

The Glanmore Property Accumulation Fund Limited
Report and Financial Statements
31 March 2010

Company Number: 43688

The Glanmore Property Accumulation Fund Limited

TABLE OF CONTENTS

	Pages
General Information	2-3
Report of the Directors	4-6
Independent Auditor's Report	7-8
Statement of Total Return	9
Statement of Changes in Net Assets Attributable to Holders of Participating Redeemable Preference Shares	9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Financial Statements	12-19
Investment Portfolio	20
Summary of Material Portfolio Changes	20
Custodian's Responsibilities and Report	21
Portfolio Turnover Rate	22
Total Expenses Ratio	23

The Glanmore Property Accumulation Fund Limited

GENERAL INFORMATION

DIRECTORS:

Robert Court
Leslie Hilton
Anthony Pickford
Anthony Wands
Paul Meader

REGISTERED OFFICE:

Trafalgar Court
Les Banques
St Peter Port
Guernsey GY1 3QL

MANAGER:

Tilney Asset Management International Limited
PO Box 424
Lefebvre Court
St Peter Port
Guernsey GY1 3WT

ADMINISTRATOR AND SECRETARY:

Northern Trust International Fund Administration
Services (Guernsey) Limited
Trafalgar Court
Les Banques
St Peter Port
Guernsey GY1 3QL

AUDITOR:

KPMG Channel Islands Limited
PO Box 20
20 New Street
St Peter Port
Guernsey GY1 4AN

The Glanmore Property Accumulation Fund Limited

GENERAL INFORMATION (continued)

LEGAL ADVISERS TO THE FUND:

Carey Olsen
PO Box 98
Carey Court
Les Banques
St Peter Port
Guernsey GY1 4BZ

CUSTODIAN AND BANKER:

Northern Trust (Guernsey) Limited
Trafalgar Court
Les Banques
St Peter Port
Guernsey GY1 3DA

THE FUND

The Glanmore Property Accumulation Fund Limited ("the Fund") was incorporated with limited liability in Guernsey and registered on 16 September 2005 (registered number 43688). The Fund is an open-ended investment fund authorised as a Class 'B' Collective Investment Scheme by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987.

INVESTMENT SUMMARY

The Fund acts as a feeder vehicle into The Glanmore Property Fund Limited ("Glanmore"), which invests in the UK property market. As such its investments are comprised entirely of shares in Glanmore.

The purpose of the Fund is to provide investors with a means of investing in Glanmore, which in turn provides its investors with a professionally managed means of participating in the higher yielding sector of the UK commercial property market combined with the potential for capital growth. Glanmore acts as a pooled investment medium for its shareholders thereby relieving them of the need to select, manage and maintain individual property investments.

Glanmore has acquired a diversified portfolio of commercial properties in the retail, retail warehouse, office and industrial warehouse sectors of the UK market so that shareholders can participate in the attractive rental yields available in those markets as well as any future rental and capital value growth.

Investment decisions for Glanmore are made by its Board as advised by the Manager and reflect the long term objective to maximise total return made up of rental income plus capital appreciation. The Manager has appointed Cardales UK Limited as property manager and property investment adviser to Glanmore. Cardales UK Limited provide advice to the Manager on property matters in relation to Glanmore and is responsible for the efficient day to day management of the properties.

The value of the Fund's investments is reflected in the value of the shares, which are principally dependent upon the value of the shares in Glanmore. The value of Glanmore is dependent upon an independent valuation of the investment properties undertaken by the valuers.

REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 March 2010.

Activities

The Fund acts as a feeder fund for The Glanmore Property Fund Limited. Therefore the principal activity of the Fund is that of investment in shares of Glanmore.

Results

The results for the period are shown in the Statement of Total Return on page 9.

Dividend

In accordance with the Fund's scheme particulars, no dividends have been declared and paid in the year.

Outlook

The financial downturn continues to have an effect on the availability of credit and has had a large and detrimental impact on the lending market in the UK for commercial property.

