value on the reported results and the subjectivity of the valuation process.

Valuation of investment properties	
How the matter was addressed in the audit	In response to this key audit matter, the audit procedures we performed included: Auditing the independent valuations of investment properties to ensure they have been prepared on a consistent basis for all similar properties and are appropriate, and correctly recorded in the financial statements in line with accounting standards. We have also ensured that any fluctuations in value are correctly accounted for through the Statement of Comprehensive Income. We assessed the external valuers' qualifications and expertise and considered their terms of engagement, we also considered their objectivity and any other existing relationships with the group and concluded that there was no evidence that the valuers' objectivity has been compromised. We engaged a property valuation specialist, as our auditor's expert, and we identified 13 properties for detailed testing based on a sample of the individually material properties, or where the current year valuation movement fell out with current market expectations or the yield fell out with expectations from our overall review of the portfolio. We discussed and challenged the valuation of 6 of these properties with the valuer directly. The valuer demonstrated a detailed knowledge of each property, the geographical location, the tenant status and the overall asset desirability. We corroborated the additional information provided to support these movements. In addition, our auditor's expert carried out a review of the valuations of the remaining 7 properties. Our expert considered the specific inputs to these valuations and also considered the comparable transaction evidence that was used by management's expert in preparing their valuation. We tested a sample of the inputs used by the valuer and ensured these reflected the correct inputs for a sample of properties. We audited the accuracy and completeness of the disclosures in the financial statements.
Key observations	Based on the procedures performed, we found management's judgement on the investment valuation is reasonable and the assumptions used in the valuations to be appropriate.

Our application of materiality

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group	Parent company
Overall materiality	£1,520,000 (2024: £1,470,000)	£1,519,999 (2024: £1,469,999)
Basis for determining overall materiality	1% of Total assets	1% of Total assets
Rationale for benchmark applied	The key users of the financial statements are primarily focus on the valuation of the property portfolio which drives the value of the total assets.	The key users of the financial statements are primarily focus on the valuation of the property portfolio which drives the value of the total assets.
Performance materiality	£1,060,000 (2024: £961,000)	£1,060,000 (2024: £955,500)
Basis for determining performance materiality	70% of overall materiality (2024: 65% of overall materiality)	70% of overall materiality (2024: 65% of overall materiality)
Reporting of misstatements to the Audit and Management Engagement Committee	Misstatements in excess of £76,200 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.	Misstatements in excess of £73,400 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

The statement of comprehensive income has been audited to a lower performance materiality based on 5% of Operating Profit (before gains and losses on property assets and other investments) for the financial year to ensure adequate coverage of these values. This is calculated as £168,000 for the year ended 31 March 2025 (2024: £193,000).

An overview of the scope of our audit

The group consists of two components, all of which are based in the UK.

The coverage achieved by our audit procedures was:

	Number of components	Income	Total assets	Profit before tax
Full scope audit	2	100%	100%	100%
Total	2	100%	100%	100%

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's and parent company's ability to continue to adopt the going concern basis of accounting included reviewing and evaluating management's latest forecasts and plans, considering the appropriateness and sensitivity of the key assumptions, and reviewing the key terms of debt facilities.

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's or the 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 entity reporting on how they have applied the AIC Code to meet their obligations under 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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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 those reports have been prepared in accordance with applicable legal requirements;
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Rules and Transparency Rules sourcebook made by the Financial Conduct Authority (the FCA Rules), is consistent with the financial statements and has been prepared in accordance with applicable legal requirements; and
- information about the company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in:

- the Strategic Report or the Directors' Report; or
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Rules.

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; or
- a corporate governance statement has not been prepared by the parent company.

Corporate governance statement

We have reviewed 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 AIC Code of Corporate Governance which meet the requirements of the UK Corporate Governance Code specified for our review by the Listing Rules.

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 and our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 49;
- Directors' explanation as to their assessment of the group's prospects, the period this assessment covers and why the period is appropriate set out on page 50;
- Directors' statement on whether it has a reasonable expectation that the group will be able to continue in operation and meets its liabilities set out on page 49;
- Directors' statement on fair, balanced and understandable set out on page 70;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 50;
- Section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 71 and 72; and
- Section describing the work of the Audit and Management Engagement Committee set out on pages 71 to 74.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 70, 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

The most significant laws and regulations were determined as follows:

Legislation / Regulation	Additional audit procedures performed by the Group audit engagement team included:
IFRS/UK adopted IAS and Companies Act 2006	Review of the financial statement disclosures and testing to supporting documentation; and Completion of disclosure checklists to identify areas of non-compliance.
Tax compliance regulations	Inspection of advice received from internal / external tax advisors.

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the audit engagement team:
Income recognition	Performed substantive testing by agreeing rental income for each property to supporting invoices and cash receipt; Tested the completeness of rental income by confirming that rental income was recorded for all the properties recorded within the schedule of valuation and ensuring all properties sold were excluded correctly; and Reviewed the accuracy and completeness of disclosures in the annual report in relation to revenue.
Management override of controls	Testing the appropriateness of journal entries and other adjustments; Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Other matters which we are required to address

Following the recommendation of the Audit and Management Engagement Committee, we were appointed by directors on 11 November 2023 to audit the financial statements for the year ended 31 March 2024 and subsequent financial periods.

The period of total uninterrupted consecutive appointment is 2 years, covering the years ended 31 March 2024 to 31 March 2025.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit and Management Engagement Committee in accordance with ISAs (UK).

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alan Aitchison
(Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants
Centenary House
69 Wellington Street
Glasgow
G2 6HG

10 June 2025

Milton Keynes

Financial Statements

	Note	Year ended 31 March 2025 Revenue £'000	Capital £'000	Total £'000	Year ended 31 March 2024 Revenue £'000	Capital £'000	Total £'000
Income							
Rental income	2	9,406	–	9,406	8,824	–	8,824
Other income	2	564	–	564	242	–	242
		9,970	–	9,970	9,066	–	9,066
Gains and losses on investments							
Realised (losses)/gains on held-at-fair-value investment properties	9	–	455	455	–	(137)	(137)
Unrealised (losses)/gains on held-at-fair-value investment properties	9	–	2,492	2,492	–	(11,480)	(11,480)
Total income		9,970	2,947	12,917	9,066	(11,617)	(2,551)
Expenses							
Investment management fees	3	(888)	–	(888)	(863)	–	(863)
Other operating expenses	4	(962)	–	(962)	(894)	–	(894)
Finance costs	5	(2,731)	–	(2,731)	(2,142)	–	(2,142)
Total expenses		(4,581)	–	(4,581)	(3,899)	–	(3,899)
Profit/(loss) before taxation		5,389	2,947	8,336	5,167	(11,617)	(6,450)
Taxation	6	(2,276)	–	(2,276)	(1,251)	–	(1,251)
Profit/(loss) attributable to equity shareholders of parent company		3,113	2,947	6,060	3,916	(11,617)	(7,701)
Earnings per Ordinary Share (pence)	7	7.35	6.95	14.30	9.14	(27.11)	(17.97)

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/(loss), 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 non-controlling interests.

The Board is proposing a final dividend of 3.6p per share, making total dividends of 13.8p per Ordinary Share for the year to 31 March 2025 (2024: 13.2p per Ordinary Share) which, if approved by Shareholders, will be payable on 25 July 2025 (see Note 8).

