

HOLLYPORT SECONDARY OPPORTUNITIES V UNIT TRUST

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

HOLLYPORT SECONDARY OPPORTUNITIES V UNIT TRUST

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**NOTES FROM THE TRUST INSTRUMENT AND PROSPECTUS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustee and Registered Office	Sanne Trustee Services Limited IFC 5 St Helier Jersey, JE1 1ST, Channel Islands
Investment Advisor	Hollyport Capital LLP Devonshire House Devonshire Street London W1W 5DR, United Kingdom
Independent Auditor	Deloitte LLP PO Box 403 Gaspé House 66 - 72 Esplanade St Helier Jersey, JE4 8WA, Channel Islands
Independent Administrator	Sanne Fund Administration Limited IFC 5 St Helier Jersey, JE1 1ST, Channel Islands
TISE Listing Sponsor	Sanne Fiduciary Services Limited IFC 5 St Helier Jersey, JE1 1ST, Channel Islands
Legal Adviser	- <i>as to English law:</i> Macfarlanes LLP 20 Cursitor Street London, EC4A 1LT, United Kingdom - <i>as to Jersey law:</i> Carey Olsen Jersey LLP 47 Esplanade St Helier Jersey, JE1 0BD, Channel Islands
Principal Banker	Barclays Bank plc – Jersey branch PO Box 8, Library Place St Helier Jersey, JE4 8NE, Channel Islands
Alternative Investment Fund Manager (“AIFM”)	Sanne Fund Administration Limited IFC 5 St Helier Jersey, JE1 1ST, Channel Islands
Trust established	28 May 2015, in Jersey
Domicile	Jersey
Constitution	Hollyport Secondary Opportunities V Unit Trust (the “Unit Trust”) was constituted out of the proceeds of issues of Units paid or transferred to the Trustee and held as part of the trust fund in accordance with the Declaration of Trust (the “Trust Instrument”) dated 28 May 2015.

The Trustee holds the Trust Fund on trust for the Unitholders on the terms and subject to the powers and provisions of the aforementioned Declaration of Trust. The notes set out above are merely an aide-memoire. For any matters requiring detailed consideration reference should be made to the aforementioned Declaration of Trust.

**REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31 DECEMBER 2021**

Sanne Trustee Services Limited (the “Trustee”) presents its report and the audited financial statements of Hollyport Secondary Opportunities V Unit Trust (the “Unit Trust”) for the year ended 31 December 2021.

The Unit Trust was established on 28 May 2015. The Unit Trust held its first issue on 18 August 2015 and its final issue on 16 November 2015 with total commitments of GBP 187,510,000. If not terminated earlier, the Unit Trust shall terminate ten years from first issue date, being 18 August 2025.

Responsibilities of the Trustee for the financial statements

The Trust Instrument and Prospectus requires the Trustee to prepare the financial statements. The Trustee has elected to prepare the financial statements in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

In preparing these financial statements the Trustee is required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Unit Trust's ability to continue as a going concern.

The Trustee confirms it has complied with all the above requirements in preparing the financial statements.

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

Objectives

The objective of the Unit Trust is to acquire investments by way of mature private equity interests and to subsequently realise profits on such interests over the intended realisation period of the Unit Trust of ten years or less.

Going concern and capital management

The Unit Trust meets its working capital requirements through commitments made by the unitholders. As at 31 December 2021, the Unit Trust has outstanding undrawn capital commitments of USD 56,250,000 (2020: USD 56,250,000). The Unit Trust receives ongoing distributions from its investments. The Trustee has assessed the projected cash flows and concluded that the Unit Trust has available funds to meet its long-term obligations. The Trustee has also assessed the forecast of the likely income, expenditure and advances of the next 12 months and concluded that the Unit Trust has sufficient funds to meet its short-term obligations as they fall due. Accordingly, it continues to adopt the going concern basis in the preparation of the financial statements.

The capital of the Unit Trust is represented by the net assets attributable to the unitholders. The Trustee's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Unit Trust. In order to maintain or adjust the capital structure the Trustee may call unfunded commitment from or distribute funds to the unitholders. Note 3 sets out the Unit Trust's exposure to and management of the various facets of its perceived financial risks.

**REPORT OF THE TRUSTEE - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

COVID-19

The outbreak and continuing spread of the novel coronavirus ("COVID-19") and the related disruption to the worldwide economy is affecting businesses across all industries. While noting that the ultimate effects may be difficult to quantify at this time the Trustee and Investment Adviser do not underestimate the current situation and have engaged in an on-going risk assessment analysis, scenario planning and liquidity forecasting process to understand the impact that COVID-19 may have on the Unit Trust.

Results and distributions

The results for the year are set out on page 15. During the year to 31 December 2021 the Unit Trust distributed GBP 29,256,095 (2020: GBP 30,068,369) to A and LP unitholders as set out in note 2.9 to these financial statements.

Accounting year

These audited financial statements cover the year ended 31 December 2021. Comparative figures are covering the year ended 31 December 2020.

Stock Exchange listing

The Unit Trust's B units are listed on The International Stock Exchange ('TISE'). In 2021, A units have been fully repaid and cancelled.

Fund Reporting Status

Confirmation has been received from HM Revenue and Customs that, under Regulation 55(1) (a) of The Offshore Funds (Tax) Regulations 2009, the Unit Trust has been accepted into the Reporting Fund regime with effect from 18 August 2015.

European Union Alternative Investment Fund Managers Directive ("AIFMD")

The report of the Alternative Investment Fund Manager ("AIFM") has been included on page 4 to these financial statements.

The remuneration paid to Sanne Fund Administration Limited as AIFM is disclosed in note 10 to these financial statements.

Independent auditor

Deloitte LLP was appointed as auditor and has expressed its willingness to continue in office as auditor.

The Trustee confirms that:

- (a) so far as it is aware, there is no relevant audit information of which the Unit Trust auditor is unaware, and;
- (b) it has taken all steps which it ought to have taken to make itself aware of any relevant audit information and to establish that the Unit Trust auditor is aware of that information.



Sanne Trustee Services Limited
as Trustee of Hollyport Secondary Opportunities V Unit Trust
25 March 2022

**REPORT OF THE ALTERNATIVE INVESTMENT FUND MANAGER
FOR THE YEAR ENDED 31 DECEMBER 2021**

Sanne Fund Administration Limited (the "AIFM") presents its report and the audited financial statements of Hollyport Secondary Opportunities V Unit Trust (the "Unit Trust") for the year ended 31 December 2021.

European Union Alternative Investment Fund Managers Directive ("AIFMD")

Sanne Fund Administration Limited has been granted approval by the UK's Financial Conduct Authority ("FCA") to act as a full scope Alternative Investment Fund Manager ("AIFM") of the Unit Trust (the Alternative Investment Fund ("AIF") under the AIFMD).

Material change

Sanne Fund Administration Limited as AIFM must disclose in the annual report, details of material changes to the information set out under AIFMD. For these purposes, there are no material changes effective during the year to be noted to the information set out in the Prospectus dated 28 May 2015.

Disclosure of holding

The only investor that owns 10% or more of the units in the Unit trust is Hollyport Secondary Opportunities V LP with the 58.50% units held.

Remuneration disclosures

Under the AIFMD legislation, an AIFM must, where appropriate for each Alternative Investment Fund ("AIF") it manages, disclose in the Unit Trust's annual report the total amount of remuneration paid to its staff for the financial year, split into fixed and variable remuneration, and where relevant, any carried interest paid by the AIF. The aggregate amount of remuneration broken down by senior management and members of staff whose actions have a material impact on the risk profile of the AIF must also be disclosed.

