

Fiera Real Estate
Long Income Fund UK

General Partner's Report and Financial Statements

For the year ended 31st March 2023



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General Partner's Report

The General Partner presents their General Partner's Report and financial statements for the year ended 31 March 2023.

The Limited Partnership (the "Partnership") was established on 23 March 2009 and registered as a limited partnership in England and Wales under the Limited Partnership Act 1907.

The Partnership is a qualifying partnership under the Partnership (Accounts) Regulations 2008 and therefore is required to prepare and have audited the annual report and financial statements as required for a Partnership by the Companies Act 2006.

Principal activities

The principal activity of the Partnership is that of conducting property investments via special purposes vehicles.

Business overview

The Fiera Real Estate Long Income Fund was launched in August 2009 and registered as a limited partnership in England and Wales under the Limited Partnership Act 1907. The General Partner, FRELIF (General Partner) Limited, is responsible for the management decisions and business affairs of the partnership.

Fiera Real Estate Long Income Fund (UK) Limited Partnership was a five-year closed ended Limited Partnership seeking to acquire commercial property investments throughout the UK, for income and capital appreciation over this period of its life. On 12 February 2016, the entity converted to an open-ended vehicle.

During the financial year, the Partnership disposed of one property and acquired three new properties.

Going concern

The General Partner has considered whether it is appropriate to prepare the financial statements on a going concern basis.

In making this assessment, the General Partner has primarily taken into account:

- ▶ the cash balances in the Partnership and the annual running costs;
- ▶ that distributions are only made when there are available funds;
- ▶ the forecasted net asset position in the next 12 months; and
- ▶ any available undrawn commitments.

The Partnership's strategy for the next 12 months is to continue to provide investors with an income return, alongside capital appreciation through the uplift in the underlying property values. On the basis of this assessment the General Partner believes that the Partnership has adequate resources to meet its liabilities as they fall due for payment for at least 12 months from the date of approval of these financial statements. Consequently, the going concern basis of accounting has been adopted in preparing these financial statements.

Distributions paid and loans repaid

During the year ended 31 March 2023, the Partnership paid distributions of £5,975,845 (2022: £5,197,350) and repaid loans of £249,975 (2022: £19,165,581) to the Partners.

Limited Partners

The Partnership is incorporated in the UK as a limited partnership.

FRELIF (General Partner) Limited acts as the General Partner of the Partnership. The Limited Partners are Langham Hall as a trustee of the Fiera Real Estate Long Income Fund (UK) Trust, LHJ Trustees Limited as trustee of Fiera Real Estate Long Income Fund (UK) Jersey Property Unit Trust and private investors. The Limited Partners' contributions are as set out in the Partners' Capital and Interests note. Each Limited Partners' contribution in the Partnership is made up of a capital contribution and a loan contribution.

Employees

The Partnership has no employees (2022: nil).

Political contributions

The Partnership did not make any political donations or incur any political expenditure during the year (2022: nil).

Disclosure of information to auditors

The General Partner who held office at the date of approval of this General Partner's Report confirm that, so far as the General Partner is aware, there is no relevant audit information of which the auditors are unaware; and the General Partner has taken all the steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the General Partner



R C T Sheldon

On behalf of FRELIF (General Partner) Limited
General Partner

Third Floor, Queensberry House 3 Old Burlington Street
London

W1S 3AE

Date: 20th July 2023

Statement of General Partners' responsibilities

The General Partner is responsible for the preparation of financial statements for the year ending 31 March 2023 which give a true and fair view of the state of affairs of the partnership and of the profit or loss for that period. They have prepared the financial statements in accordance with UK accounting standards, including IFRS as adopted by the UK.

In preparing the financial statements, the General Partner has:

- ▶ selected suitable accounting policies and then applied them consistently;
- ▶ made judgements and estimates that are reasonable and prudent;
- ▶ assessed the partnership and its sub fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- ▶ used the going concern basis of accounting unless they either intend to liquidate the partnership or to cease operations, or have no realistic alternative but to do so.

The General Partner is responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the partnership and to prevent and detect fraud and other irregularities.