The recent rally, mainly lead by overseas investors, for prime UK real estate stock appears to have run its course. According to the Investment Property Databank (IPD) UK property Index, yields fell 68bps in the first half of 2010 but this is in tandem with a period of nine successive quarters of rental decline.

The IPD UK property Index for Q2 2010 suggests both property yields and rents are set to plateau. The early rapid recovery appears to have passed which suggests the market may experience a period in the doldrums. Income will make up the bulk of investor returns in the second half of the year.

Redemption Arrangements

Although all shareholders have been separately advised, it should be noted that in order to safeguard the operation of the Fund: -

- a. On 28 December 2007, the Board implemented its powers to extend the redemption notice period from 5 days to six months.
- b. On 21 May 2008, at an EGM of the Fund, shareholders passed a Special Resolution which: -
 - i. allowed postponement of redemptions for up to 12 months
 - ii. allowed suspension of redemptions for up to 12 months
 - iii. gave the Board power to allow the withdrawal of redemption requests which took immediate effect.
- c. On the 24 June 2008, the Directors resolved to utilise the power given to them under the Special Resolution to impose a postponement of all redemption requests for a period of six months.
- d. At a Board meeting of the Fund that took place on 13 November 2008, the Board resolved that there should be a continuation of the postponement of redemptions from 30 December 2008 for a further 6 month period.

REPORT OF THE DIRECTORS (continued)

New share issue and events during the year

On 22 June 2009, at an EGM of the Fund, shareholders passed a Special Resolution which:

- a. increased the authorised share capital of the Fund from £10,000 to £20,000 by the creation of an additional 100,000,000 unclassified shares of 0.01 pence each;
- b. approved and adopted new articles of incorporation;
- c. allowed postponement of redemptions for a period of up to four years (including the 12 months previously allowed);
- d. created a new class of Participating Feeder Fund B Shares ("Fund B Shares") at a price of £5 per share;

On 27 August 2009, Glanmore, had a participating B share issue ("Glanmore B Shares") of 8,225,108 shares at a price £11.55 being at a discount of 50% of the July 2009 share price.

In August 2009, the Fund raised £2,763,291 (net of preliminary expenses) through an equity raise of the Fund B Shares, which was used to invest in the Glanmore B Shares issue as detailed in Note 7. After redeeming £6,542,721 of original Glanmore participating shares ("Glanmore A Shares") in September 2009, the Fund was able to repay previously postponed redemptions of the original participating shares of the Fund ("Fund A Shares").

Events after the year end

In the period to 31 March 2010 the Fund has received redemption requests totalling £5.18m (at 31 July 2010 NAV) which have not been paid and are payable at the Board of directors' discretion.

In the period since 31 March 2010 the Fund has received redemption requests totalling £0.18m (at 31 July 2010 NAV) which have not been paid and are payable at the discretion of the Board of directors.

The share price of Glanmore has increased from £15.295 on 31 March 2010 to £15.443 on 31 July 2010, an increase of 0.97%.

The Fund A Share price has increased from £2.575 on 31 March 2010 to £2.592 on 31 July 2010, an increase of 0.65%. The Fund B Share price has increased from £6.567 on 31 March 2010 to £6.748 on 31 July 2010, an increase of 2.75%.

Directors

The directors of the Fund that served during the year and up to the date of this report are as listed below:-

Robert Court
Leslie Hilton
Anthony Pickford
Anthony Wands
Paul Meader

The Glanmore Property Accumulation Fund Limited

REPORT OF THE DIRECTORS (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law.

The financial statements are required by law to give a true and fair view of the state of affairs of the Fund and of the return of the Fund 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, 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 Fund will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Fund and to enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008, The Collective Investment Schemes (Class B) Rules 1990 and the principal documents. They have general responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Fund and to prevent and detect fraud and other irregularities.

Disclosure of information to auditors

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Fund's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Fund's auditor is aware of that information.

Auditor

A resolution for the re-appointment of KPMG Channel Islands Limited will be proposed at the forthcoming Annual General Meeting.

