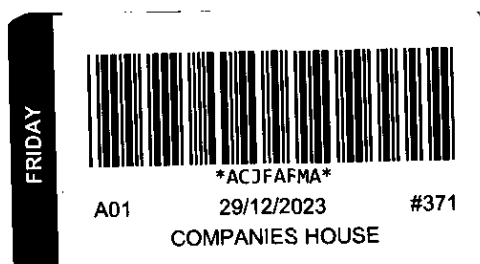


HSRE-Trinity JV I, LP

**Annual report and audited consolidated financial statements
for the year ended 31 December 2022**

Limited Partnership No: LP020600



HSRE-Trinity JV I, LP

Contents

	Page
Managers and advisors	2
General Partner's report	3
Independent Auditor's Report	5
Consolidated Statement of Financial Position	8
Partnership Statement of Financial Position	9
Consolidated Statement of Comprehensive Income	10
Partnership Statement of Comprehensive Income	11
Consolidated Statement of Net Assets attributable to Partners	12
Partnership Statement of Net Assets attributable to Partners	13
Consolidated Statement of Cash Flows	14
Partnership Statement of Cash Flows	15
Notes to the Consolidated Financial Statements	16

HSRE-Trinity JV I, LP

Managers and advisors

Administrator	Crestbridge UK Limited 8 Sackville Street London W1S 3DG United Kingdom	Investment manager	Trinity Investment Management Limited St Christopher's House 27 St Christopher's Place London W1U 1NZ United Kingdom
Legal advisers	DLA Piper UK LLP 160 Aldersgate Street London EC1A 4HT United Kingdom	Registrar	Registrar of Companies (England and Wales) Companies House Crown Way Cardiff CF14 3UZ United Kingdom
Bankers	Lloyds Bank plc 25 Gresham Street London EC2V 7HN United Kingdom	Asset manager	Trinity Investment Management Limited St Christopher's House 27 St Christopher's Place London W1U 1NZ United Kingdom
Independent auditors	Ernst & Young LLP Royal Chambers St. Julian's Avenue St Peter Port GY1 4AF Guernsey	Tax adviser	FTI Consulting LLP 200 Aldersgate London EC1A 4HD United Kingdom
Property valuers	Cushman & Wakefield 43/45 Portman Square London W1A 3BG United Kingdom		
General Partner	HSRE-Trinity General Partner Limited 8 Sackville Street London W1S 3DG United Kingdom		
Registered office	8 Sackville Street London W1S 3DG United Kingdom		
Partnership number	LP020600		

HSRE-Trinity JV I, LP

General Partner's report

HSRE-Trinity General Partner Limited (the "General Partner") presents its report and the audited consolidated financial statements (the "consolidated financial statements") of HSRE-Trinity JV I, LP (the "Partnership") for the year ended 31 December 2022. The group financial statements consolidate those of the Partnership and its subsidiaries which together are referred to as the "Group" as disclosed in Note 1 of the Financial Statements.

Establishment and principal activities

The Partnership was established in the England on 28 October 2019. The principal activity of the Group is investment in Science Parks throughout the United Kingdom.

Partners' interest

The Group's results for the year are included on page 10.

Going concern

The General Partner has made an assessment of the Group's ability to continue as a going concern, for at least 12 months from the signing date, and is satisfied that the Group has the resources available to continue in business for the foreseeable future. Furthermore the General Partner is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore the audited consolidated financial statements continue to be prepared on the going concern basis.

Statement as to disclosure of information to the auditor

The General Partner who was in office on the date of approval of these consolidated financial statements has confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. The General Partner has confirmed that they have taken all the steps that they ought to have taken as a General Partner in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Statement of General Partner's responsibilities

The General Partner is responsible for preparing the consolidated financial statements in accordance with the Limited Partnership Agreement ("LPA"). The LPA requires the General Partner to prepare consolidated financial statements for each financial year. Under that LPA, the General Partner is to prepare the consolidated financial statements in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 as applied to qualifying partnerships.

In preparing these consolidated financial statements, the General Partner is also 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 consolidated financial statements; and
- Prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

The General Partner is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the consolidated financial statements comply with the LPA. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Partner confirms that they have complied with the above requirements in preparing the consolidated financial statements.

HSRE-Trinity JV I, LP

Review of business

Life Sciences remains an asset class of significant growth and importance within the UK commercial real estate market, and within the wider UK economy itself.

The General Partner continues to monitor the macro and micro economic conditions within the UK, and wider prevailing economic global trends, to assess the impact on the Limited Partnership and its activities.

Through the provision of regular financial and asset reporting, the General Partner regularly reviews the performance of the Limited Partnership and ensures that it has sufficient resources to continue operating in line with its strategic objectives.

Given the ongoing uncertainty within both the UK and Global economies, the General Partner maintains regular robust financial and asset performance reporting.

Investment continues to be made in the underlying assets, to ensure that that assets are in line with market standards and remain competitive within the Life Sciences sector.

The General Partner has appointed a Property Manager with specific expertise within the Life Sciences sector, to ensure that the advice received is appropriate for the asset class. The Property Manager provides regular reporting to the Board of the General Partner on its performance.

The General Partner also receives recommendations from its appointed Investment Advisor, who provide strategic investment advice and monitoring of the performance of the underlying assets.

There were no dividends declared during the period.

Subsidiaries of the Limited Partnership have entered into external debt financing arrangements, in line with its strategic objectives and business plan regarding funding.

BioCity HSRE-Trinity Propco Limited is party to a facility agreement with Starwood European Finance Partners Limited.

AG Science Parks B.V. is party to a facility agreement with Lloyds Bank PLC.

The borrowing entities continue to meet the covenant criteria as set out in within the respective facility agreements, the General Partner continues to monitor the covenant obligations and its subsidiaries satisfaction of these obligations. The General Partner believes the ratio of liability to equity to be proportionate to the business activity of the Limited Partnership, and the funds generated from these activities.

As far as the Directors are aware, the Company does not have any resources not recognised in the statement of financial position in accordance with IFRS.

Capital management

Details of the capital management are disclosed in note 13d.

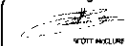
Independent auditors

The independent auditors, Ernst & Young LLP, have indicated their willingness to continue in office, and a resolution that they will be reappointed will be proposed at a general meeting.

Statement of subsidiary exemption under section 479a of the Companies Act

Under section 479a of the Companies Act 2006, the Group subsidiaries are exempt from the requirements of the Act relating to the audit of individual Financial Statements. Details of the subsidiaries are disclosed in note 2d.

DocuSigned by:



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Director of the General Partner

Date: 22 December 2023

Registered office:

8 Sackville Street

London

W1S 3DG

HSRE-Trinity JV I, LP

Independent Auditor's Report to the partners of HSRE-Trinity JV I, LP

Opinion

We have audited the financial statements of HSRE-Trinity JV I, LP (the 'Partnership') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated and Partnership Statement of Financial Position, the Consolidated and Partnership Statement of Comprehensive Income, the Consolidated and Partnership Statement of Net Assets attributable to partners, the Consolidated and Partnership Statement of Cash Flows and the related notes 1 to 16, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006 as applied to qualifying partnerships.

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the group and the qualifying partnership's affairs as at 31 December 2022 and of the group's loss and the qualifying partnership's profit for the year then ended;
- ▶ have been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006; and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships.

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 below. We are independent of the qualifying partnership 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, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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 qualifying partnership's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the qualifying partnership's ability to continue as a going concern.

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 members 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 this report, we do not express any form of assurance conclusion thereon.