The Notes on pages 93 to 117 form part of these Financial Statements.

	Note	Year ended 31 March 2025 Revenue £'000	Capital £'000	Total £'000	Year ended 31 March 2024 Revenue £'000	Capital £'000	Total £'000
Income							
Rental income	2	9,406	–	9,406	8,824	–	8,824
Other income	2	564	–	564	242	–	242
		9,970	–	9,970	9,066	–	9,066
Gains and losses on investments							
Realised (losses)/gains on held-at-fair-value investment properties	9	–	455	455	–	(137)	(137)
Unrealised (losses)/gains on held-at-fair-value investment properties	9	–	2,492	2,492	–	(11,480)	(11,480)
Total income		9,970	2,947	12,917	9,066	(11,617)	(2,551)
Expenses							
Investment management fees	3	(888)	–	(888)	(863)	–	(863)
Other operating expenses	4	(962)	–	(962)	(894)	–	(894)
Finance costs	5	(2,731)	–	(2,731)	(2,142)	–	(2,142)
Total expenses		(4,581)	–	(4,581)	(3,899)	–	(3,899)
Profit/(loss) before taxation		5,389	2,947	8,336	5,167	(11,617)	(6,450)
Taxation	6	(2,276)	–	(2,276)	(1,251)	–	(1,251)
Profit/(loss) attributable to equity shareholders of parent company		3,113	2,947	6,060	3,916	(11,617)	(7,701)
Earnings per Ordinary Share (pence)	7	7.35	6.95	14.30	9.14	(27.11)	(17.97)

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/(loss), as disclosed above, is the same as the Company's total comprehensive income.

The Notes on pages 93 to 117 form part of these Financial Statements.

	Note	As at 31 March 2025 £'000	£'000	As at 31 March 2024 £'000	£'000
Assets					
Non current assets					
Investment properties	9		140,344		135,112
Investments	9		–		–
			140,344		135,112
Deferred tax asset	6		–		2,228
Receivables	10		5,496		5,792
			145,840		143,132
Current assets					
Cash and cash equivalents		4,459		2,695	
Receivables	10	924		687	
			5,383		3,382
Total assets			151,223		146,514
Current liabilities					
Payables	11	(2,979)		(3,428)	
Corporation tax	11	(48)		–	
Borrowings	11	(8,961)		–	
			(11,988)		(3,428)
Total assets less current liabilities			139,235		143,086
Non-current liabilities					
Payables	12	–		(2,913)	
Borrowings	12	(49,024)		(49,073)	
			(49,024)		(51,986)
Net assets			90,211		91,100
Equity attributable to equity shareholders					
Called up share capital	14		4,555		4,555
Share premium	15		18,446		18,446
Retained earnings	16		67,210		68,099
Total equity			90,211		91,100
Net asset value per Ordinary Share (pence)	17		214.72		213.53

These Financial Statements were approved by the Board on 10 June 2025 and were signed on its behalf by:

John Kay
Chairman

The Notes on pages 93 to 117 form part of these Financial Statements.

	Note	As at 31 March 2025 £'000	£'000	As at 31 March 2024 £'000	£'000
Assets					
Non current assets					
Investment properties	9		140,344		135,112
Investments	9		200		200
			140,544		135,312
Deferred tax asset	6		–		2,228
Receivables	10		5,496		5,792
			146,040		143,332
Current assets					
Cash and cash equivalents		4,259		2,495	
Receivables	10	924		687	
			5,183		3,182
Total assets			151,223		146,514
Current liabilities					
Payables	11	(2,979)		(3,428)	
Corporation tax	11	(48)		–	
Borrowings	11	(8,961)		–	
			(11,988)		(3,428)
Total assets less current liabilities			139,235		143,086
Non-current liabilities					
Payables	12	–		(2,913)	
Borrowings	12	(49,024)		(49,073)	
			(49,024)		(51,986)
Net assets			90,211		91,100
Equity attributable to equity shareholders					
Called up share capital	14		4,555		4,555
Share premium	15		18,446		18,446
Retained earnings	16		67,210		68,099
Total equity			90,211		91,100
Net asset value per Ordinary Share (pence)	17		214.72		213.53

These Financial Statements were approved by the Board on 10 June 2025 and were signed on its behalf by:

John Kay
Chairman

The Notes on pages 93 to 117 form part of these Financial Statements.

	Note	Year ended 31 March 2025 £'000	£'000	Year ended 31 March 2024 £'000	£'000
Cash flows from operating activities					
Rental income received			9,198		8,987
Interest and other income received			360		241
Operating expenses paid			(1,758)		(1,694)
Net cash inflow from operating activities	18		7,800		7,534
Cash flows from investing activities					
Purchase of investment properties		(17,512)		(11,363)	
Sale of investment properties		11,935		12,633	
Net cash inflow/(outflow) from investing activities			(5,577)		1,270
Cash flow from financing activities					
Drawdown of loan		15,000		–	
Loan repayment		(6,000)		–	
Fees received		204		–	
Interest paid on loans		(2,697)		(1,962)	
Finance cost of leases		(8)		(80)	
Payments of lease liabilities		(9)		(9)	
Dividends paid	8	(5,775)		(5,661)	
Buyback of Ordinary Shares for Treasury	14	(1,174)		(670)	
Net cash outflow from financing activities			(459)		(8,382)
Net increase in cash and cash equivalents			1,764		422
Cash and cash equivalents at 1 April			2,695		2,273
Cash and cash equivalents at 31 March			4,459		2,695

The Notes on pages 93 to 117 form part of these Financial Statements.

	Note	Year ended 31 March 2025 £'000	£'000	Year ended 31 March 2024 £'000	£'000
Cash flows from operating activities					
Rental income received			9,198		8,987
Interest and other income received			360		241
Operating expenses paid			(1,758)		(1,694)
Net cash inflow from operating activities	18		7,800		7,534
Cash flows from investing activities					
Purchase of investment properties		(17,512)		(11,363)	
Sale of investment properties		11,935		12,633	
Net cash inflow/(outflow) from investing activities			(5,577)		1,270
Cash flow from financing activities					
Drawdown of loan		15,000		–	
Loan repayment		(6,000)		–	
Fees received		204		–	
Interest paid on loans		(2,697)		(1,962)	
Finance cost of leases		(8)		(80)	
Payments of lease liabilities		(9)		(9)	
Dividends paid	8	(5,775)		(5,661)	
Buyback of Ordinary Shares for Treasury	14	(1,174)		(670)	
Net cash outflow from financing activities			(459)		(8,382)
Net increase in cash and cash equivalents			1,764		422
Cash and cash equivalents at 1 April			2,495		2,073
Cash and cash equivalents at 31 March			4,259		2,495

The Notes on pages 93 to 117 form part of these Financial Statements.