The AIFM directors consisting of Ashley Vardon, Angelo Orosco and Jonathan Wilkinson. All Directors are employees within Sanne Group plc. No Director received any direct remuneration from the AIFM. Further details on related parties are disclosed in note 10 to the financial statements.

No carried interest was paid by the AIF for the year ended 31 December 2021 (31 December 2020: GBP nil). At the year end the value of C units held by current and previous partners and employees of Hollyport Capital LLP was GBP 16,543,868 (31 December 2020: GBP 6,443,271) as disclosed in note 9 to these financial statements.

Sanne Fund Administration Limited
IFC 5
St Helier
Jersey, JEI 1ST

**INVESTMENT ADVISOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

We are pleased to present the Investment Advisor's Report for Hollyport Secondary Opportunities V Unit Trust (the "Unit Trust") and Hollyport Secondary Opportunities V LP (the "Limited Partnership") (together "the Fund"), covering the year to 31 December 2021.

The Fund held a first close on 31 July 2015, and a final close on 16 November 2015 at £187.5m. The Fund structure comprises a Unit Trust and a Limited Partnership which hold a pro-rata share of the underlying Fund assets. The Unit Trust and the Limited Partnership have both called 70% of total commitments and the Fund has now returned 114.5% of investors called capital. We do not envisage making any further capital calls from investors.

The Fund completed its investment programme in Q3 2017. In total, the Fund completed twenty-seven acquisitions and the assets are primarily US focused with additional exposure to Europe and Asia Pacific. As such, the Fund holds a diverse spread of assets with the portfolio split between Buyout, Growth and Venture.

Hollyport Capital LLP
Investment Advisor
25 March 2022

FOR THE YEAR ENDED 31 DECEMBER 2021

Report on the audit of the non-statutory financial statements

1. Opinion

In our opinion the non-statutory financial statements of Hollyport Secondary Opportunities V Unit Trust (the 'Trust'):

- give a true and fair view of the state of the Trust's affairs as at 31 December 2021 and of the Trust's profit for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB)

We have audited the non-statutory financial statements of the Trust which comprise:

- the statement of financial position;
- the statement of comprehensive income;
- the statement of changes in net assets attributable to unitholders;
- the statement of cash flows; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as issued by the IASB and the Trust Deed.

2. 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 non-statutory financial statements section of our report.

We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the non-statutory financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

3. Summary of our audit approach

Key audit matters	The key audit matter that we identified in the current year was valuation of investments recognised at Fair Value Through Profit or Loss (FVTPL). The key audit matter in this report is consistent with that reported in prior year.
Materiality	The materiality that we used non-statutory financial statements in the current year was £3,874,000 which was determined on the basis of 2% of the Net Asset Value of the Trust as at 31 December 2021.
Scoping	Audit procedures to respond to the risks of material misstatement was performed directly by the audit engagement team.
Significant changes in our approach	There were no significant changes to the approach in the current year.

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4. Conclusions relating to going concern

In auditing the non-statutory financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the non-statutory financial statements is appropriate. Our evaluation of the Trustee's assessment of the Trust's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the cash flow needs of the Trust as applicable at this phase of the Trust life cycle and assessing available liquidity including financing facilities and undrawn commitments from the unitholders; and
- Evaluating Trustee's judgement that Covid-19 had a limited impact on the operations of the Trust by assessing the details provided as part of the assessment to the supporting documentation.

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 Trust's ability to continue as a going concern for a period of at least twelve months from when the non-statutory financial statements are authorised for issue.

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

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the non-statutory financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the non-statutory financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Valuation of investments recognised at FVTPL 

Key audit matter description	matter
	The Trust's investments (see note 5 to the non-statutory financial statements) measured at fair value of £188,665,173 (2020: £104,465,944) comprise 97.4% (2020: 95.5%) of its net asset value. The increase is as a result of increase in unrealised gain on investments at FVTPL.

These investments include investments in private equity funds (the "Funds") managed by third parties held both directly and indirectly via intermediate holding companies.

The Trust recognises and measures investments at fair value with gains and losses recognised through profit or loss ("FVTPL") in accordance with IFRS and are classified as Level 3 in the fair value hierarchy in accordance with IFRS 13.

The accounting policy for the fair value estimation of the investments as specified in Note 2.7 and 4 to the non-statutory financial statements is based on the Trust's share of the most recent net asset values (NAV) reported by the Funds as adjusted for calls and distributions made by the Funds and any other value sensitive events that occur between the Funds' reported NAV date and the reporting date of the Trust. In many instances, reliance is placed on the financial data of the Funds and on estimates made by the management of the Funds.

FOR THE YEAR ENDED 31 DECEMBER 2021

The valuations of investments involve significant levels of judgement as unobservable inputs are used in the overall process of determining the fair value best estimate of the investments. These include using unaudited net asset values of the Funds where audited accounts of the Funds are not available for the same period. Our key audit matter specifically relates to:

- fair value accounting principles not adopted or incorrectly applied;
- timing difference between capital account statement and the Fund's reporting date; and
- completeness of the adjustments made to reported NAV to arrive at estimated fair value.

How the scope of our audit responded to the key audit matter We obtained an understanding of the relevant controls around the valuation process including controls applicable to the valuation of investments.

We tested the design and implementation (D&I) and operating effectiveness of relevant controls related to the investment valuations process at Hollyport Capital (Investment Advisor).

We obtained and reviewed Investment Advisor meeting minutes and obtained an understanding of the approach management took in evaluating and assessing judgments and assumptions made in arriving at any provisions or write downs relating to investments.

We held discussions with the Investment Advisor and inspected investee fund financial information to understand the performance of the investments. We understood how significant developments such as COVID-19 impacts have been incorporated into the December 2021 valuations.

We challenged management on key assumptions used in the valuation of investments.

For a sample of investments, we obtained audited financial statements and corresponding unaudited NAV used in valuing underlying investee entity and we compared the Net Asset Value as per audited financial statements to the unaudited NAV. Where there were differences, we further investigated these to ensure these were valid ("back testing"). We also reviewed the content of the audit opinion issued by the auditor and accounting principles applied in the audited financial statements to ensure that these are consistent with fair value principles.

In certain instances where assets were acquired close to year end and no valuations have been received by the Unit Trusts close to year end, we agreed the valuation used by the Unit Trusts to the NAV outlined in the Sale and Purchase Agreement (SPA) for any new underlying investee entities that are acquired during the year.

Where cost was deemed a reasonable approximation of fair value for recently acquired investments, we performed procedures to check Board approval, inspection of documentation to check the investment recommendation, we reviewed the SPA and traced the amounts to bank statements.

FOR THE YEAR ENDED 31 DECEMBER 2021

For a sample of investments, we obtained independent confirmation of all the draw downs and distributions and other NAV sensitive events between the NAV date and Unit Trusts’ Reporting date from the General Partner/Administrator of the underlying investee entities to verify the completeness of the NAV sensitive adjustments made to the latest NAV.

For a sample of investments, we obtained independent confirmations of the NAV as at the reporting date from the General Partner or Administrator of the underlying investee entities.

We reviewed the adequacy of disclosures (including disclosures related to sensitivity) made in the non-statutory financial statements in accordance with requirements of IFRS 13.

Key observations

Based on the work performed we concluded that the valuation of investments recognised at FVTPL is appropriate.