HSRE-Trinity JV I, LP

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 there is 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

In our opinion, based on the work undertaken in the course of the audit:

- ▶ the information given in the members' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- ▶ the members' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we have identified no material misstatements in the members' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to qualifying partnerships requires us to report to you if, in our opinion:

- ▶ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ▶ the financial statements are not in agreement with the accounting records and returns; or
- ▶ certain disclosures of members' remuneration specified by law are not made; or
- ▶ we have not received all the information and explanations we require for our audit; or

Responsibilities of members

As explained more fully in the Members' Responsibilities Statement set out on page 4, the members 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 members 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 members are responsible for assessing the partnership'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 members either intend to liquidate the partnership 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

HSRE-Trinity JV I, LP

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the qualifying partnership and management.

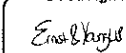
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (International Accounting Standards in conformity with the requirements of the Companies Act 2006 as applied to qualifying partnerships and relevant tax compliance regulations).
- We understood how HSRE-Trinity JV I LP is complying with those frameworks by making enquiries to the Directors of the General Partner. We corroborated our understanding through review of minutes.
- We assessed the susceptibility of the Partnership's financial statements to material misstatement, including how fraud might occur by meeting with the Directors of the General Partner and management to understand where they considered there was susceptibility to fraud. We considered the controls that the Partnership has established to address risks identified, or that otherwise prevent deter and detect fraud, and how the Directors of the General Partner monitor these controls.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved the review of minutes of meetings of the Board of Directors; making inquiries of those charged with governance; and performance of journal entry testing based on our risk assessment and understanding of the business, with a focus on non-standard journals and those relating to areas with an identified associated fraud risk, as described above.

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

Use of our report

This report is made solely to the qualifying partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships. Our audit work has been undertaken so that we might state to the qualifying partnership'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 qualifying partnership's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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Ove Toennes Svejstrup (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Guernsey, Channel Islands

Date: 22 December 2023

HSRE-Trinity JV I, LP

Consolidated Statement of Financial Position

As at 31 December 2022

		Consolidated At	
	31 December 2022	31 December 2021	
	£	£	Notes
ASSETS			
Non-current assets			
Investment properties	4 302,502,678	289,002,678	
Interest rate cap	12 13,165,936	3,651,114	
Investment acquisition costs	697,322	697,322	
Investment in associate	5 149,003	149,003	
	<u>316,514,939</u>	<u>293,500,117</u>	
Current assets			
Trade and other receivables	6 13,958,087	13,704,435	
Cash and cash equivalents	<u>15,660,375</u>	<u>8,047,089</u>	
	<u>29,618,462</u>	<u>21,751,524</u>	
TOTAL ASSETS	<u>346,133,401</u>	<u>315,251,641</u>	
LIABILITIES			
Non-current liabilities			
Borrowings	7 154,488,898	151,045,211	
Deferred tax liabilities	11 4,759,536	9,065,731	
	<u>159,248,434</u>	<u>160,110,942</u>	
Current liabilities			
Current tax payable	11 1,606,478	1,022,341	
Trade and other payables	8 26,583,489	18,563,236	
Interest payable on borrowings	7 1,616,511	1,311,274	
	<u>29,806,478</u>	<u>20,896,851</u>	
TOTAL LIABILITIES	<u>189,054,912</u>	<u>181,007,793</u>	
Partners capital	137,494,317	105,661,582	
Retained earnings	<u>19,584,172</u>	<u>28,582,266</u>	
Total partners' funds	<u>157,078,489</u>	<u>134,243,848</u>	
TOTAL LIABILITIES AND PARTNERS' FUNDS	<u>346,133,401</u>	<u>315,251,641</u>	

The consolidated financial statements on pages 8 to 37 were approved and authorised for issue by the Directors of the General Partner on 22 December 2023 and were signed on its behalf by:

DocuSigned by:



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Signed on behalf of the General Partner

Director

The notes on pages 16 to 37 are an integral part of these consolidated financial statements

HSRE-Trinity JV I, LP

Partnership Statement of Financial Position

As at 31 December 2022

		Partnership At	
	Notes	31 December 2022 £	31 December 2021 £
ASSETS			
Non-current assets			
Investment properties	4	3,413,844	-
Investment in associate	5	149,003	149,003
Interest in subsidiaries	5	13,239,427	13,239,427
Acquisition costs		<u>14,110,197</u>	<u>14,110,197</u>
		<u>30,912,471</u>	<u>27,498,627</u>
Current assets			
Trade and other receivables	6	112,476,501	81,025,067
Cash and cash equivalents		<u>166,307</u>	<u>125,379</u>
		<u>112,642,808</u>	<u>81,150,446</u>
Total assets		<u>143,555,279</u>	<u>108,649,073</u>
LIABILITIES			
Non-current liabilities			
		-	-
Current liabilities			
Trade and other payables	8	-	-
Total liabilities		-	-
PARTNERS' FUNDS			
Capital and reserves attributable to partners			
Partners capital		137,494,317	105,661,582
Retained earnings		<u>6,060,962</u>	<u>2,987,491</u>
		<u>143,555,279</u>	<u>108,649,073</u>
Total partners' funds		<u>143,555,279</u>	<u>108,649,073</u>
Total partners' funds and liabilities		<u>143,555,279</u>	<u>108,649,073</u>

The financial statements on pages 8 to 37 were approved and authorised for issue by the general partner on 22 December 2023 and were signed on its behalf by:

The notes on pages 16 to 37 are an integral part of these consolidated financial statements

HSRE-Trinity JV I, LP
Consolidated Statement of Comprehensive Income

For the year ended 31 December 2022

		Consolidated	
		Year ended 31	Year ended 31
		December	December
		2022	2021
	Notes	£	£
Income			
Rental income	9	26,936,449	23,566,898
Other income	9	411,882	1,974,853
Foreign exchange gain		<u>(42)</u>	<u>352</u>
		<u>27,348,289</u>	<u>25,542,103</u>
Expenses			
Administration expenses		(747,341)	(694,087)
Legal and professional fees		(1,933,698)	(1,904,744)
Legal and professional - new leases		(245,050)	(100,165)
Advertising and marketing		(167,697)	174,725
Non-recoverable insurance		(400,306)	18,715
Non recoverable - service charge costs	10	(10,186,826)	(6,445,859)
Non recoverable rates		(1,063,600)	(1,336,128)
Asset management fees		(1,605,626)	(1,206,805)
Rent expense		(1,684,958)	(1,076,370)
Repairs and maintenance		(364,289)	(5,340)
Bad debt write-off		(123,524)	(34,198)
Tax penalties & interest		(8,546)	(3,470)
Bank charges		<u>(129,025)</u>	<u>(3,412)</u>
		<u>(18,660,486)</u>	<u>(12,617,138)</u>
Fair value adjustment on investment properties	4	(20,590,521)	19,997,068
Finance costs - net			
Bank loan - interest	7	(5,253,634)	(3,745,888)
Amortised finance costs		(1,409,701)	(772,596)
Mezzanine loan interest	7	(2,764,135)	(2,454,073)
Interest rate cap movement	12	<u>9,567,836</u>	<u>2,886,949</u>
		<u>140,366</u>	<u>(4,085,608)</u>
(Loss)/profit before income tax		(11,762,352)	28,836,425
Income tax charge - current	11	(1,541,940)	(1,126,733)
Income tax credit/(charge) - deferred	11	<u>4,306,196</u>	<u>(6,513,098)</u>
Total loss and comprehensive (loss)/profit for the year		<u>(8,998,096)</u>	<u>21,196,594</u>

There is no other comprehensive income, as defined by IAS1: 'Presentation of Financial Statements'. All items relate to continuing operations.