Independent auditors' report to the General Partner of the Fiera Real Estate Long Income Fund (UK) Limited Partnership

Opinion

We have audited the financial statements of Fiera Real Estate Long Income Fund Limited Partnership ("the partnership") for the year ended 31 March 2023 which comprise the Statement of Comprehensive income, Statement of Financial Position, Statement of Changes in Partners' interest, Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the partnership's affairs as at 31 March 2023 and of its loss for the year then ended;
- ▶ have been properly prepared in accordance with UK accounting standards, including IFRS as adopted by the UK

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and the terms of our engagement letter dated 7 September 2022. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the partnership in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The General Partner has prepared the financial statements on the going concern basis as they do not intend to liquidate the partnership or to cease its operations, and as they have concluded that the partnership's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the General Partners' conclusions, we considered the inherent risks to the partnership's business model and analysed how those risks might affect the partnership's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- ▶ we consider that the General Partner's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- ▶ we have not identified, and concur with the General Partner's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the partnership's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the partnership will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- ▶ Enquiring of the General Partner as to the Partnership’s high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- ▶ Reading Partners minutes.
- ▶ Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue primarily arises from distributions from the underlying LLPs. LLPs earn rental income which is contractual in nature and all the earnings are distributed above to LP.

We did not identify any additional fraud risks.

We also performed procedures including:

- ▶ Identifying journal entries to test all material post-closing journals and comparing the identified entries to supporting documentation.
- ▶ Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the General Partner and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations (continued)

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the partnership is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the partnership is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of partnership’s license to operate. We identified the following areas as those most likely to have such an effect: property laws and building legislation recognizing the nature of the partnership’s activities or its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the General Partner and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The General Partner is responsible for the other information, which comprises the General Partners’ report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Matters on which we are required to report by exception

Under the terms of our engagement, we are required to report to you if, in our opinion:

- ▶ the partnership has not kept adequate accounting records;
- ▶ we have not received all the information and explanations we require for our audit; or

We have nothing to report in these respects.

General Partners' responsibilities

As explained more fully in their statement set out on page 4, the General Partner is responsible for: the preparation of financial statements, that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Partners, as a body, in accordance with the terms of our engagement. Our audit work has been undertaken so that we might state to the Partners those matters we have been engaged to state to them in this 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 Partners, as a body, for our audit work, for this report, or for the opinions we have formed.



Matthew Williams

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square
London
E14 5GL
Date: 20th July 2023

Statement of Comprehensive Income

	Note	2023 £	2022 £
Revenue	2	10,321,810	7,692,982
Gain/(loss) on revaluation of investments	5	(42,576,674)	26,252,997
Administrative expenses		(1,046,878)	(877,442)
Operating profit/(loss)		(33,301,742)	33,068,537
Profit/(loss) for the year before priority profit share		(33,301,742)	33,068,537
Priority profit share		(4,100,361)	(3,146,902)
Profit/(loss) for the year		(37,402,103)	29,921,635

All amounts relate to continuing operations.

The notes on pages 13 to 20 form part of these financial statements.

Statement of Financial Position

	Note	2023 £	2022 £
Non-current assets			
Investments	5	228,390,059	241,570,278
		228,390,059	241,570,278
Current assets			
Trade and other receivables	6	132,210	314,710
Cash and cash equivalents	7	21,425,178	16,785,347
		21,557,388	17,100,057
Total assets		249,947,447	258,670,335
Current liabilities			
Trade and other payables	8	(274,702)	(308,802)
Total liabilities		(274,702)	(308,802)
Net assets attributable to Partners		249,672,745	258,361,533
Represented by			
Partners' capital account		23,249	20,508
Partners' current account		(10,671,058)	32,767,730
Partners' loan account		260,320,554	225,573,295
Total Partners' interest		249,672,745	258,361,533

These financial statements were approved by the General partner on 20th July 2023 and were signed on its behalf by:



RCT Sheldon
Authorised Signatory

Registered number: LP013404

The notes on pages 13 to 20 form part of these financial statements.

Statement of Comprehensive Income

	Partners' capital £	Partners' current account £	Priority profit share £	Partners' loan account £	Total Partners' interest £
Balance at 1 April 2022	20,508	32,767,730	-	225,573,295	258,361,533
Total statement of comprehensive income	-	(37,402,103)	4,100,361	-	(33,301,742)
Amounts introduced by Partners	2,767	-	-	34,997,234	35,000,001
Amounts distributed to Partners	(26)	(5,975,845)	(4,100,361)	-	(10,076,232)
Loans repaid to Partners	-	-	-	(249,975)	(249,975)
Profit allocation on redemption of units	-	(60,840)	-	-	(60,840)
Balance at 31 March 2023	23,249	(10,671,058)	-	260,320,554	249,672,745