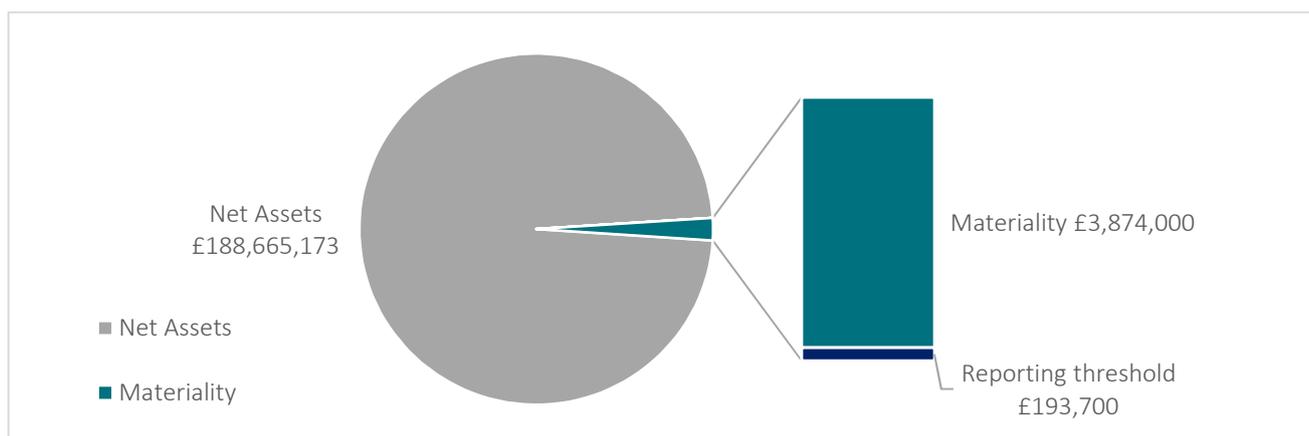
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the non-statutory financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the non-statutory financial statements as a whole as follows:

Materiality	£3,874,000 (2020: £2,188,000)
Basis for determining materiality	2% of Net Asset Value (2020: 2% of Net Asset Value]
Rationale for the benchmark applied	Net Asset Value is the Key Performance Indicator of the Trust. The holders of units are interested in capital appreciation of their investment, thus NAV is appropriate. Materiality increased from prior year as a result of the increase in unrealised gain on the financial assets at FVTPL.



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6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the non-statutory financial statements as a whole. Performance materiality was set at 70% of Trust materiality for the 2021 audit (2020: 70%). In determining performance materiality, we considered the following factors:

- a. the quality of the control environment and the fact that we were able to rely on controls around valuation of investments,
- b. no expected increase in accounting issues that require significant judgment or increased judgement year on year;
- c. the low level of corrected and uncorrected misstatements identified in previous audits.

6.3. Error reporting threshold

We agreed with the Trustee that we would report to them all audit differences in excess of £193,700 (2020: £109,400), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the non-statutory financial statements.

7. An overview of the scope of our audit

7.1. Scoping

Our scoping has been tailored by assessing the risks of material misstatement for the Trust. The Trust is a close-ended regulated exchange-traded fund whose objective is to acquire interests in mature private equity funds and to subsequently realise profits on such interests over the intended realisation period.

Our audit was scoped by obtaining an understanding of the Trust and its environment, including internal controls and assessing the risks of material misstatement. Our audit scope included the assessment of the accounting processes and controls in place at the third party accounting service provider. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the non-statutory financial statements of the Trust, taking account of the structure of the Trust.

7.2. Our consideration of the control environment

We did not take a controls reliance approach on the general IT controls during the audit for the Trust due to the simplicity of control environment and financial reporting system. As covered in our key audit matter section above, we tested relevant controls over the valuation and were able to rely on controls.

8. Other information

The other information comprises the information included in the annual report, other than the non-statutory financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the annual report.

Our opinion on the non-statutory 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 non-statutory financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

FOR THE YEAR ENDED 31 DECEMBER 2021

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 non-statutory 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.

9. Responsibilities of Trustee

As explained more fully in the statement of Trustee's responsibilities, the Trustee is responsible for the preparation of the non-statutory financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of non-statutory financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-statutory financial statements, the Trustee is responsible for assessing the Trust'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 Trustee either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the non-statutory financial statements

Our objectives are to obtain reasonable assurance about whether the non-statutory 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 non-statutory financial statements.

A further description of our responsibilities for the audit of the non-statutory financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. 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, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the performance targets;
- results of our enquiries of Trustee and management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Trust's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;

FOR THE YEAR ENDED 31 DECEMBER 2021

- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and valuation specialists regarding how and where fraud might occur in the non-statutory financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the valuation of investments recognised at FVTPL. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the non-statutory financial statements. The key laws and regulations we considered in this context included The International Stock Exchange (TISE) Listing Rules.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the non-statutory financial statements but compliance with which may be fundamental to the Trust's ability to operate or to avoid a material penalty. These included Alternative Investment Fund Managers Directive (AIFMD) and the Trust Deed.

11.2. Audit response to risks identified

As a result of performing the above, we identified the valuation of investments recognised at FVTPL as a key audit matter related to the potential risk of fraud. The key audit matter section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the non-statutory financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the non-statutory financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of the Trustees; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

FOR THE YEAR ENDED 31 DECEMBER 2021

12. Use of our report

This report is made solely to the unit holders, in accordance with the Trust Deed and solely for the purpose of compliance with the Trust Deed. Our audit work has been undertaken so that we might state to the unitholders 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 unit holders and the Trust's as a body, for our audit work, for this report, or for the opinions we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Theo Brennand.



Deloitte LLP
St Helier, Jersey
28 March 2022

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Notes	As at 31 December 2021 GBP	As at 31 December 2020 GBP
Assets			
Non-current assets			
Financial assets at fair value through profit or loss	5	188,665,173	104,465,944
Current assets			
Receivables and prepayments	6	707,390	456,329
Cash and cash equivalents	7	4,502,841	4,624,129
Total assets		<u>193,875,404</u>	<u>109,546,402</u>
Liabilities			
Current liabilities			
Payables	8	(130,931)	(131,255)
Net assets attributable to unitholders		<u>193,744,473</u>	<u>109,415,147</u>
Represented by:			
Contributions - classified as liability	9	131,260,000	131,260,000
Distributions	9	(162,980,535)	(133,724,439)
Accumulated net income		225,465,008	111,879,586
Net assets attributable to Partners		<u>193,744,473</u>	<u>109,415,147</u>
Net assets per unit (in pence):	9	2021	2020
A units		-	3.18
B units		8,207.32	4,693.04
C units		165,438.68	64,432.71
LP units		103.33	58.35

The financial statements set out on pages 14 to 35 were authorised for issue by Sanne Trustee Services Limited in its capacity as Trustee of Hollyport Secondary Opportunities V Unit Trust on 25 March 2022 and were signed on its behalf by:



Authorised Signatory

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

		Year ended 31 December 2021 GBP	Year ended 31 December 2020 GBP
	Notes		
Expenses			
Investment advisory fees	10	(681,088)	(846,451)
Administration fees	10	(135,087)	(183,940)
Filing and regulatory fees		(82,724)	(34,762)
Audit fees		(64,123)	(68,487)
Tax compliance fees		(25,173)	(18,574)
Bank charges and sundry expenses		(20,910)	(21,423)
Deal costs		(6,696)	(48,179)
Investment partnership expenses		(3,075)	(4,953)
Legal and professional fees		(8,015)	(3,640)
Total operating expenses		<u>(1,026,891)</u>	<u>(1,230,409)</u>
Net (loss)/gain on foreign exchange		(79,769)	1,228,719
Gain/(loss) on financial assets at fair value through profit or loss			
Unrealised gain/(loss)	5	85,508,275	(15,251,283)
Realised gains		29,187,692	18,748,514
Operating profit		<u>113,589,307</u>	<u>3,495,541</u>
Withholding tax deducted from income element of distribution		(3,885)	-
Increase in net assets attributable to unitholders from operations		<u>113,585,422</u>	<u>3,495,541</u>

All of the Unit Trust's results are derived from continuing operations. The Unit Trust has no other income that should be reflected in the Statement of Comprehensive Income.