Anthony Pickford
Director

Paul Meader
Director

27 September 2010

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GLANMORE PROPERTY ACCUMULATION FUND LIMITED

We have audited the financial statements of The Glanmore Property Accumulation Fund Limited (the "Fund") for the year ended 31 March 2010 which comprise the Statement of Total Return, the Statement of Changes in Net Assets Attributable to Holders of Participating Redeemable Preference Shares, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Fund's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008 and rule 4.02(3) of the Collective Investment Schemes (Class B) Rules 1990. Our audit work has been undertaken so that we might state to the Fund'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 Fund and the Fund's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors' responsibilities for preparing the financial statements which give a true and fair view and are in accordance with UK Accounting Standards and are in compliance with applicable Guernsey law are set out in the Statement of Directors' Responsibilities on page 6.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, are in accordance with UK Accounting Standards, comply with the Companies (Guernsey) Law, 2008 and are properly prepared in accordance with The Collective Investment Schemes (Class B) Rules 1990 and the principal documents. We also report to you if, in our opinion, the Fund has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the other information accompanying the financial statements and consider whether it is consistent with those statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Fund's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GLANMORE PROPERTY ACCUMULATION FUND LIMITED (continued)

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Fund's affairs as at 31 March 2010 and of its return for the year then ended;
- are in accordance with UK Accounting Standards;
- comply with the Companies (Guernsey) Law, 2008; and
- have been properly prepared in accordance with The Collective Investment Schemes (Class B) Rules 1990 and the principal documents.

Chartered Accountants
28 September 2010

The Glanmore Property Accumulation Fund Limited

STATEMENT OF TOTAL RETURN
For the year ended 31 March 2010

	Notes	2010		2009	
		£	£	£	£
Net losses on investment	1 & 2		(27,386,455)		(75,936,808)
Income	1 & 3	464,479		2,556,102	
Expenses	4	(16,868)		(18,054)	
Net income			447,611		2,538,048
Total return			(26,938,844)		(73,398,760)
Change in net assets attributable to holders of participating redeemable preference shares			(26,938,844)		(73,398,760)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING REDEEMABLE PREFERENCE SHARES
For the year ended 31 March 2010

	2010		2009	
	£	£	£	£
Net assets at the start of the year		57,285,410		130,128,551
Movement due to issues / redemptions of shares				
Amounts received on issue of shares	3,223,385		555,619	
Less: amounts paid on redemption of shares	(6,472,721)		-	
		(3,249,336)		555,619
Changes in net assets attributable to holders of participating redeemable preference shares (see Statement of Total Return above)		(26,938,844)		(73,398,760)
Net assets at the end of the year		27,097,230		57,285,410

The notes on pages 12 to 19 form an integral part of these financial statements.

The Glanmore Property Accumulation Fund Limited

BALANCE SHEET
As at 31 March 2010

		2010		2009	
	Notes	£	£	£	£
Assets					
Fixed assets					
Investments	1 & 5		27,035,015		57,252,788
Current Assets					
Debtors		4,127		8	
Bank Balances		65,830		40,445	
			<u>69,957</u>		<u>40,453</u>
Total assets			<u>27,104,972</u>		<u>57,293,241</u>
Liabilities					
Creditors: amounts falling due within one year					
			7,742		7,831
			<u>7,742</u>		<u>7,831</u>
Total liabilities excluding net assets attributable to holders of participating redeemable preference shares			<u>7,742</u>		<u>7,831</u>
Net assets attributable to holders of participating redeemable preference shares			<u>27,097,230</u>		<u>57,285,410</u>
Net asset value per A share	12		£2.575		£5.049
Net asset value per B share	12		£6.567		

The financial statements on pages 9 to 19 were approved by the Board of directors on 27 September 2010 and signed on its behalf by:

Anthony Pickford
Director

Paul Meader
Director

The notes on pages 12 to 19 form an integral part of these financial statements.