	Note	Year ended 31 March 2025 Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
Group					
Net assets at 31 March 2024		4,555	18,446	68,099	91,100
Profit for the year		–	–	6,060	6,060
Dividends paid	8	–	–	(5,775)	(5,775)
Buyback of Ordinary Shares for Treasury	14	–	–	(1,174)	(1,174)
Net assets at 31 March 2025		4,555	18,446	67,210	90,211
Company					
Net assets at 31 March 2024		4,555	18,446	68,099	91,100
Profit for the year		–	–	6,060	6,060
Dividends paid	8	–	–	(5,775)	(5,775)
Buyback of Ordinary Shares for Treasury	14	–	–	(1,174)	(1,174)
Net assets at 31 March 2025		4,555	18,446	67,210	90,211

	Note	Year ended 31 March 2024 Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
Group					
Net assets at 31 March 2023		4,555	18,446	82,131	105,132
Loss for the year		–	–	(7,701)	(7,701)
Dividends paid	8	–	–	(5,661)	(5,661)
Buyback of Ordinary Shares for Treasury	14	–	–	(670)	(670)
Net assets at 31 March 2024		4,555	18,446	68,099	91,100
Company					
Net assets at 31 March 2023		4,555	18,446	82,131	105,132
Loss for the year		–	–	(7,701)	(7,701)
Dividends paid	8	–	–	(5,661)	(5,661)
Buyback of Ordinary Shares for Treasury	14	–	–	(670)	(670)
Net assets at 31 March 2024		4,555	18,446	68,099	91,100

The Notes on pages 93 to 117 form part of these Financial Statements.

1. Accounting policies

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

The presentational currency of the Group and Company, and functional currency of the 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 49 and on the historical cost basis, except for the revaluation of investment properties and investment in subsidiaries, which are valued at fair value through profit and loss, and £50 million bank borrowings, which are initially measured at consideration received less issue costs. 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 July 2022 is consistent with the requirements of IFRSs, 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 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 report from the Investment Manager on pages 11 to 35.

(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 8 to 45. The financial position of the Group as at 31 March 2025 is shown in the Statement of Financial Position on page 88.

The cash flows of the Group for the year ended 31 March 2025 are set out on page 90. The Group had fixed debt totalling £57,985,000 as at 31 March 2025, as set out in Notes 11 and 12 on pages 105 to 107. As detailed in Note 11 to the Financial Statements on pages 105 and 106, as at 31 March 2025, the £9 million fixed rate loan is due to be repaid, in the normal course of business, on or before 31 March 2026; £4 million of which was repaid post the year end as detailed in Note 24 to the Financial Statements on page 117.

Note 21 on pages 111 to 116 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 2025, the Group's total assets less current liabilities exceeded its total non current liabilities by a factor of 2.84.

The assets of the Group consist mainly of investment properties that are held in accordance with the Group's investment policy, as set out on page 38. 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 and investment commitments (of which there is none of significance), are not aware of anything 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.

1. Accounting policies continued

(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 was the Alternative Investment Fund Manager (AIFM) of the Company for the year under review. From 8 September 2024 the Company appointed OLIM Property Limited as is AIFM.

(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

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.

(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 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) Other receivables

Financial assets classified as loans and receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. As such they are measured at amortised cost. Other receivables do not carry any interest, they have been assessed for any expected credit losses over their lifetime due to their short-term nature.

(h) Other payables

Payables are non-interest bearing and are stated at their discounted cash flow.

1. Accounting policies continued

(i) 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.

(j) 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.

(k) Investments

Equity investments

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.

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. 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, Chartered Surveyors and Valuers, and in accordance with the RICS Valuation - Global Standards January 2022 (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 102 to 104.

(l) Cash and cash equivalents

Cash and cash equivalents comprises of deposits held with banks and short term investments.

1. Accounting policies continued

(m) 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 and the loan measured at fair value on the balance sheet.

(n) Leases

Lessor: The Group leased properties that met the definition of investment property. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. 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 where lease incentives or temporary rent reductions have been granted as a result of the COVID pandemic, rental income is recognised on a straight-line basis over the expected term of the lease.

Lessee: The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee. The right-of-use assets were presented as part of Investment Properties in the Statement of Financial Position and held at fair value. The lease liability related to the head rent on the property in Fareham, which was sold in the year. The capital element of lease obligations was recorded as a finance lease payable liability in the Statement of Financial Position on inception of the arrangement. Lease payments were apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

(o) 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 2025 is disclosed in Note 9 to the Financial Statements on pages 102 to 104.

(p) Adoption of new and revised Accounting Standards

New and revised standards and interpretations that became effective during the year had no significant impact on the amounts reported in these Financial Statements but may impact accounting for future transactions and arrangements.

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

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (effective for periods beginning on or after 1 January 2024 but not yet endorsed for use in the UK).

IFRS S2 Climate-related Disclosures (effective for periods beginning on or after 1 January 2024 but not yet endorsed for use in the UK).

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' (effective for periods beginning on or after 1 January 2025).

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for periods beginning on or after 1 January 2027 but not yet endorsed for use in the UK).

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' (effective for periods beginning on or after 1 January 2027 but not yet endorsed for use in the UK).

The Directors have not yet evaluated these standards, therefore, the impact is not yet known.

2. Income

	Year ended 31 March 2025		Year ended 31 March 2024	
	Group £'000	Company £'000	Group £'000	Company £'000
Income				
Rental income	9,406	9,406	8,824	8,824
Interest receivable on short term deposits	289	289	183	183
Other income	275	275	59	59
Total income	9,970	9,970	9,066	9,066

3. Investment management fee

	Year ended 31 March 2025			Year ended 31 March 2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Group and Company						
Investment management fee	888	–	888	863	–	863

A summary of the terms of the investment management agreement is given on page 53 of the Directors' Report.

OLIM Property Limited received an investment management fee of £888,000 (2024 - £863,000), the basis of calculation of which is given on page 53.

4. Other operating expenses

	Year ended 31 March 2025		Year ended 31 March 2024	
	Group £'000	Company £'000	Group £'000	Company £'000
Fee payable to the Group's auditor for the audit of the Group's accounts	87	87	86	86
Directors' fees	125	125	109	109
NIC on Directors' fees	6	6	5	5
Fees for company secretarial services	292	292	270	270
Other expenses	452	452	424	424
	962	962	894	894

Directors' fees comprise the Chairman's fees of £33,000 (2024 - £33,000), the Chair of the Audit and Management Engagement Committee fees of £27,000 (2024 - £27,000) and fees of £24,500 (2024 - £24,500) per annum paid to each other Director.

Additional information on Directors' fees is given in the Directors' Remuneration Report on pages 58 to 61.

5. Finance costs

	Year ended 31 March 2025		Year ended 31 March 2024	
	Group £'000	Company £'000	Group £'000	Company £'000
Interest payable on:				
Bank loan interest payable	2,639	2,639	1,988	1,988
Effective interest	45	45	35	35
Amortisation of loan expenses	39	39	39	39
Finance costs attributable to lease liabilities	8	8	80	80
	2,731	2,731	2,142	2,142

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. During the year ended 31 March 2023, the loan was increased to £35,000,000 and extended for a further two years until 31 March 2033, costs previously incurred on the loan were extinguished at this point.

On 5 July 2024, the Company extended the borrowing on the 2033 fixed term secured loan facility from £35,000,000 to £50,000,000.