The notes on pages 16 to 37 are an integral part of these consolidated financial statements

HSRE-Trinity JV I, LP

Partnership Statement of Comprehensive Income

For the year ended 31 December 2022

	Partnership	
	Year ended 31 December 2022	Year ended 31 December 2021
Notes	£	£
Income		
Other income	<u>3,261,029</u>	<u>3,283,996</u>
Expenses		
Administration expenses	(44,707)	(36,698)
Legal and professional fees	(18,493)	(467,896)
Bank charges	<u>(124,358)</u>	<u>(210)</u>
Profit before tax	<u>3,073,471</u>	<u>2,779,192</u>
Total profit and comprehensive income for the year	<u>3,073,471</u>	<u>2,779,192</u>

There is no other comprehensive income, as defined by IAS1: 'Presentation of Financial Statements'. All items relate to continuing operations.

HSRE-Trinity JV I, LP

Consolidated Statement of Net Assets attributable to Partners

For the year ended 31 December 2022

	Issued capital £	Retained earnings £	Total £
Balance at 01 January 2021	76,987,993	7,385,672	84,373,665
Profit for the year attributable to partners	-	21,196,594	21,196,594
Total comprehensive income for the yearended 31 December 2021	-	21,196,594	21,196,594
Issue of partners capital	1,000	-	1,000
Issue of partners capital	28,672,589	-	28,672,589
	28,673,589	-	28,673,589
Balance at 31 December 2021	105,661,582	28,582,266	134,243,848
	Issued capital £	Retained earnings £	Total £
Balance at 01 January 2022	105,661,582	28,582,266	134,243,848
Loss for the year attributable to partners	-	(8,998,096)	(8,998,096)
Total comprehensive income for the year ended 31 December 2022	-	(8,998,096)	(8,998,096)
Issue of partners capital	31,832,735	-	31,832,735
Other movement	-	2	2
Balance at 31 December 2022	137,494,317	19,584,172	157,078,489

The notes on pages 16 to 37 are an integral part of these consolidated financial statements

Consolidated Statement of Net Assets attributable to Partners (continued)

HSRE-Trinity JV I, LP

Partnership Statement of Net Assets attributable to Partners

For the year ended 31 December 2022

	Issued capital £	Retained earnings £	Total £
Balance at 01 January 2021	<u>76,987,993</u>	<u>208,299</u>	<u>77,196,292</u>
Profit for the year attributable to partners	-	2,779,192	2,779,192
Issue of partners capital	<u>28,673,589</u>	-	<u>28,673,589</u>
	<u>28,673,589</u>	-	<u>28,673,589</u>
Balance at 31 December 2021	<u>105,661,582</u>	<u>2,987,491</u>	<u>108,649,073</u>
	Issued capital £	Retained earnings £	Total £
Balance at 01 January 2022	<u>105,661,582</u>	<u>2,987,491</u>	<u>108,649,073</u>
Profit for the year attributable to partners	-	3,073,471	3,073,471
Issue of partners capital	<u>31,832,735</u>	-	<u>31,832,735</u>
	<u>31,832,735</u>	-	<u>31,832,735</u>
Balance at 31 December 2022	<u>137,494,317</u>	<u>6,060,962</u>	<u>143,555,279</u>

The notes on pages 16 to 37 are an integral part of these consolidated financial statements

HSRE-Trinity JV I, LP
Consolidated Statement of Cash Flows

For the year ended 31 December 2022

		Consolidated	
		Year ended 31	Year ended 31
		December	December
		2022	2021
Cash flows from operating activities	Notes	£	£
(Loss)/profit before income tax		(11,762,352)	28,836,425
Adjustments for:			
(Increase)/decrease in fair value of investment properties	4	20,590,521	(19,997,068)
Amortised financed costs		1,409,701	772,596
Bank loan - interest		5,253,634	3,745,888
Mezzanine loan interest		2,764,135	2,454,073
Interest rate cap movement		(9,567,836)	(3,251,632)
Changes in working capital:			
(Increase)/Decrease in receivables		(253,654)	(2,767,090)
Increase/(Decrease) in payables		8,020,253	6,312,732
Cash flows from operating activities		16,454,402	16,105,924
Income tax (paid)/recovery	11	(957,802)	(526,928)
Net cash generated from operating activities		15,496,600	15,578,996
Cash flows from investing activities			
Acquisition of investment property		-	(64,488,536)
Capital expenditure		(34,090,421)	(7,064,396)
Net cash generated from investing activities		(34,090,421)	(71,552,932)
Cash flows from financing activities			
Proceeds from bank loans	7	2,200,000	32,150,000
Proceeds from Mezzanine loans	7	-	2,300,000
Loan interest paid		(7,825,628)	(5,072,324)
Partners drawdowns		31,832,735	28,673,588
Arrangement fees		-	(1,277,427)
Net cash generated from financing activities		26,207,107	56,773,837
Net increase in cash and cash equivalents		7,613,286	799,901
Cash and cash equivalents at the beginning of the year		8,047,089	7,247,188
Cash and cash equivalents at end of year		15,660,375	8,047,089

The notes on pages 16 to 37 are an integral part of these consolidated financial statements

Consolidated Statement of Cash Flows (continued)

For the year ended 31 December 2022

HSRE-Trinity JV I, LP

Partnership Statement of Cash Flows

For the year ended 31 December 2022

		Parent	
		Year ended 31	Year ended 31
		December	December
		2022	2021
	Notes	£	£
Cash flows from operating activities			
Profit before income tax		3,073,471	2,779,192
Adjustments for:			
Changes in working capital:			
(Decrease)/Increase in receivables		<u>(44,012)</u>	<u>(594,395)</u>
Cash generated from operations		<u>3,029,459</u>	<u>2,184,797</u>
Net cash generated from operating activities		<u>3,029,459</u>	<u>2,184,797</u>
Cash flows from investing activities			
Acquisition of subsidiaries and associates		-	(30,733,006)
Change in related parties receivables		<u>(31,407,422)</u>	-
Purchase of investment property	4	<u>(3,413,844)</u>	-
Net cash generated from investing activities		<u>(34,821,266)</u>	<u>(30,733,006)</u>
Cash flows from financing activities			
Partners drawdown		-	-
Partners drawdowns		<u>31,832,735</u>	<u>28,673,588</u>
Net cash inflow/(outflow) from financing activities		<u>31,832,735</u>	<u>28,673,588</u>
Net increase in cash and cash equivalents		40,928	125,379
Cash and cash equivalents at the beginning of the year		<u>125,379</u>	-
Cash and cash equivalents at end of year		<u>166,307</u>	<u>125,379</u>

The notes on pages 16 to 37 are an integral part of these consolidated financial statements

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022

1 General information

HSRE-Trinity JV I, LP (the "Partnership") is a limited partnership whose principal place of business is 8 Sackville Street, London, W15 3DG and was incorporated as a limited partnership in England on 28 October 2019. The group financial statements consolidate those of the Partnership and its subsidiaries which together are referred to as the "Group". The principal activity of the Group is investment in Science Parks throughout the United Kingdom.

These consolidated financial statements have been approved for issue by the Board of Directors of the General Partner on 22 December 2023.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

(a) Basis of preparation

Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Accounting Standards in conformity with the requirements of the Companies Act 2006 as applied to qualifying partnerships.