The Glanmore Property Accumulation Fund Limited

CASH FLOW STATEMENT
for the year ended 31 March 2010

		2010	2009
	<i>Notes</i>	£	£
Net cash outflow from operating activities	<i>6(a)</i>	(16,957)	(21,036)
Return on investments and servicing of finance	<i>6(b)</i>	118	599
Capital expenditure and financial investment	<i>6(b)</i>	3,291,560	(494,737)
		<u>3,274,721</u>	<u>(515,174)</u>
Financing	<i>6(b)</i>	(3,249,336)	555,619
Increase in cash		<u>25,385</u>	<u>40,445</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

		2010	2009
		£	£
Increase in cash		25,385	40,445
Cash at bank at 1 April	<i>6(c)</i>	40,445	-
Cash at bank at 31 March	<i>6(c)</i>	<u>65,830</u>	<u>40,445</u>

The notes on pages 12 to 19 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2010

1 PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Fund's financial statements.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified by the revaluation of investments, they give a true and fair view, have been prepared in accordance with applicable United Kingdom Accounting Standards and the Statement of Recommended Practice "Financial Statements of Authorised Funds" issued by the Investment Management Association in November 2008 and are in compliance with the Companies (Guernsey) Law, 2008.

Participating redeemable preference shares

Redeemable preference shares are classified as a financial liability, as the shares are redeemable at the request of the shareholder. As a consequence the participating redeemable preference shares have been disclosed as a liability on the balance sheet and dividends paid have been described as finance costs in the Statement of Total Return.

Investments

The investments are included at fair value on the balance sheet which is considered to be the Fund's share of the net asset value of Glanmore. Glanmore is subject to a monthly valuation of its investment property, which is prepared on an open market basis as defined by the current edition of the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors.

Income

Dividend income is recognised as income on an ex-dividend date basis. Interest income is recognised on an accruals basis.

Expenses

All of the Fund's expenses are accounted for on an accruals basis.

Distributions

The Fund's participating shares are accumulation shares for which the whole net income attributable to each share is accumulated within the Fund and as such no dividends are declared or paid.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1 PRINCIPAL ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets and liabilities are recognised on the Fund's balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

Debtors – the Fund's principal debtors do not carry interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Financial liability and equity – financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Fund after deducting all of its liabilities.

Trade and other creditors – trade and other creditors are not interest bearing and are recorded at their nominal value.

Taxation

The Fund is exempt from Guernsey income tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinances 1989 and was charged an annual exemption fee of £600 for the year (2008: £600).

2 NET LOSS ON INVESTMENTS

The net loss on investments during the year comprise:

	2010 £	2009 £
Net unrealised depreciation for the year	(3,481,168)	(75,936,808)
Realised loss	(23,905,287)	-
	<u>(27,386,455)</u>	<u>(75,936,808)</u>

3 INCOME

	2010 £	2009 £
Dividends received	464,361	2,555,503
Interest receivable	118	599
	<u>464,479</u>	<u>2,556,102</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 EXPENSES

	2010 £	2009 £
Other expenses		
Legal and professional fees	2,525	5,089
Audit fees	5,306	6,776
Statutory fees	1,038	1,892
License fees	2,873	2,830
Advertising and printing	4,332	-
Sundry expenses	794	1,467
	<u>16,868</u>	<u>18,054</u>

5 INVESTMENTS

	2010 £	2009 £
Market value		
At 1 April	57,252,788	130,137,388
Additions - Glanmore A Shares	920,328	3,052,208
Additions - Glanmore B Shares	2,791,075	-
Disposals - Glanmore A Shares	(6,542,721)	-
Loss on disposal	(23,905,287)	-
	<u>30,516,183</u>	<u>133,189,596</u>
Loss on revaluation	(3,481,168)	(75,936,808)
At 31 March	<u>27,035,015</u>	<u>57,252,788</u>

The underlying investments are in The Glanmore Property Fund Limited ("Glanmore"). At the year end its share price, for both Glanmore A Shares and Glanmore B Shares, was £15.295 (2009: £30.612)

On 27 August 2009, Glanmore had a B share issue ("Glanmore B Shares") of 8,225,108 shares at a price £11.55 being at a discount of 50% of the July 2009 share price.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of net income before distributions to net cash outflow from operating activities