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Year ended 31 December 2021 GBP	Year ended 31 December 2020 GBP
Distributions	2.9	(29,256,096)	(30,068,369)
Increase in net assets attributable to unitholders from operations		113,585,422	3,495,541
Net assets attributable to unitholders at beginning of the year		109,415,147	135,987,975
Net assets attributable to unitholders at end of the year		<u>193,744,473</u>	<u>109,415,147</u>

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Year ended 31 December 2021 GBP	Year ended 31 December 2020 GBP
Cash flows from operating activities			
Increase in net assets attributable to unitholders from operations		113,585,422	3,495,541
Adjustments for:			
(Gain)/loss on financial assets at fair value through profit or loss			
Unrealised (gain)/loss		(85,508,275)	15,251,283
Realised gain		(29,187,692)	(18,748,514)
Exchange loss/(gain) on cash and cash equivalents		79,769	(1,228,719)
Net cash before changes in working capital		(1,030,776)	(1,230,409)
(Increase)/decrease in receivables	6	(251,061)	1,375,722
(Decrease)/increase in payables	8	(324)	1,272
Acquisition of investments	5	(1,201,053)	-
Proceeds from disposal of investments		31,697,791	27,741,954
Net cash generated from operating activities		29,214,577	27,888,539
Cash flows from financing activities			
Distributions	9	(29,256,096)	(30,068,369)
Net cash used in financing activities		(29,256,096)	(30,068,369)
Net decrease in cash and cash equivalents		(41,519)	(2,179,830)
Cash and cash equivalents at beginning of the year		4,624,129	5,575,240
Exchange (loss)/gain on cash and cash equivalents		(79,769)	1,228,719
Cash and cash equivalents at end of the year	7	4,502,841	4,624,129

**NOTES TO THE AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

Hollyport Secondary Opportunities V Unit Trust (the "Unit Trust") is a Jersey closed-ended regulated exchange-traded fund that is constituted out of the proceeds of issues of Units paid or transferred to the Trustee and held as part of the trust fund in accordance with the Declaration of Trust (the Trust Instrument) dated 28 May 2015. Registered office is given in the notes from the Trust Instrument and Prospectus on page 1 of this report. Its objective is to acquire interests in mature private equity funds and to subsequently realise profits on such interests over the intended realisation period of ten years or less.

The Unit Trust has issued four classes of units, being A, B, C and LP units. The A, B and C units (the "Investor Units") were issued to investors subscribing up to GBP 5,000,000 each in the Unit Trust and the LP units to investors subscribing in excess of that amount. In 2021, A units have been fully repaid and cancelled. Distributions are explained in detail in note 2.9.

The Trustee is Sanne Trustee Services Limited, a Jersey incorporated company. The Trustee is responsible for the management and administration of the business, affairs and investments of the Unit Trust in accordance with the terms of the Trust Instrument.

The Trustee has appointed Hollyport Capital LLP, a limited liability partnership incorporated in England, as the Investment Advisor of the Trust and Sanne Fund Administration Limited, a Jersey incorporated company, as the Administrator and Alternative Investment Fund Manager ("AIFM").

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

2.1 Basis of preparation and statement of compliance

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements have been prepared under the historical cost basis, except for the revaluation of financial assets held at fair value through profit or loss ("FVTPL").

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and exercise of judgement by the Trustee while applying the Unit Trust's accounting policies. These estimates are based on the Trustee's best knowledge of the events which existed at the year-end date; however, the actual results may differ from these estimates. One of the areas requiring a higher degree of judgement and which involves significant assumptions is the valuation of investments which are classified as 'financial assets at FVTPL'. The valuation methodology is discussed in detail in note 2.6 to these financial statements.

Going concern

The Unit Trust meets its working capital requirements through commitments made by the unitholders. As at 31 December 2021, the Unit Trust has outstanding undrawn capital commitments of USD 56,250,000 (2020: USD 56,250,000). The Unit Trust receives ongoing distributions from its investments. The Trustee has assessed the projected cash flows and concluded that the Trust has available funds to meet its long-term obligations. The Trustee has also assessed the forecast of the likely income, expenditure and advances of the next 12 months and concluded that the Unit Trust has sufficient funds to meet its short-term obligations as they fall due. Accordingly, it continues to adopt the going concern basis in the preparation of the financial statements.

**NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Summary of significant accounting policies - continued**2.1 Basis of preparation and statement of compliance– continued****COVID-19**

The outbreak and continuing spread of the novel coronavirus (“COVID-19”) and the related disruption to the worldwide economy is affecting businesses across all industries. While noting that the ultimate effects may be difficult to quantify at this time the General Partner and Investment Adviser do not underestimate the current situation and have engaged in an on-going risk assessment analysis, scenario planning and liquidity forecasting process to understand the impact that COVID-19 may have on the Unit Trust.

The Trustee is satisfied that capital and loan contribution from Limited Partners will provide sufficient on-going liquidity to meet all on-going operational expenditure for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

New Accounting Standards, amendments to existing Accounting Standards and/or interpretations of existing Accounting Standards (separately or together, "New Accounting Requirements") adopted during the current year

The Trustee has assessed the impact, or potential impact, of all New Accounting Requirements. In the opinion of the Trustee, there are no mandatory New Accounting Requirements applicable in the current year that had any material effect on the reported performance, financial position, or disclosures of the Unit Trust. Consequently, no mandatory New Accounting Requirements are listed. The Unit Trust has not early adopted any New Accounting Requirements that are not mandatory.

Non-mandatory New Accounting Requirements not yet adopted

All non-mandatory New Accounting Requirements in issue are either not yet permitted to be adopted or, in the Trustee’s opinion, would have no material effect on the reported performance, financial position, or disclosures of the Trust and consequently have neither been adopted, nor listed.

Investment entity and consolidation

The Unit Trust meets the definition of an investment entity under IFRS 10; and therefore, is not required to prepare consolidated Financial Statements. The exception to consolidation requires investment entities to account for subsidiaries at FVTPL. The Unit Trust has multiple unrelated unitholders and holds multiple investments. Ownership interests in the Unit Trust are in the form of units which are classified as liabilities under the provisions of IAS 32.

The Trustees have determined that the Unit Trust meets the definition of an investment entity per IFRS 10 as the following conditions exist:

- The Unit Trust has obtained funds for the purpose of providing unitholders with professional investment management services;
- The Unit Trust’s business purpose, which was communicated directly to unitholders, is investing for capital appreciation and investment income; and
- The investments are measured and evaluated on a fair value basis.

**NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Summary of significant accounting policies – continued**2.1 Basis of preparation and statement of compliance – continued**

An investment entity shall not consolidate its subsidiaries or apply IFRS 3 when it obtains control of another entity, except in limited circumstances. Instead, an investment entity shall measure an investment in a subsidiary at FVTPL in accordance with IFRS 9 Financial Instruments.