Balance at 1 April 2021	17,372	10,328,316	-	185,084,828	195,430,516
Total statement of comprehensive income	-	29,921,635	3,146,902	-	33,068,537
Amounts introduced by Partners	5,052	-	-	59,654,048	59,659,100
Amounts distributed to Partners	(1,916)	(5,197,350)	(3,146,902)	-	(8,346,168)
Loans repaid to Partners	-	-	-	(19,165,581)	(19,165,581)
Profit allocation on redemption of units	-	(2,284,871)	-	-	(2,284,871)
Balance at 31 March 2022	20,508	(10,671,058)	-	225,573,295	258,361,533

The notes on pages 13 to 20 form part of these financial statements.

Cash Flow Statement

	Note	2023 £	2022 £
Cash flows from operating activities			
Profit/(loss) for the year		(37,402,103)	29,921,635
Adjustments for:			
Unrealised (surplus)/deficit on revaluation of investment		42,576,674	(26,252,997)
Decrease/(increase) in trade and other receivables	6	182,500	(95,716)
Increase/(decrease) in trade and other payables	8	(34,100)	196,258
Net cash flows from operating activities		5,322,971	3,769,180
Cash flows from/(used) in investing activities			
Net investment / (divestment) in LLPs	5	(29,396,455)	(57,684,466)
Net cash flows used in investing activities		(29,396,455)	(57,684,466)
Cash flows from/(used in) financing activities			
Partners' loan drawdowns		34,997,234	59,654,048
Partners' loan repayments		(249,975)	(19,165,581)
Amounts distributed to Partners		(5,975,845)	(5,197,350)
Partners' capital drawdowns		2,767	5,052
Partners' capital repayments		(26)	(1,916)
Profit allocation on redemption of units		(60,840)	(2,284,871)
Net cash from financing activities		28,713,315	33,009,382
Net increase/(decrease) in cash and cash equivalents		4,639,831	(20,905,904)
Cash and cash equivalents at 1 April		16,785,347	37,691,251
Cash and cash equivalents at 31 March	7	21,425,178	16,785,347

The notes on pages 13 to 20 form part of these financial statements.

Notes to the Financial Statements

1 Accounting policies

Fiera Real Estate Long Income Fund (UK) Limited Partnership ("the Partnership") is incorporated in the UK as a limited partnership under the Limited Partnerships Act 1907. It is constituted by a Limited Partnership agreement and the General Partner is FRELIF (General Partner) Limited. The General Partner is responsible for the conduct and management of the Limited Partnership.

The Partnership's financial statements have been prepared and approved by the General Partner in accordance with the Regulation 4 of the Partnerships (Accounts) Regulations 2008 and Companies Act 2006 as applicable to qualifying partnerships.

The financial statements have been properly prepared in accordance with UK-adopted international accounting standards.

Basis of preparation of financial statements

The financial statements are prepared on the historical cost basis modified by the revaluation of investments in subsidiaries.

Going concern

The General Partner has considered whether it is appropriate to prepare the financial statements on a going concern basis.

In making this assessment, the General Partner has primarily taken into account:

- ▶ the cash balances in the Partnership and the annual running costs;
- ▶ that distributions are only made when there are available funds;
- ▶ the forecasted net asset position in the next 12 months; and
- ▶ any available undrawn commitments.

The Partnership's strategy for the next 12 months is to continue to provide investors with an income return, alongside capital appreciation through the uplift in the underlying property values.

On the basis of this assessment the Partner believes that the Partnership has adequate resources to meet its liabilities as they fall due for payment for at least 12 months from the date of approval of these financial statements. Consequently, the going concern basis of accounting has been adopted in preparing these financial statements.

Summary of significant accounting policies

a) New standards effective from 1 April 2022

A number of new standards listed below are effective from 1 April 2022, but they do not have a material effect on the Partnership's financial statements.

- ▶ Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- ▶ Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41);
- ▶ Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16); and
- ▶ References to Conceptual Framework (Amendments to IFRS 3).



b) Standards issued but effective in future periods

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the LP has decided not to adopt early.