Certain comparative information has been reclassified to be aligned with change in presentation in the current financial year.

Going Concern

The General Partner has made an assessment of the Group's ability to continue as a going concern, for at least 12 months from the signing date, and is satisfied that the Group has the resources available to continue in business for the foreseeable future. Furthermore the General Partner is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore the audited financial statements continue to be prepared on the going concern basis.

Consolidated Statement of Comprehensive Income

The Group has elected to present a Consolidated Statement of Comprehensive Income and presents its expenses by nature.

Consolidated Statement of Comprehensive Cash Flows

The Group reports cash flows from operating activities using the indirect method. Interest received is presented within investing activities cash flows; interest paid is presented within financing cash flows.

Preparation of the consolidated financial statements

The consolidated financial statements are prepared on a going concern basis, under the historical cost convention, except for the following:

- certain financial assets and liabilities (including derivative instruments - see note 12); certain classes of property, plant and equipment and investment property (see note 4) - measured at fair value; and
- assets held for sale - measured at fair value less costs to sell.

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

2 Summary of significant accounting policies (continued)

(b) New accounting standards and interpretations

(i) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual report period commencing 1 January 2022:

- IFRS 3 Business Combinations (Amendment - Definition of Business);
- Annual Improvements to IFRS: 2018-2020 Cycle;
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment - Onerous Contracts - Cost of Fulfilling a Contract);
- IAS 16 Property, Plant and Equipment (Amendment - Proceeds before Intended Use); and
- Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS16.

The amendments noted above do not have a significant impact on the Company's Financial Statements.

At the date of authorisation of these Financial Statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

- IFRS 17 Insurance Contracts;
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current;
- Amendments to IAS 8: Definition of Accounting Estimates;
- Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies;
- Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- IFRS 10 and IAS 28 (amendments) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture; and
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2022 that have a material effect on the consolidated financial statements of the Group.

(ii) New standards and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2022, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group.

(c) Foreign currency translation

(i) Functional and presentation currency

The functional currency of the Group is Pound Sterling ("£"), which is the currency of the primary economic environment in which the Group operates. The reporting currency of the Group for accounting purposes is also Pound Sterling.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

HSRE-Trinity JV I, LP**Notes to the Consolidated Financial Statements**

For the year ended 31 December 2022 (continued)

2 Summary of significant accounting policies (continued)**(d) Principles of consolidation***(i) Subsidiaries*

Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases. When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

The consolidated financial statements comprise the financial statements of the Partnership and the following subsidiaries:

	Registered office	Holding 2022 %	Holding 2021 %
HSRE-Trinity Frontier Holdco Limited	United Kingdom	100	100
HSRE-Trinity Kent Land Holdco Limited	United Kingdom	100	100
Frontier Senior Lender Holdco Limited	United Kingdom	100	100
Frontier Senior Lender Midco Limited	United Kingdom	100	100
AG Colworth BV	United Kingdom	100	100
AG Science Parks BV	United Kingdom	100	100
AG Technopole BV	United Kingdom	100	100
AG Hexagon BV	United Kingdom	100	100
AG Wilton BV	United Kingdom	100	100
AG Kent BV	United Kingdom	100	100
Kent Holdings BV	United Kingdom	100	100
AG Kent Holding BV	United Kingdom	12.5	12.5
HSRE-Trinity Cardiff Edge Limited	United Kingdom	100	100
HSRE-Trinity Cardiff Edge Land Limited	United Kingdom	100	100
BioCity HSRE - Trinity HoldCo Limited	United Kingdom	100	100
BioCity HSRE - Trinity PropCo Limited	United Kingdom	100	100
BioCity HSRE - Trinity Nottingham Triangle Limited	United Kingdom	100	100

The registered office of the subsidiaries is 8 Sackville Street, London, W1S 3DG.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date control ceases.

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

Intercompany transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated, except where there are indications of impairment. All Group subsidiaries have a reporting period ending on 31 December.

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

2 Summary of significant accounting policies (continued)**(d) Principles of consolidation (continued)**

The Partnership's investments in subsidiaries are all entities over which the Partnership has control either by majority of shares or voting rights. Investments in subsidiaries are accounted for at cost less provision for any impairment in carrying value. At each reporting date, a review is undertaken to determine whether there is any indication of impairment. An impairment loss is recognised if the carrying value of an asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In the Partnership's own financial statements, the investment in the subsidiary is measured at cost less any impairment.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see below), after initially being recognised at cost.

(iii) Accounting for business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary that meets the definition of a business is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values as at the acquisition date. Acquisition related costs are expensed as incurred.

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. No goodwill has arisen in the year.

For acquisition of a subsidiary not meeting the definition of a business, the Group allocates the cost between the individual identifiable assets and liabilities in the Group based on their relative fair values at the date of acquisition. Such transactions or events do not give rise to goodwill.

(e) Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group, are classified as investment properties. The investment properties are initially measured at cost and include the cost of acquisition and related transaction costs. After initial recognition, the investment properties are measured at fair value in accordance with IAS 40 with movements in value recognised as gains or losses in the Consolidated Statement of Comprehensive Income. The Group's preferred valuation methodology is the income capitalisation approach.

The internal property valuations are subject to review at least once a year by an independent external valuer having appropriate professional qualifications. As part of this review process, the external valuers and management reach concurrence on all significant valuation assumptions and the fair value conclusions. The last report was for the valuation carried out as at 31 December 2022.

The fair value of investment properties reflects, amongst other things, rental income from current leases and other assumptions market participants would make when pricing the properties under current market conditions.

Subsequent expenditure is included in the carrying amount of the properties when it is probable that the future economic benefit associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. Leasing costs are capitalised within investment properties and are amortised on a systematic basis over the term of the lease.

Investment properties are derecognised when they have been disposed of. Where the Group disposes of properties at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the income statement within net gain from fair value adjustment on investment properties.

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

2 Summary of significant accounting policies (continued)**(f) Cash and cash equivalents**

Cash and cash equivalents include cash at bank balances.

(g) Financial instruments

Financial assets and liabilities are recognised when the Group first becomes a party to the contractual rights and obligations in the contract. Financial assets and liabilities are recognised initially at fair value, plus or minus, in the case of financial asset and liabilities carried at amortised cost, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit and loss are expensed. Trade receivables that do not contain a significant financing component, as defined by IFRS 15, are measured at the transaction price. Subsequent measurement depends on the initial classification of the financial asset or financial liability.

The classification of financial assets depends on the entity's business model in which the assets are managed and the contractual cash flow characteristics of the asset. Financial assets are classified and subsequently measured based on three categories: (i) amortised cost (ii) fair value through other comprehensive income (FVOCI) with fair value gains or losses recycled to net income on de-recognition or (iii) fair value through profit and loss (FVTPL). Financial assets are recorded at amortised cost only when financial assets are held with the objective of collecting contractual cash flows and those cash flows represent solely payments of principal and interest (SPPI) and are not designated as FVTPL. The Group does not hold any financial assets that are classified as FVOCI. Financial assets carried at amortised cost include cash and cash equivalents and trade and other receivables. The Group's derivative financial instruments are classified as FVTPL.

Financial liabilities are classified and subsequently measured at amortised cost, except for those that are derivative financial instruments or financial liabilities that are held for trading which are classified as FVTPL. The FVTPL option can also be irrevocably elected at initial recognition of financial liabilities, if it eliminates or significantly reduces an accounting mismatch, the financial liability is part of a portfolio that is managed and evaluated on a fair value basis, in accordance with a documented risk management or investment strategy or there is an embedded derivative in the financial or non-financial host contract and the derivative is not closely related to the host contract. Financial liabilities carried at amortised cost include trade and other payables and borrowings.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or the Group transfers substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

Financial assets and liabilities are classified as current assets and current liabilities if payment is due within 12 months, otherwise they are presented as non-current assets and liabilities.