An investment entity is exempt from consolidation on the date it qualifies as an investment entity, and the exemption ceased when the entity no longer qualifies as such. The only exception is for subsidiary that is not itself an investment entity and whose main purpose and activities are to provide services relating to the investment entity's investment activities.

The Unit Trust holds 100% of the interest in Hollyport Secondary Opportunities V Holdings SLP (the "SLP"), which was established in Jersey and is managed by Hollyport Secondary Opportunities V – A GP Limited. The SLP was incorporated for the purpose of holding underlying investments on behalf of the Unit Trust. The SLP has no operations other than providing a vehicle for the acquisition, holding and onward sale of certain underlying partnerships. The SLP is also reflected at its fair value, with the key fair value driver being the investment in underlying partnerships that the SLP holds on behalf of the Unit Trust. The SLP does not require consolidation as the Unit Trust is classified as an investment entity defined in IFRS 10.

2.2 Critical accounting estimates and judgements in applying accounting policies

The Trustee makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates

One of the key accounting estimates is in respect of the determination of the fair value of investments. The methodology used in determining fair values is disclosed in note 2.6(c).

Judgements

The key accounting judgement is in respect of the determination of the investment entity status as outlined in note 2.1. The Trustee has met all three defining criteria. The Trustee has assessed the business purpose of the Unit Trust, the investment strategies for the investments, the nature of any earnings from investments and the fair values. The Trustee made the assessment in respect to the typical characteristics of an investment entity versus those of the Unit Trust to determine whether there are additional areas of judgement.

Estimates and judgements applied by the Unit Trust are reviewed on a regular basis by the Trustee. Actual results may differ from these estimates.

2.3 Expenses

All items of expense are recognised on an accruals basis.

The Unit Trust is responsible for the expenses of Hollyport Secondary Opportunities V L.P. (the "Limited Partnership") and Hollyport Secondary Opportunities V GP Limited (the "General Partner"). Accordingly, these expenses are included within the profit and loss account of the Unit Trust. The only exception is the Limited Partnership's Advisory fee, which is reimbursable to the Limited Partnership.

**NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Summary of significant accounting policies – continued**2.4 Foreign currency translation***Functional and presentation currency*

Items included in the Unit Trust's financial statements are measured and presented in pounds sterling, the currency in which drawdowns and distributions are made to unitholders in accordance with the Prospectus and Declaration of Trust and is currency that most faithfully represents the economic effects to unitholders and the primary economic environment in which it operates ("the functional currency").

Transactions and balances

Foreign currency transactions are translated into the functional currency using the closing exchange rate 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.

2.5 Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss. However, given the nature of receivables and the short period involved between their origination and settlement, their amortised cost is considered to be the same as their fair value at the date of origination.

2.6 Financial assets at fair value through profit or loss*a) Classification*

The Unit Trust classifies its investments as financial assets at FVTPL, as these are managed and their performance is evaluated on a fair value basis in accordance with the Unit Trust's documented investment strategy. The Trustee's assessment of the fair value of unquoted investments is determined in accordance with the International Private Equity and Venture Capital (IPEV) guidelines. Financial assets include equity investments.

The Unit Trust's policy requires the Investment Advisor to evaluate the information about these financial assets on a fair value basis together with other related financial information. Assets in this category are classified as current assets if they are expected to be realised within twelve months of the financial year end. Those not expected to be realised within twelve months of the financial year are classified as non-current assets. Any unrealised gain or loss resulting from the re-measurement of the investments at their fair value or from changes in fair value is included in the Statement of Comprehensive income of the year in which they arise.

b) Recognition, derecognition and measurement

Purchases of investments are recognised on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within a timeframe established by the market concerned. This is the date on which the Unit Trust commits to the purchase. Financial assets at FVTPL are initially recognised at fair value. Transaction costs are expensed as incurred in the Statement of Comprehensive Income and are shown as deal costs therein. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Unit Trust has transferred substantially all risks and rewards of ownership.

**NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Summary of significant accounting policies – continued**2.6 Financial assets at fair value through profit or loss – continued***b) Recognition, derecognition and measurement - continued*

Subsequent to initial recognition all financial assets at FVTPL are measured at fair value. Gains and losses arising from changes in their fair value are presented in the Statement of Comprehensive Income of the year in which they arise.

Distributions receivable from investments are recognised when the Unit Trust's right to receive payment is established. The application of the distribution amounts against return of cost, capital gain/loss and income are recognised as return of cost until such time when all costs have been returned at which point realised gain is recognised on any remaining distribution amounts. Realised gains and losses are included in the Statement of Comprehensive Income of the year in which they arise within "realised gains on financial assets at FVTPL".

c) Fair value estimation

Fair value is the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

IFRS 13 prescribes how fair values of financial instruments which are traded in active markets should be ascertained but this is not disclosed in these financial statements as the Unit Trust has not owned any such financial instruments in the year up to the reporting date.

The Trustee believes that the most appropriate estimate of fair value of underlying entities is the Unit Trust's share of the most recent net asset values reported by those entities as adjusted for calls and distributions made by the entities and any other value-sensitive events that occur between the entities' reporting dates and the accounting date of the Unit Trust. When available, audited net asset values are used, otherwise most recent unaudited net asset values are used for valuing underlying entities. Where investments by the Unit Trust comprise direct holdings in the companies or corporations, such investments will be valued by the Investment Adviser using accepted industry valuation methods in line with the IPEV guidelines.

The valuation techniques also consider the original transaction price and take into account the relevant developments since the acquisition of the investments and other factors pertinent to the valuation of the investments, with reference to such rights in connection with realisation, recent third-party transactions of comparable types of instruments, the outcome of recent funding round valuations, enterprise valuation method and reliable indicative offers from potential buyers.

In determining fair value, the Trustee, the AIFM and Investment Advisor in many instances rely on the financial data of the entities and on estimates by the management of those entities as to the effect of future developments. The Trustee and Investment Advisor are aware, however, that the actual values of the entities could differ from the estimates made and those differences could be material both individually and overall, especially under current economic conditions.

2.7 Payables

Payables are financial liabilities with fixed or determinable payments that are not quoted in an active market. Payables are recognised initially at fair value. These are subsequently measured at amortised cost using the effective interest method.

The effective interest rate is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Summary of significant accounting policies – continued**2.7 Payables – continued**

Given the nature of payables and the short period involved between their origination and settlement, their amortised cost is considered to be the same as their fair value at the date of origination.

Financial liabilities are derecognised when they are extinguished - that is, when the obligation specified in the contract is discharged, cancelled or expired.

2.8 Distributions from the investment portfolio and their utilisation

Distributions are received from the portfolio of investments either in cash or publicly quoted securities. In the latter case, the Investment Advisor will seek to complete the sale of such securities within a period of three months from the date of transfer at the valuation at the time of distribution, subject to market conditions and any constraints regarding the marketability of the securities received.

The application of the distribution amounts against return of cost, capital gain/loss and income is recognised as return of cost until such time when all costs have been returned at which point realised gain is recognised on any remaining distribution amounts.

The total cash realised from distributions will:

- a) Firstly, be applied to a reserve to be held to meet anticipated drawdowns from fund interests acquired;
- b) Secondly, be applied to meet the costs and other expenses of the Unit Trust;
- c) Thirdly, if received during the three-year investment period within 12 months of acquisition of the relevant investment, be available for new investment; and
- d) Fourthly, be available for distributions to unitholders.