6. Taxation

	Year ended 31 March 2025			Year ended 31 March 2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
a) Analysis of the tax (charge)/credit for the year: Group and Company						
Current tax	(48)	–	(48)	–	–	–
Deferred tax	(2,228)	–	(2,228)	(1,251)	–	(1,251)
	(2,276)	–	(2,276)	(1,251)	–	(1,251)
Factors affecting the total tax (charge)/ credit for year:						
Profit/(loss) before taxation			8,336			(6,450)
Tax charge/(credit) thereon at 25% (2024 - 25%)			2,084			(1,613)
Effects of:						
Losses/(gains) on investments not relievable			(737)			2,904
Disallowable expenses			18			–
Finance costs			(18)			(40)
PY adjustment for deferred tax asset - losses b/fwd decreased			455			–
Deferred tax asset not recognised due to REIT conversion			474			–
			2,276			1,251
b) Factors affecting future tax charges						
Unutilised tax losses			1,896			8,913
Potential tax benefit at 25%			474			2,228
			474			2,228
Recognised as a deferred tax non-current asset			–			2,228
Not recognised as a deferred tax asset			474			–
			–			2,228

The Company and Group have total accumulated unrelieved non-trade loan relationship tax losses carried forward of £1,896,000 (2024 - £8,913,000) at 31 March 2025.

The Company and Group have not recognised deferred tax assets of £474,000 on the basis that the Company has entered the UK REIT regime as of 1 April 2025 and will have limited taxable income to utilise these tax losses in the future.

7. Return per Ordinary Share

	Year ended 31 March 2025		Year ended 31 March 2024	
	Group £'000	Company £'000	Group £'000	Company £'000
The return per Ordinary Share is based on the following figures:				
Revenue return	3,113	3,113	3,916	3,916
Capital return	2,947	2,947	(11,617)	(11,617)
Weighted average number of Ordinary Shares in issue	42,379,933	42,379,933	42,855,131	42,855,131
Return per share - revenue	7.35p	7.35p	9.14p	9.14p
Return per share - capital	6.95p	6.95p	(27.11p)	(27.11p)
Total return per share	14.30p	14.30p	(17.97p)	(17.97p)

The Company holds no dilutive instruments. Diluted earnings per share are equal to earnings per share.

8. Dividends

	Year ended 31 March 2025 £'000	Year ended 31 March 2024 £'000
Dividends on Ordinary Shares:		
Third quarterly dividend of 3.20p per share (2023 - 3.20p) paid 26 April 2024	1,365	1,376
Final dividend of 3.60p per share (2023 - 3.60p) paid 26 July 2024	1,529	1,548
First quarterly dividend of 3.40p per share (2024 - 3.20p) paid 25 October 2024	1,443	1,369
Second quarterly dividend of 3.40p per share (2024 - 3.20p) paid 31 January 2025	1,438	1,368
Dividends paid in the period	5,775	5,661

The third interim dividend of 3.40p (2024 - 3.20p), paid on 25 April 2025, has not been included as a liability in these financial statements.

The final dividend of 3.60p (2024 - 3.60p), being paid on 25 July 2025, has not been included as a liability in these financial statements. The final dividend will be paid as a property income distribution (PID).

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 £3,113,000 (2024 - £3,916,000).

	Year ended 31 March 2025 £'000	Year ended 31 March 2024 £'000
First quarterly dividend of 3.40p per share (2024 - 3.20p) paid 25 October 2024	1,443	1,369
Second quarterly dividend of 3.40p per share (2024 - 3.20p) paid 31 January 2025	1,438	1,368
Third quarterly dividend of 3.40p per share (2024 - 3.20p) payable 25 April 2025	1,430	1,365
Final quarterly dividend of 3.60p per share (2024 - 3.60p) payable 25 July 2025	1,512	1,529
	5,823	5,631

The final dividend is based on the issued share capital of 42,013,036 Ordinary Shares as at 31 March 2025, excluding the Ordinary Shares held in Treasury.

9. Investments

	Investment properties £'000	Total £'000
Group		
Cost at 31 March 2024	146,062	146,062
Fair value movement brought forward	(10,950)	(10,950)
Valuation at 31 March 2024	135,112	135,112
Purchases	17,504	17,504
Sales proceeds	(12,305)	(12,305)
Realised gains on sales	455	455
Fair value movement in year	2,492	2,492
Derecognition of right of use asset	(2,914)	(2,914)
Valuation at 31 March 2025	140,344	140,344

	Investment properties £'000	Investment in subsidiary £'000	Total £'000
Company			
Cost at 31 March 2024	146,062	200	146,262
Fair value movement brought forward	(10,950)	–	(10,950)
Valuation at 31 March 2024	135,112	200	135,312
Purchases	17,504	–	17,504
Sales proceeds	(12,305)	–	(12,305)
Realised gains on sales	455	–	455
Fair value movement in year	2,492	–	2,492
Derecognition of right of use asset	(2,914)	–	(2,914)
Valuation at 31 March 2025	140,344	200	140,544

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

9. Investments continued

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Savills valuation	146,000	138,100
Operating lease assets	(5,656)	(5,911)
Finance lease liabilities	–	2,923
Valuation of Investment Properties	140,344	135,112
Decrease in fair value	(5,656)	(2,988)

The fair value valuation given by Savills includes £2,500,000 relating to the property at Bawtry Close, Doncaster where contracts have been exchanged and the sale completed on 24 April 2025.

Transaction costs

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

	Year ended 31 March 2025 £'000	Year ended 31 March 2024 £'000
Purchases	184	154
Sales	134	179
	318	333

The fair values of the investment properties were independently valued by professional valuers from Savills, 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.

9. Investments continued

Property portfolio	Passing rent range £	Fair value - Group £'000	Key unobservable input	Inputs range	Blended yield
Supermarkets	87,000 - 640,000	42,150	Net Equivalent Yield	5.47% - 7.63%	6.50%
Industrial	75,000 - 486,680	33,250	Net Equivalent Yield	5.42% -7.26%	6.25%
Bowling	224,575 - 623,222	19,700	Net Equivalent Yield	7.83% - 9.12%	8.50%
Health Club & Caravan Park	577,944 - 618,777	17,300	Net Equivalent Yield	5.43% - 8.18%	6.75%
Garden Centre	1,147,713	17,000	Net Equivalent Yield	7.73%	–
Hotels	360,000 - 373,549	12,000	Net Equivalent Yield	5.81% - 6.30%	6.00%
Public Houses	120,000 - 127,562	4,600	Net Equivalent Yield	5.67% - 6.09%	6.00%
		146,000			

A 25 bps decrease 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 £5,550,000. A 25 bps increase 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 £5,200,000. A 5% decrease in the 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 £3,150,000. 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 gain for the year by £3,100,000.

Investment in subsidiary

Name	Country of incorporation	Date of incorporation	% ownership	Principal activity
Value and Indexed Property Income Services Limited, having its registered office c/o Maven Capital Partners UK LLP, Kintyre House, 205 West George Street, Glasgow, G2 2LW.	UK	16 January 2014	100	AIFM (to 7 September 2024)

Value and Indexed Property Income Services Limited was non-trading throughout the year and post the year end, on 2 April 2025, the company was placed into Members' Voluntary Liquidation.