Interest income and expense are recognised in the Consolidated Statement of Comprehensive Income using the effective interest method, except for borrowing costs relating to qualifying assets, which are capitalised as part of the cost of that asset. The Group has chosen to capitalise borrowing costs on all qualifying assets irrespective of whether or not they are measured at fair value.

Impairment of financial assets

At each reporting date, the Group assesses each financial asset measured at amortised cost for impairment using the expected credit loss ("ECL") model.

The impairment loss for trade and other receivables is determined using the simplified ECL model which calculates an impairment loss based on lifetime ECLs. ECLs are based on the difference in cash flows the Group expects to receive and the contractual cash flows due in accordance with the contract, discounted using the asset's original effective interest rate. In determining ECLs, the Group considers its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group regularly monitors trade receivables and immediately recognises a bad debt provision in respect of a specific debt when the Group determines the recoverability of that debt is uncertain. The Group has adopted the expected credit losses simplified approach and these expected credit losses are reviewed on a forward-looking basis.

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

2 Summary of significant accounting policies (continued)

(h) Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. This policy is applied to contracts entered into or changed on or after 28 October 2019.

The Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected to account for the lease and non-lease components as a single lease component.

(i) As lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs incurred and restoration costs less any lease incentives received. Right-of-use assets that meet the definition of investment property are accounted for under IAS 40, Investment property, and are carried at fair value.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the following payments: fixed payments, including in-substance fixed payments less any lease incentives receivable; variable lease payments that depend on an index or a rate; amounts expected to be payable under a residual value guarantee; the exercise price under a purchase option if the lessee is reasonably certain to exercise; payments in an optional renewal period if the lessee is reasonably certain to exercise; and penalties for early termination of a lease if the lease term reflects the Group exercising the option. Variable lease payments that do not depend on an index or a rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the Consolidated Statement of Comprehensive Income if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense over the lease term.

(ii) As lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

A lease is considered to be modified where there is a change in the scope of the lease, or the consideration for the lease, that was not part of the original terms and conditions of the agreement. A lessor shall account for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease, including any unamortized lease incentives. Initial direct costs pertaining to the original lease are written off, and any incremental initial direct costs associated with the modification are capitalized as part of the new lease.

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

2 Summary of significant accounting policies (continued)

(i) Partners' capital accounts

Partners' capital contributed by the Partners is classified as a liability and is recorded at the amount due and recognised on the date upon which such monies are called. Repayment of Partners' capital is recorded at the amount due and is recognised on the date when the repayment has been declared.

As at 31 December 2022, the Partnership has no undrawn capital commitments (2021: £nil)

(j) Revenue recognition

Rental income includes rental income earned from tenants under operating leases.

The Group's rental revenue is generated through leases, which provide tenants a right to use the underlying asset and require the Group to provide common area maintenance and other services. The Group exercises judgment in determining which of its revenue streams that arise from lease agreements are in the scope of IFRS 15 and which are not. Specifically, the Group considers whether a revenue stream related to a lease agreement is for the lease of an asset ("lease component") or is for the provision of a distinct service ("non-lease component"). Base rents and recoveries for insurance and operating costs that are not incurred in connection with tenant services are allocated to the lease component and accounted for pursuant to IFRS 16, Leases, while recoveries for operating costs incurred in connection with tenant services, such as common area maintenance recoveries and other administrative recoveries, are considered to be non-lease components and accounted for within the scope of IFRS 15.

Revenue from base rents is recognised on a straight-line basis over the lease term and is net of amortisation of lease incentives provided to tenants. Lease incentives are accounted for in accordance with IFRS 16 over the lease term as an adjustment to rental income. Lease cancellation fees are recorded prospectively in rental revenue over the revised lease term when the tenant forgoes the contractual or other legal rights associated with the use of the leased premises.

Recoveries of operating costs for lease components are recognised in the period in which the related operating costs are incurred and recoverable under the lease agreement. Revenue from services rendered to tenants are recognised as the performance obligations are satisfied over time as they are provided during the period of occupancy and only to the extent that it is highly probable that a significant amount of the cumulative revenue recognised for a contract will not be reversed.

Revenue within the scope of IFRS 15 is measured at the best estimate of the consideration to which the Group expects to receive in exchange for performing the services to a customer. Operating cost recoveries are measured based on the actual cost incurred to fulfil the services in the year.

Sundry income consists primarily of dilapidations income and surrender premium which is recorded when the tenant vacates the space.

(i) Principal versus agent considerations - services to tenants

The Group arranges for certain services provided to tenants of investment property included in the contract the Group enters into a lessor, to be provided by third parties. The Group has determined that it controls the services before they are transferred to tenants, because it has the ability to direct the use of these services and obtain the benefits from them. In making this determination, the Group has considered that it is primarily responsible for fulfilling the promise to provide these specified services because it directly deals with tenants' complaints and it is primarily responsible for the quality or suitability of the services. In addition, the Group has discretion in establishing the price that it charges to the tenants for the specified services.

Therefore, the Group has concluded that it is the principal in these contracts. In addition, the Group has concluded that it transfers control of these services over time, as services are rendered by the third-party services providers, because this is when tenants receive and, at the same time, consume the benefits from these services.

(k) Income and deferred tax

The burden of taxation from any results of the Partnership is borne by the individual partners. Income tax expense comprises current and deferred income tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in equity, in which case the tax is recognised in equity.

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

2 Summary of significant accounting policies (continued)

(k) Income and deferred tax (continued)

Any Partner liable to tax on its participation in the Partnership is responsible for settling their liabilities independently of the Partnership.

Current tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates and tax laws that have been enacted or substantially enacted at the end of the reporting period. Current tax for current and prior year, to the extent unpaid, is recognised as a liability.

Deferred tax:

Deferred income tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of the assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i. Where the deferred tax liability arises from initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- ii. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unused tax credits and unused tax losses can be utilised, except:

- i. Where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor the taxable profit or loss; and
- ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at the end of the reporting period and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable the future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which they are realised based on tax rates and tax laws that have been enacted or substantially enacted at the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entry and the same taxation authority.

The Fund measures deferred tax liabilities for investment properties measured at fair value by applying the consequence of recovering the economic benefits of the investment properties entirely through sale, unless the presumption can be rebutted.

Please refer to note 11 for further details of the Group's taxation status.

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

3 Critical accounting estimates, judgements and assumptions

The preparation of consolidated financial statements in accordance with the basis of accounting disclosed in (note 2), requires the General Partner to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Although these estimates are based on the General Partner's best knowledge of the events and amounts involved, actual results ultimately may differ from those estimates.

The General Partner has made various assumptions in the preparation of these consolidated financial statements including the valuation of investment properties at the period end as disclosed in (note 4).

Estimates

Fair value of investment properties

Investment properties are stated at fair value, which has been determined based on valuations performed by Cushman & Wakefield (the Valuation Advisor) in its capacity as an accredited independent valuer, as at 31 December 2022. Cushman & Wakefield has acquired significant expertise in valuing these types of investment properties.

The Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Transaction costs normally borne by the seller are not deducted prior to arriving at Market Value.

Fair value is derived by deduction of those costs normally borne by the purchaser from the Market Value.

