

Limited Liability Partnership registration number OC433865 (England and Wales)

ULIVING@ESSEX3 LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

ULIVING@ESSEX3 LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members	Equitix V Primary Infrastructure (Essex) LP Essex 3 Limited
LLP registration number	OC433865
Registered office	3rd Floor, South Building 200 Aldersgate Street London England EC1A 4HD
Auditor	Azets Audit Services 2nd Floor, Regis House 45 King William Street London EC4R 9AN

ULIVING@ESSEX3 LLP

CONTENTS

	Page
Strategic report	1 - 3
Members' report	4
Members' responsibilities statement	5
Independent auditor's report	6 - 8
Statement of comprehensive income	9
Balance sheet	10
Reconciliation of members' interests	11 - 12
Statement of cash flows	13
Notes to the financial statements	14 - 25

ULIVING@ESSEX3 LLP

STRATEGIC REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

Introduction

The Members present their annual strategic report of Uliving@Essex3 LLP (the "Partnership") for the year ended 31 August 2024.

Principal activities

The principal activity of the Partnership is to design, build, finance and manage student accommodation for the period of 52 years pursuant to a project agreement dated 17th August 2021. The construction of the new accommodation achieved practical completion on 25th August 2023.

Business review

The loss for the year was £2,918k (2023: *profit of £280k*).

The financial position of the Partnership is presented in the Reconciliation of Members' Interests. The Partnership had net assets attributable to members of £13,011k (2023: £17,574k) and cash of £2,620k (2023: £5,125k) as at 31 August 2024.

The Members consider the financial position to be stable with strong cash flows projected which will meet all the Partnership's liabilities for the foreseeable future.

Financial key performance indicators

The Members consider revenue, operating profit, profit before tax and profit after tax and achievement of milestones under the PFI/PPP concessions to be the key performance indicators of the Partnership. Through the contractual agreements in place, the SPV has to achieve various milestones during the period with regards to financial reporting to lenders and requirements such as model submissions. The Members are satisfied these contractual milestones have been achieved.

Principal risks and uncertainties

Under the terms of the PFI/PPP concession contracts, the Partnership is required to meet certain key performance targets. The Members review actual performance against those targets on a regular basis to mitigate risks arising from contract activities.

Nomination risk

The Company's income is principally driven through rental income from University of Essex based on student occupancy. The Members continue to review and monitor any adverse movement in occupancy and are confident that the current and predicted occupancy rates allow the company to meet its liabilities as they fall due.

Financial management risk

The Partnership's main commercial risks during the year are attributable to the collection of rent and repayment of the senior loan facility.

The Partnership has committed term loan facilities which are secured on the assets and future revenues of the Partnership, by way of fixed rate and index-linked, guaranteed secured bonds issued to BNY Mellon Corporate Trustee Services, and guaranteed by Assured Guaranty (Europe) Limited and Assured Guaranty Municipal Corp.

As per the Bond Trust Deed, a fixed and floating charge debenture has been granted by BNY Mellon Corporate Trustee Services.

ULIVING@ESSEX3 LLP

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

The Partnership's cash flow risk is managed by monitoring cash flow as part of the day-to-day control procedures. The Members consider cash flow projections to ensure appropriate facilities are available to be drawn as necessary.

Interest rate and inflation risk

The Partnership has issued both fixed rate and index-linked bonds to minimise risk from movement in base interest rates and RPI. Inflation risk is also mitigated by linking RPI increases to rental income increases.

Credit risk

Credit risk is mitigated via monitoring the progress of the project against milestones under the concession agreement.

Liquidity risk

The Partnership manages its liquidity risk based on business needs, capital or regulatory considerations, through numerous sources of finance in order to maintain flexibility. The Members manage liquidity risk to ensure that the Partnership will always have sufficient funds to allow it to meet its liabilities as they fall due.

The Partnership uses semi-annual model updates to review that the revenues receivable will be sufficient to meet its finance and operational obligations.

Section 172 Statement

Under the requirements of section 172 Companies Act the Members are required to make a statement on how they have carried out their duty to promote the success of the Partnership for the benefit of its members as a whole having regard to the matters set out in section 172(1):

- (a) the likely consequences of any decision in the long-term;
- (b) the interests of the Partnership's employees; the need to foster the Partnership's business relationships with suppliers, customers, and others;
- (c) the impact of the Partnership's operations on the community and the environment;
- (d) the desirability of the Partnership maintaining a reputation for high standard of business conduct;
- (e) the need to act fairly between members of the Partnership.