- ▶ Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) - effective for annual reporting periods beginning on or after 1 January 2023;
- ▶ IFRS 17 Insurance Contracts - effective for annual reporting periods beginning on or after 1 January 2023;
- ▶ Definition of Accounting Estimates (Amendments to IAS 8) - effective for annual reporting periods beginning on or after 1 January 2023;
- ▶ Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) - effective for annual reporting periods beginning on or after 1 January 2023;
- ▶ Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendments to IFRS 17) - effective for annual reporting periods beginning on or after 1 January 2023;
- ▶ Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) – effective for annual reporting periods beginning on or after 1 January 2024; • Classification of liabilities as current or non-current (Amendments to IAS 1) - effective for annual reporting periods beginning on or after 1 January 2024; and
- ▶ Non-current Liabilities with Covenants (Amendments to IAS 1) - effective for annual reporting periods beginning on or after 1 January 2024.

The General Partner does not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Partnership in future periods.

Financial Assets

Debtors are stated at amortised cost less allowance for credit losses/impairment of bad debts.

Unless otherwise indicated, the carrying amount of these financial assets are reasonable approximation of their fair values.

Financial Liabilities

All loans and borrowings are classified as other liabilities. Initial recognition is at fair value less directly attributable transaction costs incurred. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

Trade and other payables are recognised initially at fair value and subsequently at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The Partnership's financial liabilities consist of liabilities at amortised cost only.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Revenue

Revenue represents distributions from underlying investments in LLPs. Distributions are recognised when the Partnership has a legal entitlement to them.

Investments

The Partnership qualifies as an investment entity as specified in IFRS 10 and accordingly, the Partnership has not presented consolidated financial statements. Rather investments in subsidiaries are reported at fair value with changes in fair value recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances. The cash and cash equivalents are stated at their nominal values.

Taxation

The Partnership is not subject to tax and taxation is dealt with within the affairs of the Partners of the Limited Partnership.

Priority profit share

Priority profit share is recognised as an expense in profit or loss in the period to which it relates. The priority profit share is 1.50% of the quarterly NAV and is payable to the General Partner.

2 Revenue

Revenue represents distributions from underlying investments in LLPs. Distributions are recognised when the Partnership has a legal entitlement to them.

	2023 £	2022 £
Distributions from investments	10,321,810	7,692,982
	10,321,810	7,692,982

3 Auditors' remuneration

The operating profit is stated after charging:

	2023 £	2022 £
Audit fees	126,000	74,988
Non-audit fees	4,490	6,600
	130,490	81,588

4 Staff numbers and costs

The Partnership has no employees other than the General Partner, who did not receive any remuneration (2022: nil).

5 Investments

The Partnership has 100% investment in the following entities:

Name of LLP	Status	Name of LLP	Status
FRELIF (Aberdeen) LLP	Investment	FRELIF (Leamington) LLP	Investment
FRELIF (Abingdon) LLP	Investment	FRELIF (Loughborough) LLP	Investment
FRELIF (Armley) LLP	Investment	FRELIF (Milton Keynes) LLP	Investment
FRELIF (Aston) LLP	Investment	FRELIF (Newcastle) LLP	Investment
FRELIF (Belvedere) LLP	Investment	FRELIF (Norwich) LLP	Investment
FRELIF (Bicester) LLP	Investment	FRELIF (Outland Road) LLP	Investment
FRELIF (Bury St Edmunds) LLP	Investment	FRELIF (Pangbourne) LLP	Investment
FRELIF (Carmarthen) LLP	Investment	FRELIF (Pembury) LLP	Investment
FRELIF (Dyce) LLP	Investment	FRELIF (Pontefract) LLP	Investment
FRELIF (East Kilbride) LLP	Investment	FRELIF (Speke) LLP	Investment
FRELIF (Ecclesall) LLP	Investment	FRELIF (Stafford) LLP	Investment
FRELIF (Eurocentral) LLP	Investment	FRELIF (Stockport) LLP	Investment
FRELIF (Frankley) LLP	Investment	FRELIF (Taunton) LLP	Investment
FRELIF (Glasgow)	Investment	FRELIF (Thatcham) LLP	Investment
FRELIF (Harlow) LLP	Investment	FRELIF (Tunbridge Wells) LLP	Investment
FRELIF (Hitchin) LLP	Investment	FRELIF (Wolverhampton) LLP	Investment

	2023 £	2022 £
Balance at 1 April	241,570,278	157,632,815
Net investment / (divestment) in LLPs	29,396,455	57,684,466
Non-audit fees	(42,576,674)	26,252,997
Balance at 31 March	228,390,059	241,570,278

All of the investment valuations have been categorised as a Level 3 fair value based on the inputs to the valuation technique used. The valuations are primarily based on the net assets of the entities that in turn are primarily determined by the valuation of investment properties.