The Valuation Adviser derives the Market Value by applying the methodology and valuation guidelines as set out in the practice statements of the current Royal Institution of Chartered Surveyors' (RICS) 'Valuation – Professional Standards' (the 'Red Book'), and the requirements of IAS 40.

The determined Market Value of the investment properties is most sensitive to the estimated yield as well as the long term vacancy rate.

The valuations of investment properties are based upon estimates and subjective judgements that may vary from the actual values and sales prices that may be realised by the Company upon ultimate disposal.

As at 31 December 2022, the Valuation Adviser has provided a Market Conditions disclosure. The wording used by the external valuer is quoted below:

Following the initial recovery of the economy from the pandemic, the UK is currently experiencing heightened uncertainty due to a number of factors.

The political turmoil observed in the UK in September compounded the impact being felt from the war in Ukraine as well as the continued Covid related issues in China with the corresponding impact on the pre-existing supply chain issues. These factors have added to inflationary pressures with annual inflation being at a 40 year high which is resulting in higher costs of living expenses as well as an expectation of further significant increases in the base rate

The cost of debt has risen and its availability reduced which together with the outward movement in gilt yields from historically low levels has weighed on investor sentiment and had an adverse impact on property values.

Economic commentators and the Rating Agencies are forecasting a decline in UK GDP with a recession widely predicted.

In recognition of the potential for market conditions to move rapidly in response to wider political and economic changes, we highlight the importance of the Valuation Date as it is important to understand the market context under which the valuation opinion was prepared. At this point we anticipate longer marketing periods being required to elicit bids.

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

4 Investment properties

The Group holds investment properties in the United Kingdom.

	31 December 2022 Freehold £	31 December 2022 Leasehold £	31 December 2022 Total £
Consolidated			
Fair value at the beginning of the year	184,440,525	104,562,153	289,002,678
Adjustments:	-	-	-
Acquisitions through subsidiaries other than business combinations	-	-	-
Capital expenditure	34,090,421	-	34,090,421
Unrealised gain/(loss) from fair value adjustments of investment properties	(20,590,521)	-	(20,590,521)
Leasing commissions	-	-	-
Lease incentives	-	-	-
Acquisition costs	-	-	-
Capital grants	-	-	-
Fair value at end of the year	<u>197,940,425</u>	<u>104,562,153</u>	<u>302,502,578</u>
	31 December 2021 Freehold £	31 December 2021 Leasehold £	31 December 2021 Total £
Consolidated			
Fair value at the beginning of the year	111,378,116	86,044,562	197,422,678
Adjustments:	1,676,697	1,368,851	3,045,548
Acquisitions through subsidiaries other than business combinations	61,927,833	-	61,927,833
Capital expenditure	3,490,171	3,574,225	7,064,396
Unrealised gain/(loss) from fair value adjustments of investment properties	4,093,086	13,585,759	17,678,845
Leasing commissions	(28,212)	-	(28,212)
Lease incentives	662,300	(11,244)	651,056
Acquisition costs	4,878,474	-	4,878,474
Capital grants	(3,637,940)	-	(3,637,940)
Fair value at end of the year	<u>184,440,525</u>	<u>104,562,153</u>	<u>289,002,678</u>

Dated 31 December 2022, a valuation of the properties (the "Property") was undertaken by an external independent appraiser who holds recognised relevant professional qualifications in accordance with requirements of the current RICS Valuation - Global Standards which incorporate the International Valuation Standards ("IVS") and the RICS Valuation UK National Supplement (the "RICS Red Book") edition at the Valuation Date. It follows that the valuations are compliant with "IVS". The directors believe that the best use of the investment properties at the year end date is £ 302,502,578. Further details in respect of the method that was used by the valuation team, as well as sensitivity analysis, are included in note 13.

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

4 Investment properties (continued)

	31 December 2022 Freehold £
Parent	
Market value at beginning of the year	-
Acquisitions	<u>3,413,844</u>
Market value at end of the year	<u>3,413,844</u>

5 Investment in subsidiaries and associates

Investment in associates

	Consolidated At		Parent At	
	31 December 2022 £	31 December 2021 £	31 December 2022 £	31 December 2021 £
Investment in AG Kent Holding BV	<u>149,003</u>	149,003	<u>149,003</u>	149,003
	<u>149,003</u>	149,003	<u>149,003</u>	149,003

AG Kent Holding BV is a subsidiary of HSRE-Trinity Kent Land Holdco Limited and AG Science Parks B.V.

The activity of the Company is to be part of a corporate group for the owning and operating of leased UK commercial real estate, being a portfolio of life sciences assets.

The principal place of business is 8 Sackville Street, London, United Kingdom, W1S 3DG. The Company was incorporated in the Netherlands and has been established as a UK branch.

Investment in subsidiaries

	Parent At	
	31 December 2022 £	31 December 2021 £
Investment in BioCity HSRE Trinity Holdco Limited	12,978,427	12,978,427
Investment in BioCity HSRE - Trinity Nottingham Triangle Limited	<u>261,000</u>	<u>261,000</u>
	<u>13,239,427</u>	<u>13,239,427</u>

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

6 Trade and other receivables

	Consolidated		Parent	
	At		At	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	£	£	£	£
Trade and other receivables				
Amounts due from tenants	3,103,495	4,926,976	-	-
Cash held with property manager	3,966,735	6,404,815	466,884	682,405
Prepayments	1,699,070	1,129,894	7,828	14,662
Other debtors	1,491,592	1,242,750	281,977	66,930
Related party receivable	-	-	62,106,894	33,913,954
Interest bearing loan to HSRE Trinity Frontier Holdco Limited	-	-	39,391,606	39,391,606
Interest receivable from HSRE Trinity Frontier Holdco Limited	-	-	10,216,539	6,955,510
Vat receivable	3,697,195	-	4,773	-
	<u>13,958,087</u>	<u>13,704,435</u>	<u>112,476,501</u>	<u>81,025,067</u>

The carrying value of trade and other receivables approximates fair value due to their relatively short maturity. Cash held by the property manager relates to amounts received in respect of services to tenants. These amounts are used to pay for such services as they fall due.

7 Borrowings

	Consolidated	
	At	
	31 December	31 December
	2022	2021
	£	£
Non-current		
Lloyds Bank plc	116,600,000	114,400,000
Mezzanine loan payable	20,800,000	20,800,000
Capitalised financing costs	(2,411,102)	(3,654,790)
Stafin Lux 4 S.a. r.l.	19,500,000	19,500,001
Total non-current borrowings	<u>154,488,898</u>	<u>151,045,211</u>

	Consolidated	
	At	
	31 December	31 December
	2022	2021
	£	£
Interest payable on borrowings		
Mezzanine loan interest payable	667,125	743,424
Bank loan interest payable	949,386	567,850
Total interest payable on borrowings	<u>1,616,511</u>	<u>1,311,274</u>

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

7 Borrowings (continued)

During the year, the Group accrued £2,764,135 (2021: £2,454,073) of interest on the Mezzanine loan, of which £667,125 (2021: £743,424) remains outstanding at year end.

During the year, the Group accrued £5,253,634 (2021: £3,745,888) of interest on its bank loan, of which £949,386 (2021: £567,850) remains outstanding at year end.