The Partnership is a SPV in that its purpose is to design, build, finance and manage student accommodation. All its services are sub-contracted and, as such it does not have any employees. Therefore, the main stakeholders of the Partnership are the Members, the university, service providers, bond guarantors and trustees.

Shareholders

An open communication is maintained with its Members on an on-going basis and as questions arise.

The University

A General Manager is appointed to deal with communications with the university, which are held formally on a regular basis and as well as ad hoc meetings when required to discuss any issues, nominations, student numbers, additional requirements of the university which will include major maintenance and variations.

The Board are regularly kept updated of the relationship with the university, the performance of the project, by way of quarterly management accounts and semi-annual model updates, the operational performance of the project via a General Manager's report and the KPI achievement as stated in the project agreement at the quarterly Board meetings. Robust service agreements with management service providers ensures sufficient controls are in place.

ULIVING@ESSEX3 LLP **STRATEGIC REPORT (continued)**

FOR THE YEAR ENDED 31 AUGUST 2024

Service providers

A service provider manager handles the management of the project Partnership's relationships with the University and its subcontractors through monthly operational meetings. The Board at the quarterly meetings reviews these relationships to ensure they are positive and deal with any issues promptly.

Bond guarantors and trustees

Communication is maintained with its bond guarantors and trustees on an on-going basis and as questions arise. Information undertakings in the credit agreements ensure that semi-annual model updates are sent for approval to the security trustee as well as associated compliance certificates, submission of financial and operational reports and regular face to face project updates. The Security trustee also conducts site visit on an ad hoc basis and is encouraged to have discussions with the University. In addition, Standard & Poor's, the credit rating agency, do a ratings confirmation on the listed bond taken out by the project and have review meetings on an annual basis with management.

Interactions for the appointment of the Partnership's auditors, lawyers etc. are dealt with at Board level and reviewed at quarterly Board meetings.

The Board recognises its responsibility for promoting the long-term success of the Partnership for the benefit of its members as a whole through the achievement of milestones under the PFI concessions.

This report was approved by the board on 29th May 2025 and signed on its behalf.

Signed by:


98F376A5F981459...
Paul Gill on behalf of

Equitix V Primary Infrastructure (Essex) LP
Designated member

Limited Liability Partnership Registration No. OC433865

ULIVING@ESSEX3 LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The members present their annual report and financial statements for the year ended 31 August 2024.

Principal activities

The principal activity of the limited liability partnership is to design, build, finance and manage student accommodation for the period of 52 years pursuant to a project agreement dated 17th August 2021. The construction of the new accommodation achieved practical completion on 25th August 2023.

Members' drawings, contributions and repayments

The members' drawing policy allows each member to draw a proportion of their profit share, subject to the cash requirements of the business. Profits are allocated and divided between members after finalisation of the financial statements.

A member's capital requirement is linked to their share of profit and the financing requirement of the limited liability partnership. Details of any changes in members' capital in the current and prior year are set out in the financial statements.

There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at "par", so the retiring members are repaid their capital at "par".

Designated members

The designated members who held office during the year and up to the date of signature of the financial statements were as follows:

Equitix V Primary Infrastructure (Essex) LP
Essex 3 Limited

Statement of disclosure to auditor

Each of the members in office at the date of approval of this annual report confirms that:

- so far as the members are aware, there is no relevant audit information of which the limited liability partnership's auditor is unaware, and
- the members have taken all the steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that the limited liability partnership's auditor is aware of that information.

Approved by the members on 29th May 2025 and signed on behalf by:

Signed by: 
98F376A5F981459...

Paul Gill on behalf of

Equitix V Primary Infrastructure (Essex) LP

Designated Member

ULIVING@ESSEX3 LLP

MEMBERS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2024

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the limited liability partnership and of the profit or loss of the limited liability partnership for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the limited liability partnership will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ULIVING@ESSEX3 LLP

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ULIVING@ESSEX3 LLP

Opinion

We have audited the financial statements of Uliving@Essex3 LLP (the 'limited liability partnership') for the year ended 31 August 2024 which comprise the statement of comprehensive income, the balance sheet, the reconciliation of members' interests, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 August 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the limited liability 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 limited liability partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The 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 our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ULIVING@ESSEX3 LLP

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ULIVING@ESSEX3 LLP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to limited liability 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
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the members' responsibilities statement, 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 limited liability 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 the members either intend to liquidate the limited liability 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.