	2010 £	2009 £
Net income before distributions	447,611	2,538,048
Dividends received	(464,361)	(2,555,503)
Interest receivable	(118)	(599)
(Decrease) in operating creditors	(89)	(2,982)
Net cash outflow from operating activities	<u>(16,957)</u>	<u>(21,036)</u>

(b) Analysis of cash flows for headings netted in the cash flow statement

RETURN ON INVESTMENTS AND SERVICING OF FINANCE

	2010 £	2009 £
Interest received	<u>118</u>	<u>599</u>
Net cash inflow from returns on investments and servicing of finance	<u>118</u>	<u>599</u>

	2010 £	2009 £
Payments to acquire investments	(3,251,161)	(494,737)
Receipts from sales of investments	<u>6,542,721</u>	<u>-</u>
Net cash inflow / (outflow) from capital expenditure and financial investment	<u>3,291,560</u>	<u>(494,737)</u>

A dividend received of £464,361 (2009: £2,555,503) was reinvested in The Glanmore Property Fund Limited.

FINANCING

	2010 £	2009 £
Net issues of participating redeemable preference shares	<u>(3,249,336)</u>	<u>555,619</u>
Net cash (outflow) / inflow from financing	<u>(3,249,336)</u>	<u>555,619</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 NOTES TO THE CASH FLOW STATEMENT (continued)

CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

(c) Analysis of changes in net cash

	At 1 April 2009	Cash Flow	At 31 March 2010
	£	£	£
Cash at bank and in hand	40,445	25,385	65,830

7 CALLED UP SHARE CAPITAL

	Authorised No. Shares 2010	Allotted fully paid No. Shares 2010	Authorised No. Shares 2009	Allotted fully paid No. Shares 2009
Management shares of £1 each	10	2	10	2
Unclassified shares of £0.0001 each	199,900,000	-	99,900,000	-
Participating redeemable preference shares of £0.0001 each	-	9,100,236	-	11,346,179
Participating redeemable preference B shares of £0.0001 each	-	558,215	-	-
	199,900,010	9,658,453	99,900,010	11,346,181

	Authorised 2010 £	Allotted fully paid 2010 £	Authorised 2009 £	Allotted fully paid 2009 £
Management shares of £1 each	10	2	10	2
Unclassified shares of £0.0001 each	19,990	-	9,990	-
Participating redeemable preference shares of £0.0001 each	-	910	-	1,135
Participating redeemable preference B shares of £0.0001 each	-	56	-	-
	20,000	968	10,000	1,137

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 CALLED UP SHARE CAPITAL (continued)

The management shares have been created in order that the participating redeemable preference shares may be issued. Under the laws of Guernsey, the participating redeemable preference shares must have preference over some other class of share capital. The management shares carry a right to vote but no right to dividends and, in winding up, rank only for a return of the nominal paid-up capital after the return of the nominal capital paid up on participating redeemable preference shares and nominal shares. They have no right to participate in any surplus assets of the Fund.

The unclassified shares may be issued as participating redeemable preference shares or nominal shares. On the redemption of a participating redeemable preference share by the Fund, a nominal share is issued for cash at par on the basis of one nominal share for each participating redeemable preference share redeemed. Participating redeemable preference shares have a right to dividends but nominal shares do not carry the right to dividends.

At any general meeting each holder who is present is entitled to one vote on a show of hands and on a poll, one vote in respect of each management share, participating redeemable preference share and one vote in respect of all nominal shares held by each shareholder.

The Articles of Association, as amended following an EGM on 22 June 2009, allow for the postponement of redemptions for a period of up to four years from the date on which such requests are due to be satisfied. Existing redemption requests can be further postponed by the Board of Directors, pursuant to these new provisions. This is in addition to the Board of Directors' power to invoke a full suspension of redemptions.