Related party loans					
Date of agreement	Lender	Repayment date	Interest rate per annum	31 December 2022 £	31 December 2021 £
18 Dec 2020	OCM Stem Holdings S.À.R.L.	30 April 2025	8.75% plus SONIA	20,800,000	20,800,000
21 Nov 2019	Lloyds Bank plc	30 April 2025	2.5% plus SONIA	116,600,000	114,400,000
17 April 2021	Starfin Lux 4 S.À.R.L.	17 April 2025	4.85% plus SONIA	19,500,000	19,500,000
	Capitalised finance costs - OCM Stem Holdings S.À.R.L.			(659,768)	(943,080)
	Capitalised finance costs - Lloyds Bank plc			(1,781,334)	(2,711,710)
				<u>154,458,898</u>	<u>151,045,210</u>

The fair value of bank borrowings approximated their carrying value at the date of the consolidated statement of financial position. The General Partner believes this to be the case as the interest rate charged on the loan is based on the market rate.

Undrawn facilities amount to £5,747,000 (2021: £5,747,000) on the OCM Stem Holdings S.À.R.L. facility and £7,060,715 (2021: £7,060,715) on the Starfin Lux 4 S.À.R.L. facility.

The disclosure above is for the consolidated accounts only. As the Partnership has no borrowings these have not been presented.

8 Trade and other payables

	Consolidated		Parent	
	At	At	At	At
	31 December 2022 £	31 December 2021 £	31 December 2022 £	31 December 2021 £
Trade payables	20,737,752	3,559,842	-	-
Accrued costs	1,914,437	6,066,302	-	-
VAT payable	-	1,124,152	-	-
Tenant deposits payable	519,388	1,005,652	-	-
Other creditors	245,713	4,009,913	-	-
Deferred income	3,166,199	2,797,375	-	-
	<u>26,583,489</u>	<u>18,563,236</u>	<u>-</u>	<u>-</u>

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

8 Trade and other payables (continued)

The trade payables includes £13,032,887 payable to a supplier against the capital expenditure of investment properties.

The carrying value of trade and other payables approximates fair value due to their relatively short maturity.

9 Income

	Consolidated At	
	31 December 2022	31 December 2021
	£	£
Rental income		
Rental income	26,799,193	22,915,842
Tenant incentives movement	<u>137,256</u>	<u>651,056</u>
	26,936,449	23,566,898
Other income		
Lease income	411,882	526,076
Service charge income	-	465,443
Distribution income	-	963,334
Profit share income	-	20,000
	411,882	1,974,853

10 Expenses

	Consolidated At	
	31 December 2022	31 December 2021
	£	£
Non recoverable - service charge costs	10,082,428	6,445,859
Service charge expenditure	<u>104,398</u>	<u>-</u>
	10,186,826	6,445,859

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

11 Tax

The Group was subject to UK Income tax at a rate of 19% on its profits.

	Consolidated Year ended 31 December 2022 £	Year ended 31 December 2021 £
Current income tax		
UK income tax on profit for the year	1,171,531	1,306,043
Adjustments in respect of prior years	<u>370,409</u>	<u>(179,310)</u>
	<u>1,541,940</u>	<u>1,126,733</u>
Deferred tax		
Current year (income) / expense	<u>(4,306,196)</u>	<u>6,513,098</u>
	<u>(4,306,196)</u>	<u>6,513,098</u>

Reconciliation of current tax charge:

The UK standard rate of corporation tax for the year is 19% (2021: 19%). The UK standard rate of corporation tax will be 25% from April 2023.

The actual tax charge for the current year differs from the standard rate for the reasons set out in the following reconciliation:

	Consolidated Year ended 31 December 2022 £	Year ended 31 December 2021 £
Profit before tax	(11,762,352)	28,836,425
Tax on profit on ordinary activities at standard rate of 19% (2021: 19%)	(2,234,847)	5,478,921
Partnership income taxable on the partners	-	-
Expenses not deductible for tax purposes	337,891	7,530,312
Non taxable receipts	-	(6,337,631)
Investment property revaluation	3,301,798	(4,504,320)
Interest rate cap and other movements	7,375	(554,541)
Adjustments in respect of prior years - current tax	370,409	(176,400)
Shareholder interest restricted	591,271	-
Capital allowances	<u>(831,957)</u>	<u>(309,608)</u>
Current income tax expense	<u>1,541,940</u>	<u>1,126,733</u>

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

11 Tax (continued)

	Consolidated At	
	31 December 2022	31 December 2021
	£	£
Deferred tax		
Deferred tax brought forward	9,065,731	2,552,633
Charge for the year	(4,306,195)	6,513,098
Deferred tax carried forward	<u>4,759,536</u>	<u>9,065,731</u>
	Consolidated At	
	31 December 2022	31 December 2021
	£	£
Deferred tax balance at year end		
Fair value movement in investment property	4,759,536	8,266,887
Fair value movement in derivatives	-	798,844
	<u>4,759,536</u>	<u>9,065,731</u>
	Consolidated At	
	31 December 2022	31 December 2021
	£	£
Current tax		
Tax liability brought forward	1,022,341	466,348
Current income tax expense for the year	1,171,531	1,126,733
Tax liability from acquired subsidiaries	-	-
Tax paid/(recovered) in the period	(957,803)	(526,928)
Prior year adjustment	<u>370,409</u>	<u>(43,812)</u>
Current tax liability at the end of the year	<u>1,606,478</u>	<u>1,022,341</u>

HSRE-Trinity JV I, LP**Notes to the Consolidated Financial Statements**

For the year ended 31 December 2022 (continued)

12 Derivative financial instrument

	Consolidated	
	At	
	31 December	31 December
	2022	2021
	£	£
Interest rate cap	<u>13,165,936</u>	<u>3,651,114</u>
	<u>13,165,936</u>	<u>3,651,114</u>

On 18 December 2020, the Group entered into interest rate cap agreements with Lloyd's Bank in respect of its bank loans. The maturity date of these transaction is 30 April 2025 and caps the interest at 0.25% from 18 December 2020 to 31 October 2022 and at 0.5% from 1 November 2022 until its maturity date.

The disclosure above is for the consolidated accounts only. As the Partnership holds no derivatives these have not been presented.

The interest rate cap has been restated in the 2022 consolidated accounts from current assets to non-current assets.

13 Financial risk management

The Group's activities expose it to a variety of financial risks: liquidity risk, credit risk and market risk (including foreign exchange risk, cash flow and interest rate risk and other price risk). The financial risks relate to the following financial instruments: trade and other receivables, cash and cash equivalents, trade and other payables, borrowings and derivative financial instruments. The accounting policies with respect to these financial instruments are described in (note 2). The Group's risk management policies employed to manage these risks are discussed below.

(a) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit bank facilities. The risk is monitored quarterly by the General Partner. The Group receives income quarterly from its property investment. Distributions to the partners are only made after review of forecasted cash flows which take into consideration income received, income receivable, future expenses and expenses paid.