The key observable inputs of the investment property valuations provided by an external valuer are:

- ▶ Equivalent yield ranging from 3.5% to 10.2% (2022: ranging from 3.01 to 8.76%)
- ▶ Market rental value per sq. ft. ranging from £1.53 to £25.77 (2022: ranging from £3.07 to £25.77).

Where the property asset represents sites that a market participant would be expected to acquire in aggregate, the valuation is estimated with reference to the total income being generated from that site. Additional value that may arise in the future from redevelopments or reversions is typically recognised only when it is considered sufficiently likely for that additional value to arise with reference to current market conditions and reliably foreseeable development opportunities.

Inter-relationship between key observable inputs and fair value measurement

The estimated fair value would increase for:

- ▶ An increase in the market rental value per square foot
- ▶ A reduction in the equivalent yield

The valuations the Partnership places on its property are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of volatility or low transaction flow in the commercial property market.

6 Trade and other receivables

	2023 £	2022 £
Due from Fiera Real Estate Long Income Fund (UK) Trust	124,710	217,710
Prepayments	-	97,000
Trade receivables	7,500	-
Total	132,210	314,710

7 Cash and cash equivalents

	2023 £	2022 £
Bank balances	21,425,178	16,785,347

8 Trade and other payables

	2023 £	2022 £
Due to Fiera Real Estate Long Income Fund (UK) Trust	202	202
Due to subsidiaries	30,000	-
Trade payables	-	183,600
Accruals and other payables	244,500	125,000
Total	274,702	308,802

All trade and other payables are non-interest bearing and will expect to be settled within 12 months.

9 Partners' net assets

The respective percentage interests of the partners as at 31 March 2023 are as follows:

	2023 %	2022 %
Fiera Real Estate Long Income Fund (UK) Trust	63.90	74.90
Fiera Real Estate Long Income Fund (UK) Jersey	34.30	22.94
Property Unit Trust	-	-
Other Limited Partners	1.80	2.16
Balance at 31 March	100.00	100.00

The General Partner, FRELIF (General Partner) Limited, only has a £1 capital contribution in the Partnership which is less than 1% holding.

10 Financial instruments

Financial instruments held by the Partnership arise directly from its operations. Partners' capital and amounts due to and from Partners also fall to be treated as financial instruments. The main purpose of these financial instruments is to finance the operations of the Partnership. The Partnership does not undertake any trading of financial instruments.

The Partnership has exposure to credit risk and liquidity risk arising from its use of financial instruments. This note presents information about the exposure of the Partnership to each of the above risks and the objectives, policies and processes for measuring and managing risk.

10A Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Partnership if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Partnership's receivables from customers and investment securities.

Exposure to credit risk

The maximum exposure to credit risk at the balance sheet date by class of financial instrument was;

	Note	2023 £	2022 £
Trade and other receivables	6	132,210	314,710
Cash and cash equivalents	7	21,425,178	16,785,347
Investments	5	228,390,059	241,570,278
Total		249,947,447	258,670,335

10B Liquidity risk

Financial risk management

Liquidity risk is the risk that the Partnership will not be able to meet its financial obligations as they fall due. The Partnership is currently reliant on its investing partners for finance. The Partnership is in a net asset position with a positive cash flow.

Investments is inherently subjective as they are dependent on valuation of properties in the investee entities.

This property valuation is made on the basis of assumptions made by the valuer which may not prove to be accurate, whilst some inputs to the valuation process are defined as 'unobservable' by IFRS 13. Accordingly, as at 31 March 2023 the Partnership has classified the investment within Level 3 as defined above.

Exposure to credit risk

The maximum exposure to credit risk at the balance sheet date by class of financial instrument was;

	Level 1 £	Level 2 £	Level 3 £
Cash and cash equivalents	-	21,425,178	-
Trade and other receivables	-	132,210	-
Investments	-	-	228,390,059
Total	-	21,557,388	228,390,059

11 Related party transactions

Included in other receivables is £124,710 (2022: £217,710) owed by Fiera Real Estate Long Income Fund (UK) Trust. Included in other payables is £30,000 (2022: £Nil) due to a subsidiary.

12 Ultimate parent company

The immediate parent entities are Fiera Real Estate Long Income Fund Jersey Property Unit Trust and Fiera Real Estate Long Income Fund Unit Trust. There is no ultimate parent company or controlling party.

13 Subsequent events

There have been no significant subsequent events to report since 31 March 2023 up to the date of approval of these financial statements.

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