No distributions will be made in specie save with the consent of the Investor Representative Group. This Group comprises between three and six members appointed by the Investment Advisor from among unitholders or their representatives. If an in specie distribution is made, the value of the distribution will be determined by the most recent net asset value of the relevant investment.

2.9 Distributions to unitholders

During the year to 31 December 2021, the Trust distributed GBP 29,256,096 to A and LP unitholders (2020: GBP 30,068,369). Out of the amount distributed for the year ended 31 December 2021, GBP nil was still payable at year end (2020: GBP 12,235). Distributable amounts were apportioned between the Investor Units and the LP units based on their respective overall commitments to the Unit Trust.

The amount apportioned to the Investor Units is applied as follows:

Firstly, to the repayment of the total capital subscribed by A, B and LP unitholders, being the aggregate amount subscribed contemporaneously by unitholders for A units and B units and the amount subscribed by LP units.

Secondly, to the holders of B and C units in the following proportions:

- a) 85% to holders of B units and 15% to holders of C units until the B unitholders have received an amount equal to that distributed to the A unitholders;
- b) 50% to holders of B units and 50% to holders of C units until the C unitholders have received 25% of the total amount distributed to the B unitholders; and
- c) 80% to holders of B units and 20% to holders of C units.

**NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Summary of significant accounting policies – continued**2.10 Taxation**

The Unit Trust has been accepted into the UK HMRC Reporting Fund Regime and is subject to tax in Jersey at 0% as per Section 123 of Income Tax (Jersey) Law 1961 (2020: 0%). Any tax liability arising on the activity of the Unit Trust will be borne by the individual investors.

The Unit Trust currently incurs only withholding tax imposed by certain countries which is being shown as a separate item in the Statement of Comprehensive Income. The Trustee has assessed the risk of specific identifiable uncertain tax positions as low and as a result has identified no matters that require further disclosures in the financial statements.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash held in current accounts with Barclays Bank plc.

2.12 Contributed capital

Contributed capital is classified as a financial liability due to the finite life of the Trust and provisions for contractual payments to unitholders in its constitutive documents.

3. Financial risk management

The Unit Trust's activities expose it to a number of financial risks and the impact of each of these risks to the Unit Trust is described below.

3.1 Market risk*(i) Price risk*

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issue or factors affecting similar financial instruments traded in the market. The Unit Trust's investments are susceptible to price risk arising from uncertainties about future values of those investments. The Investment Advisor provides the Trustee with investment recommendations which are reviewed and approved by the Trustee before the investment decision is implemented.

To manage price risk, the Investment Advisor, as engaged by the Trustee to do so, reviews the performance of the investment entities on an ongoing basis and is in regular contact with the management of those investment entities for business and operational matters.

In assessing potential investments, the Investment Advisor applies the following concentration limits:

- The total interest in any individual private equity fund will not comprise, at the time of acquisition, more than 15% of the net asset value of the Unit Trust (including undrawn commitments); and
- No interest in an individual company, whether acquired directly or as part of a portfolio of fund or direct interests, will comprise more than 7.5% of the net asset value of the Unit Trust (including undrawn commitments).

NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Financial risk management - continued

3.1 Market risk – continued

(i) Price risk – continued

These limits may be waived with the approval of the Investor Representative Group.

The basis of valuation for the investments is set out in note 2.6. The Trustee has prepared a sensitivity analysis that measures the estimated change to the fair value of the Unit Trust’s financial instruments of either an increase or decrease in values of 10%, as used for internal reporting purposes. Applying this rate to investments at 31 December 2021 would result in an increase or decrease of GBP 18,866,517 (2020: GBP 10,446,594) assuming that other variables were unchanged.

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Unit Trust holds assets denominated in currencies other than Pound Sterling (“GBP”), the functional currency of the Unit Trust. Consequently, it is exposed to currency risk since the value of the assets denominated in other currencies will fluctuate due to changes in exchange rates. The Investment Advisor takes foreign currency exposure of underlying entities into account when formulating its investment strategy and the Trustee provides the Investment Advisor with details of foreign currency bank balances on a weekly basis to enable monitoring thereof. The Trustee and Investment Advisor do not manage the Unit Trust’s exposure to foreign exchange movements (both monetary and non-monetary) by entering into foreign exchange hedging transactions.

The table below summarises the Unit Trust’s exposure to currency risk. Included in the table are the Unit Trust’s assets and liabilities at fair value in Pounds Sterling, categorised by their base currencies:

2021	USD	EUR	CHF	JPY	AUD	Total
Assets						
Cash and cash equivalents	3,298,793	545,387	-	9,799	615,364	4,469,343
Financial assets at fair value through profit or loss	<u>5,706,734</u>	<u>882,160</u>	<u>-</u>	<u>362</u>	<u>-</u>	<u>6,589,256</u>
Total assets	<u>9,005,527</u>	<u>1,427,547</u>	<u>-</u>	<u>10,161</u>	<u>615,364</u>	<u>11,058,599</u>
Liabilities						
Payables	<u>-</u>	<u>-</u>	<u>(8,015)</u>	<u>-</u>	<u>-</u>	<u>(8,015)</u>
Total net assets	<u>9,005,527</u>	<u>1,427,547</u>	<u>(8,015)</u>	<u>10,161</u>	<u>615,364</u>	<u>11,050,584</u>
2020	USD	EUR	JPY	AUD	Total	
Assets						
Cash and cash equivalents	3,102,019	1,651	9,374	708,472	3,821,516	
Financial assets at fair value through profit or loss	<u>6,218,290</u>	<u>1,187,897</u>	<u>68,929</u>	<u>-</u>	<u>7,475,116</u>	
Total assets	<u>9,320,309</u>	<u>1,189,548</u>	<u>78,303</u>	<u>708,472</u>	<u>11,296,632</u>	
Liabilities						
Payables	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net assets	<u>9,320,309</u>	<u>1,189,548</u>	<u>78,303</u>	<u>708,472</u>	<u>11,296,632</u>	

NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Financial risk management – continued

3.1 Market risk – continued

(ii) Currency risk – continued

Exchange rates to Pounds Sterling used at the year-end were as follows:

	2021	2020
US Dollars	1.3534	1.3654
Japanese Yen	155.7147	141.0240
Euro	1.1888	1.1167
Australian Dollars	1.8602	1.7742

The Trustee believes that a reasonable assessment of the potential exposure to foreign exchange rate fluctuation is plus or minus 10%, as used for internal reporting purposes. Applying this rate to net assets at the year-end would result in an increase or decrease therein of GBP 1,105,058 (2020: GBP 1,129,663), assuming that other variables were unchanged. In order to mitigate as far as possible, the adverse effects of currency movements the Trustee and Investment Advisor monitor such movements on an ongoing basis.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The vast majority of the Unit Trust's financial instruments are non-interest bearing. This is in line with the Investment Advisor's focus of investing in entities which are non-interest bearing. The Unit Trust is therefore not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

Sensitivity analysis pertaining to interest rate risk has not been provided in these financial statements as, in the opinion of the Trustee, amounts of interest received by the Unit Trust are immaterial in relation to its overall results for the year.

3.2 Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due causing a financial loss to the Unit Trust. The Trustee considers that the Unit Trust has no significant concentration of credit risk.