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

ULIVING@ESSEX3 LLP

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ULIVING@ESSEX3 LLP

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability 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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Rebecca Boys
Senior Statutory Auditor
For and on behalf of Azets Audit Services

Date: 29 May 2025

Chartered Accountants
Statutory Auditor

2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

ULIVING@ESSEX3 LLP**STATEMENT OF COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	2023 £
Turnover	3	7,842,719	47,201,658
Cost of sales		(3,134,655)	(47,234,068)
Gross profit/(loss)		4,708,064	(32,410)
Administrative expenses		(3,314,527)	(83,923)
Operating profit/(loss)	4	1,393,537	(116,333)
Interest receivable and similar income	8	39,007	396,642
Interest payable and similar expenses	9	(4,350,326)	-
(Loss)/profit for the financial year before members' remuneration and profit shares available for discretionary division among members		<u>(2,917,782)</u>	<u>280,309</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

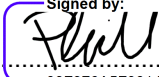
The notes on pages 14 to 25 form part of these financial statements.

ULIVING@ESSEX3 LLP**BALANCE SHEET****AS AT 31 AUGUST 2024**

	Notes	2024 £	£	2023 £	£
Fixed assets					
Intangible assets	10	136,786,204		139,481,767	
Current assets					
Debtors	11	180,759		18,464	
Cash at bank and in hand		2,620,492		5,124,749	
		2,801,251		5,143,213	
Creditors: amounts falling due within one year	12	(2,262,516)		(3,558,894)	
Net current assets		538,735		1,584,319	
Total assets less current liabilities		137,324,939		141,066,086	
Creditors: amounts falling due after more than one year	13	(124,314,079)		(123,491,772)	
Net assets attributable to members		13,010,860		17,574,314	
Represented by:					
Members' other interests					
Members' capital classified as equity		17,048,292		17,048,292	
Other reserves classified as equity		(4,037,432)		526,022	
		13,010,860		17,574,314	

The notes on pages 14 to 25 form part of these financial statements.

The financial statements were approved by the members and authorised for issue on 29th May 2025 and are signed on their behalf by:

Signed by:

 98F376A5F981459...

Paul Gill on behalf of

Equitix V Primary Infrastructure (Essex) LP

Designated member

Limited Liability Partnership registration number OC433865 (England and Wales)

ULIVING@ESSEX3 LLP

RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 AUGUST 2024

Current financial year	EQUITY		TOTAL
	Members' other interests		MEMBERS' INTERESTS
	Members' capital	Other reserves	Total 2024
	£	£	£
Members' interests at 1 September 2023	17,048,292	526,022	17,574,314
Loss for the financial year available for discretionary division among members	-	(2,917,782)	(2,917,782)
Members' interests after loss for the year	17,048,292	(2,391,760)	14,656,532
Other divisions of profits	-	(1,645,672)	(1,645,672)
Members' interests at 31 August 2024	17,048,292	(4,037,432)	13,010,860

ULIVING@ESSEX3 LLP

RECONCILIATION OF MEMBERS' INTERESTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Prior financial year

	EQUITY		TOTAL
	Members' other interests		MEMBERS' INTERESTS
	Members' capital	Other reserves	Total
	£	£	2023 £
Members' interests at 1 September 2022	-	245,713	245,713
Profit for the financial year available for discretionary division among members	-	280,309	280,309
Members' interests after profit for the year	-	526,022	526,022
Introduced by members	17,048,292	-	17,048,292
Members' interests at 31 August 2023	17,048,292	526,022	17,574,314

ULIVING@ESSEX3 LLP**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 AUGUST 2024**

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17	2,596,473		(3,020,227)	
Interest received		39,007		396,642	
Net cash inflow/(outflow) from operating activities		2,635,480		(2,623,585)	
Investing activities					
Purchase of intangible assets		(94,072)		(51,148,358)	
Net cash used in investing activities		(94,072)		(51,148,358)	
Financing activities					
Capital introduced by members (classified as debt or equity)		-		17,048,292	
Payments to members		(1,645,672)		-	
Issue of bonds		-		1,476,988	
Repayment of bonds		(1,216,453)		-	
Interest paid		(2,183,540)		-	
Net cash (used in)/generated from financing activities		(5,045,665)		18,525,280	
Net decrease in cash and cash equivalents		(2,504,257)		(35,246,663)	
Cash and cash equivalents at beginning of year		5,124,749		40,371,412	
Cash and cash equivalents at end of year		2,620,492		5,124,749	

The notes on pages 14 to 25 form part of these financial statements.