On 22 June 2009, at an EGM of the Fund, shareholders passed a Special Resolution which:

- i. increased the authorised share capital of the Fund from £10,000 to £20,000 by the creation of an additional 100,000,000 unclassified shares of 0.01 pence each in the capital of the Fund, which may then be issued either a nominal Shares or Participating Shares (including "Feeder Fund B" shares);
- ii. approved and adopted new articles of incorporation;
- iii. allowed postponement of redemptions for a period of up to four years (including the 12 months previously allowed);
- iv. created a new class of Fund B Shares at a price of £5 per share;

In August 2009, the Fund raised £2,763,291 (net of preliminary expenses) through an equity raise of the Fund B Shares, which was used to invest in the Glanmore B Shares issue as detailed in Note 7. After redeeming £6,542,721 of original Glanmore participating shares ("Glanmore A Shares") in September 2009, the Fund was able to repay previously postponed redemptions of the original participating shares of the Fund ("Fund A Shares").

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 DIRECTORS' INTERESTS

Until he retired on 31 December 2009, Robert Court was a director of Tilney Investment Management, Cardales UK Limited and Tilney Group Limited which was acquired by the Deutsche Bank Group in December 2006 and owns Tilney Asset Management International Limited.

Mr Wands is an employee of the Deutsche Bank Group.

Robert Court holds 89,528.432 Fund A Shares and 35,616.840 Fund B Shares through Rathbone Nominees L

9 RELATED PARTY TRANSACTIONS

Fees Payable to the Manager

The management fee is charged at 0.25% p.a. of aggregate gross assets of the Fund, however during this year the fee has been waived.

In addition, the Manager shall be entitled to receive a front-end fee not exceeding 4.5% of the subscription price. The Manager meets the majority of the running expenses of the Fund, including administrator's fees, custodian's fees, monthly property valuation fees, all marketing and public relations costs and many other items of expenditure. The Manager did not take any front end fees during the year (2009: £nil).

10 CONTROLLING PARTY

The directors are not aware of any ultimate controlling party.

11 FINANCIAL RISK MANAGEMENT AND TREASURY POLICIES

Investment value risk

By virtue of solely investing in shares of Glanmore, the Fund's investments are exposed to movements in the value of the property investments held within Glanmore. Further information on the property portfolio and investment policy is set out in the Property Portfolio Section and the Investment Summary contained in the most recent accounts of Glanmore.

Liquidity risk

As detailed in the Directors' Report, the Board of directors have been provided with powers to postpone, suspend or part pay redemption requests. Shareholders have also been given the option to withdraw a pending redemption request. These additional powers are required to ensure that equivalent restrictions are in place to match those imposed by the Board of The Glanmore Property Fund Limited. The directors consider that the additional powers will ensure they have the ability to manage the settlement of the Fund's liabilities to ensure it continues to be a going concern.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12 NET ASSET VALUE PER SHARE

	Attributable to Fund A Shares	Attributable to Fund B Shares	2010 £	2009 £
Net asset value per March valuation	<u>23,431,263</u>	<u>3,665,967</u>	<u>27,097,230</u>	<u>57,285,410</u>
Net asset value per financial statements	<u>23,431,263</u>	<u>3,665,967</u>	<u>27,097,230</u>	<u>57,285,410</u>
Shares in issue	9,100,235.699	558,214.928	9,658,451	11,346,179
Net asset value per share (valuation)	2.575	6.567		5.049
Net asset value per share (financial statements)	2.575	6.567		5.049

As detailed in Note 7, the Fund B Shares were issued in August 2009 at a price of £5. A separate pool of assets is maintained for each share class.

13 POST BALANCE SHEET EVENTS

Since the balance sheet date 31 March 2010 events have occurred as follows:-

In the period to 31 March 2010 the Fund has received redemption requests totalling £5.18m (at 31 July 2010 NAV) which have not been paid and are payable at the Board of directors' discretion.

In the period since 31 March 2010 the Fund has received redemption requests totalling £0.18m (at 31 July 2010 NAV) which have not been paid and are payable at the discretion of the Board of directors.

The share price of Glanmore has increased from £15.295 on 31 March 2010 to £15.443 on 31 July 2010, an increase of 0.97%.

The Fund A Share price has increased from £2.575 on 31 March 2010 to £2.592 on 31 July 2010, an increase of 0.65%. The Fund B Share price has increased from £6.567 on 31 March 2010 to £6.748 on 31 July 2010, an increase of 2.75%.