10. Receivables

	As at 31 March 2025		As at 31 March 2024	
	Group £'000	Company £'000	Group £'000	Company £'000
Amounts falling due within one year:				
Operating lease asset	160	160	119	119
Other receivables	454	454	338	338
Prepayments and accrued income	21	21	57	57
Rents receivable	289	289	173	173
	924	924	687	687
Amounts falling due after more than one year:				
Operating lease asset	5,496	5,496	5,792	5,792
	6,420	6,420	6,479	6,479

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 an operating lease asset.

11. Current liabilities

	As at 31 March 2025		As at 31 March 2024	
	Group £'000	Company £'000	Group £'000	Company £'000
Payables				
Amounts due to OLIM Property Limited	69	69	65	65
Accruals and other creditors	2,673	2,673	2,966	2,966
Value Added Tax payable	237	237	387	387
Lease liability	–	–	10	10
Total payables	2,979	2,979	3,428	3,428
Corporation tax	48	48	–	–
Bank loans held at amortised cost				
Bank loan	9,000	9,000	–	–
Balance of costs incurred	(78)	(78)	–	–
Add: Debit to income for the year	39	39	–	–
Total bank borrowings	8,961	8,961	–	–
	11,988	11,988	3,428	3,428

The amount due to OLIM Property Limited comprises the monthly management fee for March 2025, subsequently paid in April 2025.

11. Current liabilities continued

The Company has a £15,000,000 fixed term secured loan facility for a period of up to ten years to 31 March 2026 (2024 - £15,000,000). At 31 March 2025, £9,000,000 (2024 - £11,893,750) was drawn down at a rate of 4.344% and £nil (2024 - £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.

12. Non-current liabilities

	As at 31 March 2025		As at 31 March 2024	
	Group £'000	Company £'000	Group £'000	Company £'000
Non-current liabilities				
Bank loans held at amortised cost				
Bank loan	49,151	49,151	49,116	49,116
Borrowing costs	(172)	(172)	–	–
Effective interest	45	45	35	35
Balance of costs incurred	–	–	(116)	(116)
Add: Debit to income for the year	–	–	38	38
	49,024	49,024	49,073	49,073
Total bank borrowings	49,024	49,024	49,073	49,073
Lease liability payable in more than one year				
- within 2 - 5 years	–	–	42	42
- over 5 years	–	–	2,871	2,871
Total payables	–	–	2,913	2,913
	49,024	49,024	51,986	51,986

12. Non-current liabilities continued

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. On 27 April 2022, the loan was increased to £30,000,000 and on 22 June 2022, the loan was increased to £35,000,000 and extended for a further two years until 31 March 2033, costs previously incurred on the loan were extinguished at this point.

On 5 July 2024, the Company extended the borrowing to £50,000,000.

As at 31 March 2025, the loan is recorded on an amortising basis. 95% of the loan is at a fixed rate and 5% at a floating rate of interest. At 31 March 2025, £50,000,000 was drawn down at a net effective interest rate of 4.61%.

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 55% of the value of the properties that have been charged.

The fair value of the loans are disclosed in Note 21 on pages 111 to 116 and the Net Asset Value per share, calculated with the borrowings at fair value, is disclosed in Note 17 on pages 109.

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 page 99, a deferred tax asset has not been recognised on the basis that the Company has entered the UK REIT regime as of 1 April 2025 and will have limited taxable income to utilise these tax losses in the future.

14. Share capital

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Authorised:		
56,000,000 Ordinary Shares of 10p each (2024 - 56,000,000)	5,600	5,600
Called up, issued and fully paid (excluding Treasury shares):		
42,013,036 Ordinary Shares of 10p each (2024 - 42,664,550)	4,201	4,266
Treasury shares:		
3,536,939 Ordinary Shares of 10p each (2024 - 2,885,425)	354	289
45,549,975 Ordinary Shares of 10p each	4,555	4,555

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

During the year, the Company repurchased 651,514 Ordinary Shares at a cost of £1,174,000 including expenses.

Subsequent to the year end, the Company repurchased no Ordinary Shares.

15. Share premium

	As at 31 March 2025		As at 31 March 2024	
	Group £'000	Company £'000	Group £'000	Company £'000
Opening balance	18,446	18,446	18,446	18,446

16. Retained earnings

	As at 31 March 2025		As at 31 March 2024	
	Group £'000	Company £'000	Group £'000	Company £'000
Opening balance at 31 March 2024	68,099	68,099	82,131	82,131
Profit/(loss) for the year	6,060	6,060	(7,701)	(7,701)
Dividends paid (see Note 8)	(5,775)	(5,775)	(5,661)	(5,661)
Buyback of Ordinary Shares for Treasury (see Note 14)	(1,174)	(1,174)	(670)	(670)
Closing balance at 31 March 2025	67,210	67,210	68,099	68,099

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

	Year ended 31 March 2025			Year ended 31 March 2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Group						
Opening balance	(4,213)	72,312	68,099	(2,468)	84,599	82,131
Profit/(loss) for the year	3,113	2,947	6,060	3,916	(11,617)	(7,701)
Dividends paid (see Note 8)	(5,775)	–	(5,775)	(5,661)	–	(5,661)
Buyback of Ordinary Shares for Treasury (see Note 14)	–	(1,174)	(1,174)	–	(670)	(670)
Closing balance	(6,875)	74,085	67,210	(4,213)	72,312	68,099
Company						
Opening balance	(5,300)	73,399	68,099	(3,555)	85,686	82,131
Profit/(loss) for the year	3,113	2,947	6,060	3,916	(11,617)	(7,701)
Dividends paid (see Note 8)	(5,775)	–	(5,775)	(5,661)	–	(5,661)
Buyback of Ordinary Shares for Treasury (see Note 14)	–	(1,174)	(1,174)	–	(670)	(670)
Closing balance	(7,962)	75,172	67,210	(5,300)	73,399	68,099

Of the Company's Retained Earnings of £67,210,000 (2024 - £68,099,000), £67,210,000 (2024 - £68,099,000) 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 £90,211,000 (2024 - £91,100,000) and on the Company's net assets attributable of £90,211,000 (2024 - £91,100,000) and on 42,013,036 (2024 - 42,664,550) 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 £97,181,000 (2024 - £92,070,000) is 231.31p (2024 - 215.8p).