ULIVING@ESSEX3 LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Limited liability partnership information

Uliving@Essex3 LLP is a limited liability partnership incorporated in England and Wales. The registered office is 3rd Floor, South Building, 200 Aldersgate Street, London, England, EC1A 4HD.

The limited liability partnership's principal activities are disclosed in the Members' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2021, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applied to limited liability partnerships.

The financial statements are prepared in sterling, which is the functional currency of the limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 as applied to limited liability partnerships. The principal accounting policies adopted are set out below.

1.2 Going concern

The Members have reviewed the future liquidity requirements and have considered the cash flow forecasts of the LLP. The LLP produces long-term financial forecasts which show the LLP is able to operate and meet its financial obligations as they fall due, including compliance with covenants attached to its debt instruments, for a period of at least 12 months from the date of approval of these financial statements. Based on this review and the future business prospects of the LLP, the Members believe the LLP will be able to meet its liabilities as they fall due.

In the review of the LLP's going concern, the Members have considered the impact of the current global economic situation. The Members have assessed the potential risk for future problems to arise both in terms of performance, increases in costs and the LLP's viability, and has determined that the risks posed by the economic volatility have been mitigated either through the nature of the LLP and the Project contract, or through additional actions undertaken by Stakeholders, suppliers and Management Service Agreement providers.

The LLP is financed by secured loans and has entered into long-term contracts with its main customer and key sub-contractors. The cashflows associated with the secured loans are set out in the financial model and are fixed, albeit adjusted for RPI inflationary uplifts annually. The effect of the index-linked bonds has been fully forecast within the underlying financial model.

ULIVING@ESSEX3 LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2024**1 Accounting policies****(Continued)****1.3 Turnover**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Construction revenue

This is measured at the fair value of consideration received or receivable and represents the value of construction work-in-progress as construction progresses. Revenue on construction is recognised at cost with no margin as profitability is considered to be negligible with no interim services provided during construction and the risk fully passed down to the building contractor. This key judgement has been disclosed in note 2.

Rental income

This represents income which is receivable from the counter party to the service concession arrangement. Income is based on a guaranteed percentage of units available for rental at a contractually agreed date, along with any other rental income received from the rental of units which are not filled by the counter party. The rental income is recognised over the period or year to which the income relates.

1.4 Members' participating interests

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

Profits and losses are divided, unless a decision otherwise by the LLP or its representative. They are therefore shown as a residual amount available for discretionary division among members in arriving at the result for the year and are shown as appropriations of equity when they are allocated.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

1.5 Intangible fixed assets other than goodwill

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. The Company believes that this is an infrastructure asset with the right to charge for the use of the infrastructure assets to the University, either directly or via a 3rd party who would then take letting risk on a similar arrangement to the existing one with the University.

ULIVING@ESSEX3 LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2024**1 Accounting policies****(Continued)**

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Infrastructure asset

From service commencement to end of concession in August 2073

1.6 Impairment of fixed assets

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The limited liability partnership has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ULIVING@ESSEX3 LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2024**1 Accounting policies****(Continued)*****Other financial assets***

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the limited liability partnership transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

ULIVING@ESSEX3 LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2024**1 Accounting policies****(Continued)*****Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the limited liability partnership's obligations expire or are discharged or cancelled.

1.9 Finance Costs

Upfront finance costs of procuring senior debt facilities are capitalised during construction and subsequently amortised over the life of the relevant bonds and charged to the profit and loss account. Arrangement fees for these facilities have been capitalised against the cost of the bond.

Finance costs that are directly attributable to the cost of construction of the fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditure for the assets are being incurred and activities that are necessary to get the assets ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the assets ready for use are complete.

ULIVING@ESSEX3 LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2024**2 Judgements and key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Classification of asset

The partnership has entered into a project agreement with The University of Essex for the provision of student accommodation at the University of Essex Colchester Campus. The Project Agreement governs the relationship between the University and the partnership including terms of use of the University brand in marketing material, the general actions of the partnership and University as landlord and operator. Management consider that as the partnership takes full occupancy and demand risk associated with the provision of the accommodation, that the building will be fully amortised during the concession and therefore full value of these assets will be exhausted during the concession, and that the partnership has the ability to exercise control over the user of the asset, then the partnership should account for the asset of the concession on its balance sheet. The company believes that this is an infrastructure asset with the right to charge for use of the infrastructure assets to the University, either directly or via a third party who would then take letting risk on similar arrangement to the existing one with the University.