14 CONTINGENT LIABILITY - REDEMPTIONS

On 22 June 2009 at an EGM of the Fund, shareholders passed a special resolution which allowed postponement and suspension of redemptions for up to four years and gave the Board power to allow the withdrawal of redemption requests.

At the year end, postponed redemption requests totalled £5.15m based on net asset value of the Fund as at 31 March 2010.

The Glanmore Property Accumulation Fund Limited

INVESTMENT PORTFOLIO (unaudited)

As at 31 March 2010

	Open Market Value £	% of Gross Assets 2010	% of Gross Assets 2009
<u>Listed investments</u>			
1,525,920.623 A shares in The Glanmore Property Fund Limited	23,338,956	86.13	99.93
241,651.484 B shares in The Glanmore Property Fund Limited	3,696,059	13.64	-
	<hr/>	<hr/>	<hr/>
Total value of investments	27,035,015	99.77	99.93
Other net assets	62,215	0.23	0.07
Net asset value	<hr/> <u>27,097,230</u>	<hr/> <u>100.00</u>	<hr/> <u>100.00</u>

SUMMARY OF MATERIAL PORTFOLIO CHANGES (unaudited)

For the year ended 31 March 2010

PURCHASES

£

59,245.545 A shares in The Glanmore Property Fund Limited	920,328
241,651.484 B shares in The Glanmore Property Fund Limited	2,791,075
Total purchases for the period	<hr/> <u>3,711,403</u>

SALES

403,597.612 A shares in The Glanmore Property Fund Limited	6,542,721
Total sales for the period	<hr/> <u>6,542,721</u>

CUSTODIAN'S RESPONSIBILITIES AND REPORT

Statement of Custodian's responsibilities in respect of the financial statements of the Fund

The Custodian shall be responsible for taking into its custody or under its control all the assets of The Glanmore Property Accumulation Fund Limited.

Report of the Custodian

We hereby state that in our opinion the Manager has managed The Glanmore Property Accumulation Fund Limited during the year ended 31 March 2010 in accordance with the provisions of (i) its principal documents, and (ii) the Collective Investment Schemes (Class B) Rules 1990 made under The Protection of Investors (Bailiwick of Guernsey) Law, 1987.

Northern Trust (Guernsey) Limited
27 September 2010

The Glanmore Property Accumulation Fund Limited

ADDITIONAL INFORMATION NOT FORMING PART OF THE
AUDITED FINANCIAL STATEMENTS (CONTINUED)
as at 31 March 2010

Portfolio Turnover Rate		
	2010	2009
	£	£
Additions and capital expenditure (Note 5)	3,711,403	3,052,208
Disposals of investments (Note 5)	(6,542,721)	-
TOTAL OF PROPERTY TRANSACTIONS	(2,831,318)	3,052,208
Issues of units	3,223,385	555,619
Redemptions of units	(6,472,721)	-
TOTAL OF VALUE OF TRANSACTIONS	(3,249,336)	555,619
AVERAGE OF TOTAL NET ASSETS	36,045,839	96,595,324
PORTFOLIO TURNOVER RATE	1.2%	2.6%
Average of total net assets represents the average of the net asset value of the Fund at valuation dates during the year.		

The Glanmore Property Accumulation Fund Limited

ADDITIONAL INFORMATION NOT FORMING PART OF THE
AUDITED FINANCIAL STATEMENTS (CONTINUED)

as at 31 March 2010

Total Expenses Ratio		
EXPENSES (Note 4)	2010	2009
	£	£
Other expenses		
Legal and professional fees	2,525	5,089
Audit fees	5,306	6,776
Statutory fees	1,038	1,892
License fees	2,873	2,830
Advertising and printing	4,332	-
Sundry expenses	794	1,467
TOTAL OPERATING EXPENSES	16,868	18,054
AVERAGE OF TOTAL NET ASSETS	36,045,839	96,595,324
TOTAL EXPENSES RATIO	0.05%	0.02%
Average of total net assets represents the average of the net asset value of the Fund at valuation dates during the year.		