	As at 31 March 2025		**As at 31 March 2024**	
	Group £'000	Company £'000	Group £'000	Company £'000
Net assets at 31 March 2025	90,211	90,211	91,100	91,100
Fair value adjustments	6,970	6,970	970	970
Net assets with borrowings at fair value	97,181	97,181	92,070	92,070
Number of shares in issue	42,013,036	42,013,036	42,664,550	42,664,550
Net asset value per share	214.72p	214.72p	213.53p	213.53p
Net asset value per share with borrowings at fair value	231.31p	231.31p	215.80p	215.80p

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

	Year ended 31 March 2025		**Year ended 31 March 2024**	
	Group £'000	Company £'000	Group £'000	Company £'000
Income from operations before tax	12,712	12,712	(2,551)	(2,551)
Losses/(gains) on investment properties	(2,947)	(2,947)	11,617	11,617
Investment management fee	(888)	(888)	(863)	(863)
Other operating expenses	(959)	(959)	(894)	(894)
(Increase)/decrease in receivables	59	59	(322)	(322)
Increase/(decrease) in other payables	(177)	(177)	547	547
Net cash from operating activities	7,800	7,800	7,534	7,534

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

	Year ended 31 March 2025		Year ended 31 March 2024	
	Group £'000	Company £'000	Group £'000	Company £'000
Cash movements				
Payment of rental (for leasing)	17	17	89	89
Drawdown of loans (for financing)	(15,000)	(15,000)	–	–
Costs associated with drawdown of loan	172	172	–	–
Repayment of loans	6,000	6,000	–	–
Non-cash movements				
Finance costs (for leasing)	(8)	(8)	(159)	(159)
Derecognition of lease on sale of property	2,914	2,914	–	–
Effective interest	(45)	(45)	(35)	(35)
Amortisation of loan premium and expenses	(39)	(39)	(38)	(38)
Change in debt in the year	(5,989)	(5,989)	(143)	(143)
Opening debt at 31 March 2024	(51,996)	(51,996)	(51,853)	(51,853)
Closing debt at 31 March 2025	(57,985)	(57,985)	(51,996)	(51,996)

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.

With effect from 8 September 2024, the Company changed its Alternative Investment Fund Manager (AIFM) from its wholly owned subsidiary, Value and Indexed Property Income Services Limited, to OLIM Property Limited (OLIM Property), the Company's current delegated Investment Manager. There was no change to the portfolio management or fee arrangements.

Post the year end, on 2 April 2025, Value and Indexed Property Income Services Limited was placed into Members' Voluntary Liquidation.

Matthew Oakeshott is a director of OLIM Property Limited, which has an agreement with the Company to provide investment management services, the terms of which are outlined on page 53 and in Note 3 on page 97.

21. Financial instruments and investment property risks

Risk management

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

The Manager has dedicated investment management processes which ensures that the Investment Policy set out on page 38 is achieved. The portfolio is reviewed on a periodic basis by OLIM Property's Investment Committee.

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

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

(i) market risk (comprising price risk and interest rate 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 risk (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.

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

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 2025 would have increased/decreased by £14,034,000 (2024 - increase/decrease of £13,511,000) 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 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 2025 are shown in Notes 11 and 12 on pages 105 to 107.

21. Financial instruments and investment property risks continued

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 2025				
Assets				
Sterling	–	3.76	–	4,459
Total assets	–	3.76	–	4,459
At 31 March 2025				
Liabilities				
Sterling	6.94	4.51	55,777	2,207
Total liabilities	6.94	4.51	55,777	2,207
At 31 March 2024				
Assets				
Sterling	–	3.79	–	2,695
Total assets	–	3.79	–	2,695
At 31 March 2024				
Liabilities				
Sterling	6.90	3.92	47,365	1,708
Total liabilities	6.90	3.92	47,365	1,708

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 105 to 107.

The floating rate assets consist of cash deposits on call, earning interest at prevailing market rates. The Group's property portfolio 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 2025 would increase/decrease by £24,000 (2024 - increase/decrease by £18,000). 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.

21. Financial instruments and investment property risks continued

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 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 are cash or near cash securities and investment properties which, by their nature, are less readily realisable. The maturity of the Group's mainly fixed rate borrowings is set out in the interest risk profile section of this Note.

	Carrying value £'000	Expected cashflows £'000	Due within 3 months £'000	Due between 3 months and 1 year £'000	Due after 1 year £'000
At 31 March 2025					
Borrowings	57,985	78,229	670	11,075	66,484
Leases	–	–	–	–	–
Other payables	2,742	2,742	2,742	–	–
Total	60,727	80,971	3,412	11,075	66,484
At 31 March 2024					
Borrowings	49,073	63,666	493	1,478	61,695
Leases	2,923	7,286	22	67	7,197
Other payables	3,031	3,031	3,031	–	–
Total	55,027	73,983	3,546	1,545	68,892

21. Financial instruments and investment property risks continued

(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. Cash is held only with reputable banks with high quality external credit rating, 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:

	Year ended 31 March 2025		**Year ended 31 March 2024**	
	Statement of Financial Position £'000	Maximum exposure £'000	Statement of Financial Position £'000	Maximum exposure £'000
Current assets				
Cash and cash equivalents	4,459	4,459	2,695	2,695
Other receivables	924	924	687	687
	5,383	5,383	3,382	3,382

(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 to the break option is 13.3 years (2024 - 11.6 years).

Details of the tenant and geographical spread of the portfolio are set out on pages 27 and 29. The long term record of performance through the varying property cycles since 1987 is set out on pages 120 and 121. 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 2025, the future minimum lease receipts under non-cancellable leases are as follows:

	As at 31 March 2025	**As at 31 March 2024**
	£'000	£'000
Due within 1 year	10,345	10,383
Due between 2 and 5 years	40,704	39,073
Due after more than 5 years	91,073	75,930
	142,122	125,386

This amount comprises the total contracted rent receivable as at 31 March 2025.

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

21. Financial instruments and investment property risks continued

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

Investment properties and investment subsidiaries are held in the Statement of Financial Position at fair value.

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

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
At 31 March 2025				
Investment properties	–	–	140,344	140,344
	–	–	140,344	140,344
At 31 March 2024				
Investment properties	–	–	135,112	135,112
	–	–	135,112	135,112

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. This investment falls under Level 3.

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.

21. Financial instruments and investment property risks continued

(ii) Borrowings

The fair value of borrowings has been calculated at £51,015,000 as at 31 March 2025 (2024 - £48,103,000) compared to a Statement of Financial Position value in the Financial Statements of £57,985,000 (2024 - £49,073,000) per Notes 11 and 12.

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.

(iii) Financial instruments by category

Financial assets

	Fair value through profit or loss		Amortised cost	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Cash and cash equivalents	–	–	4,459	2,695
Other receivables	–	–	6,420	6,479
Total financial assets	–	–	10,879	9,174

Financial liabilities

	Fair value through profit or loss		Amortised cost	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Other payables	–	–	(2,790)	(5,954)
Loans and other borrowings	–	–	(57,985)	(49,073)
Total financial liabilities	–	–	(60,775)	(55,027)

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.

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 Manager's 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 105 to 107.

23. Commitments

The Board is recommending the payment of a final dividend, to be paid as a Property Income Distribution (PID), of 3.6p per Ordinary Share (2024: 3.6p) and, subject to receiving Shareholder approval at the 2025 AGM, it will be paid on 25 July 2025 to all Shareholders on the register 27 June 2025.

There are no 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 pages 25, 26, in Note 9 on page 103 and in Note 24 below.

24. Post balance sheet events

At a General Meeting of the Company held on 20 March 2025, Shareholders approved the resolution to amend the Articles of Association of the Company, which allowed the Company to enter the UK REIT regime from 1 April 2025.

On 30 April 2025, a payment of £4 million was made towards the balance of the £9 million loan held at amortised cost as detailed in Note 11 on pages 105 and 106.

The Doncaster property was sold on 24 April 2025 at the 31 March 2025 valuation of £2.5 million.