Construction margin

Revenue on construction is recognised at cost with no margin as profitability is considered to be negligible with no interim services provided during construction and the risk fully passed down to the building contractor.

Capitalisation of costs

During the period of construction, all costs incurred as a direct result of financing, designing and constructing the student accommodation, have been capitalised. The Members consider this to be appropriate since the risks and rewards of ownership rest with the LLP.

Index-linked guaranteed secured bonds

The measurement of the future cash flows associated with the bond, and therefore the effective cost of borrowing, requires the members to apply their judgement to the long-term rate if RPI increase expected for the period through to August 2066.

3 Turnover

An analysis of the limited liability partnership's turnover is as follows:

	2024	2023
	£	£
Turnover analysed by class of business		
Construction revenue	94,073	47,179,140
Pass through revenue	164,819	22,518
Rental income	7,583,827	-
	<u>7,842,719</u>	<u>47,201,658</u>
	2024	2023
	£	£
Turnover analysed by geographical market		
United Kingdom	<u>7,842,719</u>	<u>47,201,658</u>

ULIVING@ESSEX3 LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2024

3	Turnover	(Continued)	
		2024	2023
		£	£
	Other significant revenue		
	Interest income	39,007	396,642
4	Operating profit/(loss)	2024	2023
		£	£
	Operating profit/(loss) for the year is stated after charging:		
	Amortisation of intangible assets	2,789,635	-
5	Auditor's remuneration	2024	2023
		£	£
	Fees payable to the LLP's auditor and associates:		
	For audit services		
	Audit of the financial statements of the LLP	18,500	10,000
6	Employees		
	The average number of persons (excluding members) employed by the partnership during the year was:		
		2024	2023
		Number	Number
	Total	-	-
7	Information in relation to members	2024	2023
		Number	Number
	Average number of members during the year	2	2
		2024	2023
		£	£
	(Loss)/profit attributable to the member with the highest entitlement	(2,334,226)	224,247
8	Interest receivable and similar income	2024	2023
		£	£
	Interest income		
	Interest on bank deposits	39,007	396,642

ULIVING@ESSEX3 LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2024**(Continued)****8 Interest receivable and similar income**

	2024	2023
	£	£
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	39,007	396,642
	<u> </u>	<u> </u>

9 Interest payable and similar expenses

	2024	2023
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bonds	2,183,539	-
Effective interest rate adjustment	530,205	-
Bond indexation	1,551,116	-
Amortisation of deferred debt issue costs	85,466	-
	<u> </u>	<u> </u>
	4,350,326	-
	<u> </u>	<u> </u>

10 Intangible fixed assets

	Infrastructure asset £
Cost	
At 1 September 2023	139,481,767
Additions	94,072
	<u> </u>
At 31 August 2024	139,575,839
	<u> </u>
Amortisation and impairment	
At 1 September 2023	-
Amortisation charged for the year	2,789,635
	<u> </u>
At 31 August 2024	2,789,635
	<u> </u>
Carrying amount	
At 31 August 2024	136,786,204
	<u> </u>
At 31 August 2023	139,481,767
	<u> </u>

The effective interest capitalised during the period within the intangible asset was £nil (2023 - £3,713,596).

ULIVING@ESSEX3 LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2024**11 Debtors**

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	47,303	-
Other debtors	-	2,733
Prepayments and accrued income	133,456	15,731
	<u>180,759</u>	<u>18,464</u>

12 Creditors: amounts falling due within one year

	2024	2023
	£	£
	Notes	
Bonds	14	1,335,335
Deferred debt issue costs	14	(91,180)
Trade creditors		152,236
Other taxation and social security		7
Accruals and deferred income		866,118
		<u>2,262,516</u>
		<u>3,558,894</u>

13 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
	Notes	
Bonds	14	121,303,325
Accumulated bond indexation	14	6,509,143
Deferred debt issue costs	14	(3,498,389)
		<u>124,314,079</u>
		<u>123,491,772</u>

Creditors which fall due after five years are as follows:

	2024	2023
	£	£
Payable by instalments	<u>125,935,291</u>	<u>115,683,339</u>

ULIVING@ESSEX3 LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2024**14 Loans and overdrafts**

	2024	2023
	£	£
Bonds	122,638,660	123,324,908
Accumulated bond indexation	6,509,143	4,958,028
Deferred debt issue costs	(3,589,569)	(3,675,036)
	<u>125,558,234</u>	<u>124,607,900</u>
Payable within one year	1,244,155	1,116,128
Payable after one year	<u>124,314,079</u>	<u>123,491,772</u>

£65,000,000 2.72% fixed rate and £48,371,000 0.1% index-linked, guaranteed secured bonds due 31 August 2066 were issued on 17th August 2021 by Uliving@Essex3 LLP to BNY Mellon Corporate Trustee Services, and guaranteed by Assured Guaranty (Europe) Limited and Assured Guaranty Municipal Corp. Principal repayments are due to begin in 2024 and will be made semi-annually in line with the agreement.