The Trustee and Investment Advisor assess all counterparties, including the unitholders, before contracting with them. The main area of exposure to credit risk for the Unit Trust is that a unitholder might default on a capital call, but the Trustee considers that the credit risk of the Unit Trust is low as all of the investors are known to the Investment Advisor. Additionally, there are clauses in the Unit Trust's Prospectus that provide specific actions that can be taken in the case that a unitholder defaults from its obligation of disbursement of a call.

Financial assets exposed to credit risk include financial assets at FVTPL, bank balances and receivables, as disclosed in notes 5, 6 and 7. None of these assets is past due or impaired and it is the opinion of the Trustee that the carrying amounts of these financial assets represent the Unit Trust's maximum credit risk exposure at the end of the financial year. As at 31 December 2021, the Unit Trust held cash balances with Barclays Bank plc whose credit rating is of investment grade, having a Moody's ratings of A1 (2020: A1).

NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Financial risk management – continued

3.3 Liquidity risk

The liquidity risk is that the Unit Trust will encounter difficulty in financial obligations when they fall due. The financial obligations of the Unit Trust are amounts due in respect of investment transactions and accounts payable, which are payable on demand with the exception of net assets attributable to unitholders.

When capital is required to fund the purchase of investments, calls are made on the portion of the investors' units not yet paid up. As at 31 December 2021, GBP 56,250,000 (2020: GBP 56,250,000) was available to be called from unitholders, of which a maximum of GBP 3,375,401 (2020: GBP 3,411,246) would be required to fund future capital calls of current investee entities. Accordingly, the Trustee considers that the Unit Trust has no significant liquidity risk for the foreseeable future.

The investments held by the Unit Trust are mostly unquoted entities, which are considered to be highly illiquid as they are not actively traded. The Trustee and Investment Advisor manage this liquidity risk by actively monitoring these underlying investments. Also, by regularly reviewing market developments the Investment Advisor can explore and evaluate all potential exit opportunities.

Financial assets

The analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or, if earlier, the expected date on which the assets are realised.

Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting year to the contractual maturity date. When the counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Unit Trust can be required to pay.

2021	On demand GBP	Less than 3 months GBP	More than 1 year GBP	Total GBP
Assets				
Cash and cash equivalents	4,502,841	-	-	4,502,841
Financial assets at fair value through profit or loss	-	-	188,665,173	188,665,173
Receivables	-	415,640	-	415,640
Total assets	<u>4,502,841</u>	<u>415,640</u>	<u>188,665,173</u>	<u>193,583,654</u>
Liabilities				
Payables	-	(130,931)	-	(130,931)
Total net assets	<u>4,502,841</u>	<u>284,709</u>	<u>188,665,173</u>	<u>193,452,723</u>

NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Financial risk management – continued

3.3 Liquidity risk – continued

2020	On demand GBP	Less than 3 months GBP	More than 1 year GBP	Total GBP
Assets				
Cash and cash equivalents	4,624,129	-	-	4,624,129
Financial assets at fair value through profit or loss	-	-	104,465,944	104,465,944
Receivables and prepayments	-	456,329	-	456,329
Total assets	<u>4,624,129</u>	<u>456,329</u>	<u>104,465,944</u>	<u>109,546,402</u>
Liabilities				
Payables	-	(131,255)	-	(131,255)
Total net assets	<u>4,624,129</u>	<u>325,074</u>	<u>104,465,944</u>	<u>109,415,147</u>

3.4 Capital risk management

The capital of the Unit Trust is represented by the net assets attributable to the unitholders. The Trustee's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Unit Trust. In order to maintain or adjust the capital structure the Trustee may call unfunded commitment from or distribute funds to the unitholders.

The Trustee monitors capital on the basis of the value of net assets attributable to unitholders.

4. Fair value measurement

The Unit Trust is required to classify, for disclosure purposes, fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in the making measurements.

The fair value hierarchy has the following levels:

- 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 assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices (level 2)).
- Inputs for assets or liabilities that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Trustee and Investment Advisor who consider observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Fair value measurement - continued

As at 31 December 2021, 100% of financial assets at FVTPL comprise investments in investee entities that have been fair valued in accordance with the policies set out in note 2.6(c). The investee entities are not publicly traded. Prior to maturity an exit can only be made by the Unit Trust through a sale of its investment and commitment in an investee entity through a secondary market. It is the Unit Trust's objective to acquire investments by way of mature private equity interests and to subsequently realise profits on such interests over the intended realisation period of the Unit Trust of ten years or less.

As a result, the carrying values of the investee entities may be significantly different from the values ultimately realised on an exit via a secondary market sale.

All of the investee entities in the portfolio are managed by investment managers who are compensated by the respective investee entities for their services. Such compensation generally consists of a commitment / investment-based management fee and a performance-based incentive fee which is accounted for at an underlying investee entity level. Such compensation is reflected in the valuation of the Unit Trust's investment in each of the investee entities.

The investee entities are not traded on an active market and their fair value is determined using valuation techniques. The value is primarily based on the latest available financial / capital account statement of the investee entities. The Unit Trust may make adjustments to the value based on considerations such as the underlying investments of the investee entities, the value date of the net asset value provided, cash flows since the last value date, geographical and sector exposures, market movements and the basis of accounting of the underlying investee entities.

The following table analyses within the fair value hierarchy the Unit Trust's financial assets (by class) as at 31 December:

2021	Level 1	Level 2	Level 3	Total
	GBP	GBP	GBP	GBP
Financial assets at FVTPL	-	-	188,665,173	188,665,173
2020	Level 1	Level 2	Level 3	Total
	GBP	GBP	GBP	GBP
Financial assets at FVTPL	-	-	104,465,944	104,465,944

Investments whose values are based simply on quoted market prices in active markets are classified within level 1. As at 31 December 2021 and 31 December 2020 it was the opinion of the Trustee that none of the Unit Trust's investments fell into this category.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs would be classified within level 2. As level 2 investments include positions that are not traded in active markets, and/or are subject to transfer restrictions, valuations are discounted to reflect illiquidity and/or non-transferability, which are generally based on available market information. As at 31 December 2021 and 31 December 2020 it was the opinion of the Trustee that none of the Unit Trust's investments fell into this category.

NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Fair value measurement - continued

Investments classified within level 3 have significant unobservable inputs as they trade infrequently. As observable prices are not available for these securities the Investment Advisor has used valuation techniques to derive the fair value. As at 31 December 2021 and 31 December 2020 it was the opinion of the Trustee that all of the Unit Trust's investments fell into this category.

Level 3 is comprised of investee entities held by the Unit Trust that are not quoted in active markets. In determining the fair value of its investee entities, the Investment Advisor relies on valuations as reported in the latest available financial statements and / or capital account statements provided by the investee entities unless there are valid reasons why such valuations may not be the best approximation of fair value. In such cases, the Investment Advisor would assign a fair value to such investments, which differs from that reported by the investee entities. These differences may arise because of several reasons including, but not limited to:

- a) The report received from the investee entity may not be coterminous with the Unit Trust's reporting date;
- b) The report received from the investee entity may be based on principles that are not aligned with the fair value principles adopted by the Unit Trust; and
- c) The Investment Advisor of the Unit Trust may have access to other observable or unobservable data that would indicate that amendments are required to particular portfolio company investment fair values presented in the reports from the investee entity.

The Investment Advisor is responsible for monitoring the performance of the underlying investee entities and reporting such performance to the Trustee. Where the information provided by an investee entity is not considered appropriate by the Investment Advisor and Trustee, the Investment Advisor will make amendments to the net asset value obtained as above in order to recommend a carrying value that more appropriately reflects the fair value at the Unit Trust's reporting date. The Trustee receives such recommendations from the Investment Advisor and is responsible for approving the final valuation of the investee entities.