HSRE-Trinity JV I, LP
Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

13 Financial risk management (continued)

A summary table with maturity of financial assets and liabilities presented below is used by key management personnel to manage liquidity risks:

Consolidated

As at 31 December 2022	Up to 1 year £	1 to 2 years £	3 to 5 years £	Total £
Assets				
Trade and other receivables	13,958,088	-	-	13,958,088
Cash and cash equivalents	15,660,375	-	-	15,660,375
	<u>29,618,463</u>	<u>-</u>	<u>-</u>	<u>29,618,463</u>
Liabilities				
Trade and other payables	26,583,489	-	-	26,583,489
Interest on borrowings	1,616,511	-	-	1,616,511
Borrowings	-	-	154,488,898	154,488,898
	<u>28,200,000</u>	<u>-</u>	<u>154,488,898</u>	<u>182,688,898</u>

Parent

As at 31 December 2022	Less than 1 year £	Between 1 and 2 years £	Between 2 and 5 years £	Total £
Assets				
Trade and other receivables	112,476,501	-	-	112,476,501
Cash and cash equivalents	166,307	-	-	166,307
	<u>112,642,808</u>	<u>-</u>	<u>-</u>	<u>112,642,808</u>

Liabilities

-	-	-	-
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Consolidated

As at 31 December 2021	Up to 1 year £	1 to 2 years £	3 to 5 years £	Total £
Assets				
Trade and other receivables	13,704,434	-	-	13,704,434
Cash and cash equivalents	8,047,089	-	-	8,047,089
Total	<u>21,751,523</u>	<u>-</u>	<u>-</u>	<u>21,751,523</u>

As at 31 December 2021	Up to 1 year £	1 to 2 years £	3 to 5 years £	Total £
Liabilities				
Trade and other payables	18,563,236	-	-	18,563,236
Interest on borrowings	1,311,274	-	-	1,311,274
Borrowings	-	-	151,045,211	151,045,210
	<u>19,874,510</u>	<u>-</u>	<u>151,045,211</u>	<u>170,919,720</u>

HSRE-Trinity JV I, LP**Notes to the Consolidated Financial Statements**

For the year ended 31 December 2022 (continued)

13 Financial risk management (continued)**Parent**

As at 31 December 2021	Up to 1 year	1 to 2 years	3 to 5 years	Total
	£	£	£	£
Assets				
Trade and other receivables	81,025,067	-	-	81,025,067
Cash and cash equivalents	125,379	-	-	125,379
Total	81,150,446	-	-	81,150,446

(b) Credit risk

Credit risk is the risk that a counter party will be unable to meet a commitment that it has entered into with the Group.

The General Partner mitigates any credit risk by leasing the properties to multiple high-credit-quality companies. As part of their risk management procedures, the General Partner monitors the watch list quarterly. Tenant collections are reviewed on a quarterly basis and tenants are placed on the watch list based on late rental payments or the requirement to place the tenants on an official payment plan. There were no tenants on the watch list as at 31 December 2022 and as at 31 December 2021 as well. A provision of £nil (2021: £nil) has also been recognised at 31 December 2022.

The table below outlines the maximum exposure to credit risk in the Group.

	Consolidated	
	At	
	31 December	31 December
	2022	2021
	£	£
Trade and other receivables	13,958,087	13,704,434
Cash and cash equivalents	15,660,375	8,047,089
	29,618,462	21,751,523

The Group's cash balances are held with the following entities and the General Partner monitors the credit rating of these entities on an ongoing basis.

	Credit rating	2022	2021
		£	£
Lloyds Bank plc	BBB+	15,660,375	8,047,089

There are no financial assets which are past due.

(c) Market risk

The Group's exposure to market risk is comprised of the following risks:

(i) Foreign Exchange risk

As at the year end, the Group is not exposed to material foreign exchange risk, as the majority of the Group's transactions are in Pound Sterling which is the Group's functional and presentation currency. It is also the Group's policy not to enter into any currency hedging transactions.

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

13 Financial risk management (continued)

(ii) Other price risk

The Group has leased the majority of the investment properties on a long term basis and is therefore not exposed to material fluctuations relating to properties' price and property rentals risk. The Group is not exposed to other price risk with respect to financial instruments as it does not hold any equity securities.

(iii) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. Trade receivables and payables are interest-free and have settlement dates within one year.

The Group's interest rate risk arises from long-term borrowings (note 7). Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group manages interest rate risk by entering into hedge transactions being interest rate cap transactions. These interest rate hedge agreements have a maturity date of April 2025 and have a notional amount of £152,920,715 materially covering 95% of the borrowing value. These caps manage the interest rate risk on variable rate instruments and therefore the Group is not materially exposed to fluctuations from an increase or decrease in interest rates and therefore no sensitivity analysis is required. There is a 9.10% commitment fees on undrawn amount.

(d) Capital risk management

The Partnership considers its capital to comprise contributions from Limited Partners and the Partnership's accumulated retained earnings. When managing capital, the General Partner's objectives are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, as disclosed in note 2. The General Partner aims to deliver these objectives by aiming to achieve consistent returns from its assets, maintaining sufficient liquidity to meet the expenses of the Group and monitoring the lending to achieve the most effective cost of capital.

HSRE-Trinity JV I, LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022 (continued)

13 Financial risk management (continued)

(e) Fair value estimation

IFRS 13 (Fair Value Measurement) and IFRS 7 (Financial Instruments Disclosure) require disclosure of fair value measurements to be categorised in one of three levels. The three levels are as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Group's assets and liabilities were classified as follows:

	Level 1 £	Level 2 £	Level 3 £	Total
As at 31 December 2022				
Investment properties	-	-	302,502,678	302,502,678
Investment acquisition costs	-	-	697,322	697,322
Investment in associates	-	-	149,003	149,003
Interest rate cap	-	13,165,936	-	13,165,936
Total assets	-	13,165,936	303,349,003	316,514,939
As at 31 December 2021				
Investment properties	-	-	289,002,678	289,002,678
Investment acquisition costs	-	-	697,322	697,322
Investment in associates	-	-	149,003	149,003
Interest rate cap	-	3,651,114	-	3,651,114
Total assets	-	3,651,114	289,849,003	293,500,117

There were no transfers between levels during the year.

A valuation of the properties (the "Property") was undertaken as at 31 December 2022 by an external independent professionally qualified valuer who holds recognised relevant professional qualifications.

Basis of Valuation:

Fair Value - as referred to in VPS4 item 7 of the RICS Red Book

- 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

Under IFRS 13, The Fair Value Hierarchy, the Property valued is designated as Level 3 inputs. Level 3 inputs have been designated as unobservable inputs. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or the liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that are reasonably available.

	Consolidated At	
	31 December 2022	31 December 2021
Net equivalent yield (%)	7.20	7.20
Nominal equivalent yield (%)	4.90	4.90

HSRE-Trinity JV I, LP**Notes to the Consolidated Financial Statements**

For the year ended 31 December 2022 (continued)

13 Financial risk management (continued)

The properties are valued using the income capitalisation method. The fair value of the investment properties is most sensitive to changes in the net equivalent yields. An increase in the net equivalent yield will result in a decrease to the fair value of the investment properties. Conversely, a decrease in the net equivalent yield will result in an increase to the fair value of the investment properties.

The Directors have assessed the effect of a change to the effective yield on the property valuation, this is presented below:

	Change in equivalent yield	Resulting valuation	
		At 31 December 2022	31 December 2021
	%	£	£
Consolidated			
	(0.25)	308,804,715	300,711,679
	0.25	296,200,446	279,490,815

14 Ultimate controlling party

The ultimate beneficial owner of the Partnership is HSEPP III Master Holdings, SLP.

The Directors of the General Partner believe that the Partnership is controlled by HSEPP III Master Holdings, SLP.

15 Related party transactions

R A O'Boyle, S McClure, B Rea and B Chittick are Directors of the General Partner and R A O'Boyle is a director of the asset manager, Trinity Investment Management Limited ("Trinity"). During the year, fees totaling £1,605,626 (2021: £853,573) were paid to Trinity, a company in which R A O'Boyle have a full beneficial interest, for providing asset management services to the Group of which £nil was outstanding at the year end. Included within trade and other receivables (note 6) is an amount of £87,281 (2021: £43,395) due from the General Partner.

At the year end, the Group has no employees (2021: none).

16 Events after the reporting year

There are no significant post balance sheet events.