As per the Bond Trust Deed, a fixed and floating charge debenture has been granted by BNY Mellon Corporate Trustee Services.

15 Related party transactions**Transactions with related parties**

During the year the limited liability partnership entered into transactions with the following related parties:

- Equitix Management Services Limited, part of the same wider group as Equitix Fund V LP
- Equitix V Primary Infrastructure Top Holding LP, part of the same wider group as Equitix Fund V LP
- Bouygues E&S Solutions Limited, part of the same wider group as Bouygues (U.K.) Limited who are the immediate parent company of BY Development Limited, who are the immediate parent of Essex 3 Limited, a member of Uliving@Essex3 LLP
- Bouygues (U.K.) Limited, the parent company of BY Development Limited who is the immediate parent of Essex 3 Limited, a member of Uliving@Essex3 LLP
- BY Development Limited who are the immediate parent of Essex 3 Limited, a member of Uliving@Essex3 LLP

ULIVING@ESSEX3 LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

15 Related party transactions (Continued)

Management services during the year amounting to £108,669 were paid to Equitix Management Services Limited (2023: £35,925). As at 31 August 2024 there was £9,126 outstanding and included within trade creditors (2023: £3,588).

Letter of credit fees during the year amounting to £9,147 were paid to Equitix V Primary Infrastructure Top Holding LP (2023: £240,773). As at 31 August 2024 there was £nil outstanding and included within accruals (2023: £9,147).

Construction costs during the year amounting to £1,906,817 were paid to Bouygues U.K. Limited (2023: £49,940,909). As at 31 August 2024 there was £nil outstanding and included within trade creditors (2023: £1,250,561) in addition to £nil within accruals (2023: £578,200).

Service fees during the year amounting to £1,695,701 were paid to Bouygues E&S Solutions Limited (2023: £nil). As at 31 August 2024 there was £151,208 outstanding and included within accruals and trade creditors (2023: £32,410).

Letter of credit fees and development costs during the year amounting to £36,473 were paid to BY Development Limited (2023: £62,529). As at 31 August 2024 there was £nil outstanding and included within accruals (2023: £39,143).

16 Ultimate controlling party

The immediate parent of the LLP is Equitix V Primary Infrastructure (Essex) LP, a limited partnership registered in Scotland, UK. Registered address: C/O Cms Cameron Mckenna Nabarro Olswang Llp, Saltire Court, 20 Castle Terrace, Edinburgh, Scotland, EH1 2EN.

The ultimate parent of the LLP is Equitix V Primary Infrastructure LP, a limited partnership registered in Scotland, UK. Registered address: Citypoint, 65 Haymarket Terrace, Edinburgh, EH12 5HD.

In the Designated Members' opinion there is no ultimate controlling party.

The smallest and largest entity in which the partnership is consolidated is Equitix V Primary Infrastructure (Essex) LP.

Largest group	Equitix V Primary Infrastructure (Essex) LP
Smallest group	Equitix V Primary Infrastructure (Essex) LP

Draft Financial Statements at 12 May 2025 at 09:42:24

ULIVING@ESSEX3 LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2024

17	Cash generated from/(absorbed by) operations	2024 £	2023 £
	(Loss)/profit for the year	(2,917,782)	280,309
	Adjustments for:		
	Finance costs recognised in profit or loss	4,350,326	-
	Investment income recognised in profit or loss	(39,007)	(396,642)
	Amortisation and impairment of intangible assets	2,789,635	-
	Movements in working capital:		
	(Increase)/decrease in debtors	(162,295)	322,415
	Decrease in creditors	(1,424,404)	(3,226,309)
	Cash generated from/(absorbed by) operations	2,596,473	(3,020,227)

18	Analysis of changes in net debt	1 September 2023 £	Cash flows £	Other non- cash changes £	31 August 2024 £
	Cash at bank and in hand	5,124,749	(2,504,257)	-	2,620,492
	Borrowings excluding overdrafts	(124,607,900)	(1,216,453)	266,119	(125,558,234)
		(119,483,151)	(3,720,710)	266,119	(122,937,742)