SHEPHER
BISHO

Additional Information

PROPERTY RECORD OVER 38 YEARS

31 March	Rental income £'000	Capital value £'000	Running yield %	VIP %	Total return MSCI UK Quarterly Property Index* %
2025	9,790	146,000	6.7	9.0	6.3
2024	9,665	138,100	7.0	-1.8	-1.1
2023	9,338	150,500	6.2	-7.8	-13.0
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	5
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	11*
2000	3,054	39,800	7.7	15	15*

31 March	Rental income £'000	Capital value £'000	Running yield %	VIP %	Total return MSCI UK Quarterly Property Index* %
1999	3,410	41,055	8.3	25	12*
1998	3,141	34,800	9.0	15	18*
1997	3,111	32,805	9.5	10	11*
1996	2,840	29,440	9.6	9	5*
1995	2,948	31,125	9.5	10	13*
1994	2,806	29,835	9.4	23	19*
1993	2,773	26,415	10.5	12	-3*
1992	2,709	25,880	10.5	10	-5*
1991	2,331	23,800	9.8	2	-9*
1990	2,050	24,390	8.4	15	15*
1989	1,915	23,475	8.2	30	29*
1988	1,329	14,939	8.9	24	27*
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 – 2000: IPD Annual Index

Supermarkets

Address	Tenants
Aberfoyle – Main Street	Co-operative Group Food**
Bebington – 152 Kings Road	Sainsbury's*
Blandford Forum – Langton Road	Marks and Spencer*
Garstang – Park Hill Road	Sainsbury's*
Invergordon – 110 High Street	Co-operative Group Food**
Kirriemuir – 33 The Roods	Co-operative Group Food*
Newport, Isle of Wight – Litten Park, Church Litten	Marks and Spencer*
Rayleigh – 12 - 24 Eastwood Road	Marks and Spencer*
York – 103 - 104 Hull Road	Co-operative Group Food***

Industrial / Warehouse

Address	Tenants
Aberdeen – Moss Road, Gateway Business Park	H.M. Government*
Aylesford – Broadmead House, Bellingham Way, New Hythe	Kier Group*
Chester – Winsford Way, Sealand Industrial Estate	MKM Building Supplies*
Gloucester – Falcon Close, Green Farm Business Park, Quedgeley	H.M. Government*
Milton Keynes – Wimblington Drive	Winterbotham Darby*
Stoke-on-Trent – Stanley Matthews Way	MKM Building Supplies*
Thetford – Units 1 - 4, Baird Way	Brake Brothers*
Thirsk – Dalton Airfield Industrial Estate	H.M. Government*
Westbury – 50 Cory Way, West Wilts Trading Estate	Arla Foods*

Bowling

Address	Tenants
Ashford – 43-79 Station Road	Hollywood Bowl*
Coventry – Crosspoint, Olivier Way	Ten Entertainment* Starbucks* Pizza Hut***
Doncaster – The Leisure Park, Bawtry Road	Ten Entertainment*
Peterborough – Sturrock Way	Hollywood Bowl*
Stafford – Greyfriars Place	Ten Entertainment*

Health Club and Caravan Park

Address	Tenants
Brentwood – Little Warley Hall Lane	Virgin Active Health Club*
Dover – St. Margaret's Holiday Park, Reach Road	Park Resorts*

Garden Centre

Address	Tenants
Nantwich – Bridgemere Garden Centre, London Road	Blue Diamond*

Hotels

Address	Tenants
Alnwick – Willowburn Avenue, South Road	Premier Inn**
Catterick - Princes Gate, Richmond Road	Premier Inn**

Pubs

Address	Tenants
Canterbury – The Bishop's Finger, 13 St. Dunstan Street	Shepherd Neame*
London – The Prince of Wales, 48 Cleaver Square	Shepherd Neame*

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

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). During the year under review, VIS was the Company's Alternative Investment Fund Manager (AIFM) until 8 September 2024, when the Company appointed OLIM Property Limited to act as AIFM in place of VIS. OLIM Property Limited is authorised and regulated by the FCA.

As the AIFM, OLIM Property Limited has responsibility for the portfolio management and risk management of the assets of the Company.

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 London Branch to act as the Company's Depositary.

Disclosures

The Company and the AIFM 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 April 2025 to reflect the Company's conversion to a REIT and in September 2024 to reflect the change of AIFM from VIS to OLIM Property Limited.

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

- **Investment Management**: Details of the investment objective, strategy and policy of the Company are included in the Strategic Report. A list of the investment properties is included on pages 122 and 123.
- **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**: There is 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 AIFM receives remuneration separately (as set out on page 53). The AIFM is bound by regulatory requirements on remuneration 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, constantly 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% and 50% of the total portfolio. The Company will not raise new borrowings if total net borrowings would then represent more than 50% of the total assets.

The Company's current borrowings comprise a £5 million secured term loan at a ten year interest rate of 4.344% including all costs, which expires on 31 March 2026, and a £50 million secured term loan. 95% of the loan is at a fixed rate and 5% at a floating rate of interest. At 31 March 2025, £50 million was drawn down at a net effective interest rate of 4.61%. Further details can be found in Notes 11 and 12 to the Financial Statements on pages 105 to 107 of this Annual Report.

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.

The AIFM 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 2025	162	162

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.

The Company's leveraging arrangements are collateralised through the granting of charges over the properties in the property portfolio 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 latest Ordinary Share price is displayed on the London Stock Exchange website, 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.

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

Net asset value is the net value of the Group's assets, cash and other current assets less all creditors and provisions. 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 2025	31 March 2024
Share price	183.0p	171.3p
NAV	214.7p	213.5p
Discount	14.8%	19.8%

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 & Wedderburn LLP, 4th floor, 1-6 Lombard Street, London EC3V 9AA on Thursday, 10 July 2025 at 12.30pm, for the following purposes:

To consider and if thought fit, pass the following Resolutions, of which Resolutions 1 to 11 inclusive will be proposed as Ordinary Resolutions and Resolutions 12 to 14 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 to 31 March 2025.
2. To approve the Directors' Remuneration Report for the year to 31 March 2025.
3. To approve a final dividend of 3.6p per Ordinary Share in respect of the year to 31 March 2025, which will be paid as a Property Income Distribution (PID).
4. To re-elect Matthew Oakeshott as a Director of the Company.
5. To re-elect David Smith as a Director of the Company.
6. To re-elect Josephine Valentine as a Director of the Company.
7. To re-elect Lucy Winterburn as a Director of the Company.
8. To elect Lorraine Reader as a Director of the Company.
9. To re-appoint RSM UK Audit 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.
10. To authorise the Directors to fix the remuneration of the Independent Auditor for the year to 31 March 2026.
11. 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 £455,499 (being approximately 10% of the nominal value of the issued share capital 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 2026 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.
12. Disapplication of Pre-emption Rights
That, subject to the passing of Resolution 11 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 11 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 £455,499 (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 2026, 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.

13. 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 6,827,941 Ordinary Shares, representing 14.99% of the issued ordinary share capital of the Company as at the date this Notice;

    (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 2026 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 Financial Conduct Authority, be held or otherwise dealt with as permitted by the Companies Act 2006 as Treasury Shares.

14. 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 2025

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 they are the holder. In accordance with the Articles, the AGM will be a physical meeting. Voting on the resolutions to be proposed at the AGM will be conducted on a poll, rather than a show of hands. Therefore, Shareholders are encouraged to vote via proxy, where possible, online at **www.investorcentre.co.uk/eproxy**, appointing the Chairman of the meeting as their proxy to ensure their vote is counted.

(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 they wish 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 8 July 2025 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 9 June 2025 (being the latest practicable date prior to the publication of this document) the Company's issued share capital comprised 45,549,975 Ordinary Shares of 10p each of which 3,536,939 Ordinary Shares were held in Treasury. Each Ordinary Share 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 9 June 2025 was 42,013,036. Following Resolution 13 becoming effective, the maximum aggregate number of shares hereby authorised to be purchased shall be 6,827,941 Ordinary Shares in issue immediately prior to the passing of Resolution 13.

(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/her proxy will need to ensure that they and their 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 them and the shareholder by whom they were 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, they 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 election/re-election are set out on page 48 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 **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.

As detailed in the Circular to Shareholders dated 25 February 2025, and following Shareholder approval at a General Meeting of the Company held on 20 March 2025 of a change to the Company's Articles of Association, VIP converted its UK property rental business into a UK REIT with effect from 1 April 2025. As a REIT, VIP will have to distribute at least 90 per cent. of its income profit from its property rental business to Shareholders in each accounting period.

As a UK REIT, VIP will no longer pay UK direct taxes on its income and capital gains (this includes UK corporation tax). The REIT regime will transfer the tax liability arising from its property portfolio from the Company to its investors. As a UK REIT, the Company will not have to cut its dividend as a result of the depleted deferred tax reserves, however, some individual Shareholders who do not hold their Shares in an ISA or SIPP will be taxed at a higher rate following the REIT conversion (see table in the paragraph on page 134 headed "Tax implications for Shareholders" for further details).

Since the REIT regime was introduced, almost all listed UK property investment companies have adopted REIT status.

Institutional Shareholders and individual Shareholders who hold their Shares in an ISA or SIPP should not be impacted by the Company's conversion to REIT status.

Tax implications for Shareholders

The comments in this section are provided for general guidance only. Shareholders who are in any doubt concerning the taxation implications of the Company's conversion to a REIT should consult their own professional advisers.

Further to the Company's conversion to REIT status, its dividends will typically be paid in the form of property income distributions (PIDs). Broadly, PIDs are treated for UK tax purposes in the hands of Shareholders as property rental income rather than dividends. They may be subject to withholding at source, at the basic rate of UK income tax of 20 per cent. Additional UK taxes may be payable based on a Shareholder's marginal UK income tax rate. See the table on page 134 which sets out full details.

Individual Shareholders who hold their shares in ISAs and SIPPs, will not be subject to tax (withholding tax or otherwise) on the PIDs. However, individual Shareholders who do not hold their Shares in an ISA or SIPP will be taxed at a higher rate following the REIT conversion.

The table below shows the impact of the REIT conversion on investors.

Investor Type	Dividend income from investment trust company		Property income distribution from REIT	
	Gross/net receipt	UK Tax Treatment	Gross/net receipt	UK Tax Treatment
UK individual (non-Scottish) taxpayer	Gross	Basic rate: 8.75% Higher rate: 33.75% Additional rate: 39.35% after £500 dividend allowance	Net of 20% income tax	Basic rate: 20% Higher rate: 40% Additional rate: 45%
Scottish taxpayer UK individuals with a 'close connection' to Scotland, such as a sole place of residence in Scotland, are subject to different rates of income tax than other UK individuals for most types of income	Gross	Basic rate: 8.75% Higher rate: 33.75% Additional rate: 39.35% after £500 dividend allowance	Net of 20% income tax	Basic rate: 20% Intermediate rate: 21% Higher rate: 42% Advanced rate: 45% Top rate: 48%
UK investors holding shares via ISAs/SIPPs	Gross	Exempt	Gross	Exempt
UK limited companies	Gross	Exempt	Gross	Taxed at 25%
Other UK exempt investor (charities, pension schemes, SIPPs and ISAs)	Gross	Exempt	Gross	Exempt
Overseas investor not UK tax resident	Gross	Exempt	Normally, net of 15% or 20% income tax	Exempt

The Board is recommending a final dividend of 3.6 pence per Ordinary Share for the financial year to 31 March 2025, which, subject to Shareholder approval at the 2025 AGM, will be paid as a PID on 25 July 2025.

In future, Shareholders will normally receive their dividends from VIP as a PID. If there is an additional dividend paid from other profits made by VIP, then the split would be shown on the face of the relevant dividend voucher.

PIDs will be paid net of a deduction for UK income tax, where required under UK REIT legislation. There are provisions in the regulations for gross payments to be made to those who qualify (Corporate holders as set out in Regulation 7 of Statutory Instrument 2006, number 2867). Individual Shareholders who hold their shares in ISAs or SIPPS, will not be subject to tax (withholding tax or otherwise) on the PIDs. But Shareholders who do not hold their Shares in a SIPP or an ISA will be subject to tax and Shareholders should consult their own independent financial advisers.

Gross payment will be made to UK based institutions that meet the requirements of Regulation 7.

Do you hold your shares in a SIPP or an ISA?

If so, you need to complete a PID Declaration Form, available from the Company's registrar, Computershare or which can be downloaded from the Company's web pages hosted by the Manager, OLIM Property Limited at **www.olimproperty.co.uk/value-and-indexed-property-income-trust.html** if you believe you are entitled to receive gross distributions with no tax deducted because your shares are held in a SIPP or ISA. Otherwise, tax will be deducted from your dividends before you receive them.

VIP expects to continue to pay dividends, which in future will normally be designated as PIDs, quarterly, at the end of January, April, July and October in each year.

Directors

John Kay (Chairman)
Matthew Oakeshott
Lorraine Reader
David Smith
Josephine Valentine
Lucy Winterburn

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)

Registered Office

c/o Maven Capital Partners UK LLP
First Floor Kintyre House
205 West George Street
Glasgow G2 2LW

Registered Number

Registered in Scotland
Company No: SC050366

Legal Entity Identifier:
213800CU1PIC7GAER820
ISIN: GB0008484718
TIDM: VIP

Registrars

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

Telephone: 0370 703 0168
Website: www.investorcentre. co.uk/contactus

Independent Auditor

RSM UK Audit LLP
Third Floor Centenary House
69 Wellington Street
Glasgow G2 6HG

Investment Manager

OLIM Property Limited
15 Queen Anne's Gate
London SW1H 9BU

Telephone: 020 7846 3252
Website: www.olimproperty.co.uk

(Authorised and regulated by the Financial Conduct Authority)

Sarah.Martin@olimproperty.co.uk
Matthew.Oakeshott@olimproperty. co.uk
Louise.Cleary@olimproperty.co.uk

Depositary and Custodian

BNP Paribas
London Branch
10 Harewood Avenue
London NW1 6AA

Corporate Broker

Joh. Berenberg, Gossler & Co. KG
60 Threadneedle Street
London EC2R 6HP

Telephone: 020 3207 7800

VALUE AND INDEXED PROPERTY INCOME TRUST PLC

VIP plc

Managed by OLIM Property Limited
15 Queen Anne's Gate
London
SW1H 9BU
020 7846 3252
www.olimproperty.co.uk

Design and production by Handstand Creative Ltd