The table below presents those investee entities whose fair values are recognised in whole or in part using valuation techniques (based on assumptions that are not supported by prices or other inputs from observable current market transactions). The unobservable inputs which significantly impact the fair value have been presented below. The NAV reflects input, being the values advised by the investee entities, and the fair value adjustments also reflect the input, being the adjustments made by the Trustee on advice from the Investment Advisor.

Description of investment	Fair value at 31 Dec 2021	Valuation technique Adjusted	Unobservable inputs	Weighted average input	Reasonable possible	Change in valuation + / -
					shift +/- (absolute value)	
Private equity	188,665,173	NAV	NAV	N/A	10%	18,866,517
			Fair value adjustments	N/A	N/A	-
Description of investment	Fair value at 31 Dec 2020	Valuation technique Adjusted	Unobservable inputs	Weighted average input	Reasonable possible	Change in valuation + / -
					shift +/- (absolute value)	
Private equity	104,465,944	NAV	NAV	N/A	10%	10,446,594
			Fair value adjustments	N/A	N/A	-

NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Fair value measurement - continued

The changes in investments measured at fair value for which the Unit Trust has used level 3 inputs to determine fair value as at 31 December is as follows:

	2021	2020
	GBP	GBP
Opening fair value	104,465,944	128,710,667
Acquisitions during the year	1,201,053	-
Disposals during the year	(2,510,099)	(8,993,440)
Unrealised gain/(loss) on financial assets at FVTPL	85,508,275	(15,251,283)
Closing fair value	<u>188,665,173</u>	<u>104,465,944</u>

There were no transfers between levels during the year ended 31 December 2021 and for the year ended 31 December 2020. Any such transfers in future will be deemed to occur at the beginning of the relevant reporting period.

5. Financial assets at fair value through profit or loss

	2021	2020
Fair Value	GBP	GBP
Opening fair value	104,465,944	128,710,667
Acquisitions during the year	1,201,053	-
Disposals during the year	(2,510,099)	(8,993,440)
Unrealised gain/(loss) on financial assets at FVTPL	85,508,275	(15,251,283)
Closing carrying value	<u>188,665,173</u>	<u>104,465,944</u>
Cost		
Opening Cost	7,718,214	16,711,654
Acquisitions during the year	1,201,053	-
Disposals during the year	(2,510,099)	(8,993,440)
Closing Cost	<u>6,409,168</u>	<u>7,718,214</u>

At 31 December 2021 a maximum amount of GBP 3,375,401 (31 December 2020: GBP 3,411,246) would be required to fund outstanding capital calls of current investments.

6. Receivables and prepayments

	2021	2020
	GBP	GBP
Related party receivable (Note 10)		
Hollyport Secondary Opportunities V LP	411,375	265,836
Hollyport V CC Feeder LP	4,265	4,723
Other		
Prepayment of Investment Advisory Fees	291,750	185,770
	<u>707,390</u>	<u>456,329</u>

NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Cash and cash equivalents

For the purposes of the Statement of Cash Flows for the year end, cash and cash equivalents comprise:

	2021	2020
	GBP	GBP
Cash at bank – GBP	33,498	802,613
Cash at bank – USD	3,298,793	3,102,019
Cash at bank – EUR	545,387	1,651
Cash at bank – JPY	9,799	9,374
Cash at bank – AUD	615,364	708,472
	<u>4,502,841</u>	<u>4,624,129</u>

8. Payables

	2021	2020
	GBP	GBP
Related party payable (Note 10)		
Trustee and administration fees	65,472	60,066
Other		
Distribution payable to investors	-	12,235
Audit fees	31,444	32,954
Tax fees	22,000	22,000
Legal fees	8,015	-
Sundry	4,000	4,000
	<u>130,931</u>	<u>131,255</u>

9. Net assets attributable to unitholders

	2021	2020
	GBP	GBP
Number of units in issue		
A units of GBP 1 each	-	77,022,000
B units of GBP 1 each	778,000	778,000
C units of GBP 1 each	10,000	10,000
LP units of GBP 1 each	109,700,000	109,700,000
	<u>110,488,000</u>	<u>187,510,000</u>
	2021	2020
	GBP	GBP
Called amounts		
A units - 70.0% paid up	53,915,403	53,915,403
B units - 70.0% paid up	544,597	544,597
C units - 100.0% paid up	10,000	10,000
LP units - 70.0% paid up	76,790,000	76,790,000
	<u>131,260,000</u>	<u>131,260,000</u>

NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Net assets attributable to unitholders - continued

	2021	2020
	GBP	GBP
Distribution amounts		
A Units	(53,915,403)	(52,009,300)
B Units	(8,441,297)	-
C Units	(1,393,535)	-
LP Units	(99,230,300)	(81,715,139)
	<u>(162,980,535)</u>	<u>(133,724,439)</u>

	2021	2020
	Pence	Pence
Net assets per unit		
A units	-	3.18
B units	8,207.32	4,693.04
C units	165,438.68	64,432.71
LP units	103.33	58.35

	2021	2020
	GBP	GBP
Net assets attributable to unitholders		
A units	-	2,450,700
B units	63,852,912	36,511,872
C units	16,543,868	6,443,271
LP units	113,347,693	64,009,304
	<u>193,744,473</u>	<u>109,415,147</u>

The A and B units of the Unit Trust are listed on TISE. As disclosed in note 1, A units have been fully repaid and cancelled as at 31 December 2021.

As disclosed in note 2.9, distributable amounts are apportioned first between A and B Units and LP Units based on overall commitments to the Unit Trust. A unitholders are entitled in repayment of capital subscribed in advance of B and C unitholders on any portion of distributable amounts due on the investor units.

Reconciliation of net assets attributable to unitholders

	2021	2020
	GBP	GBP
Capital called	131,260,000	131,260,000
Capital distributed	(162,980,535)	(133,724,439)
Accumulated net income	225,465,008	111,879,586
Net assets attributable to unitholders	<u>193,744,473</u>	<u>109,415,147</u>

NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Related party transactions

Unitholding of the Investment Advisor's personnel

The partners and employees of the Investment Advisor held the following units beneficially.

	2021	2020
A Units	-	1,546,875
B Units	15,625	15,625
C Units	10,000	10,000

In accordance with the Prospectus and Declaration of Trust, C Units were issued in full at the first issue date to employees of the Investment Advisor. There have been no changes in these unitholding up to the date of signing these financial statements.

Investment Advisor

Under the terms of the Investment Advisory Agreement, the Investment Advisor is entitled to an annual advisory fee calculated as 1.5% of total commitments for during the Investment Period. Thereafter the fee will reduce to 1.5% of the investor net asset value of the Unit Trust at the preceding year, subject to such fee not exceeding 1.5% of total commitments in any year.

During the year to 31 December 2021 advisory fees payable to Hollyport Capital LLP on A and B Units totalled GBP 681,088 (31 December 2020: GBP 846,451), none of which was outstanding at 31 December 2021 (31 December 2020: GBP nil). The fee is payable quarterly in advance and GBP 291,750 (31 December 2020: GBP 185,770) was paid in advance for the first quarter of 2022.

During the year to 31 December 2021 advisory fees payable on behalf of the LP units totalled GBP 960,140 (31 December 2020: GBP 1,193,369) which was reimbursed during the year. The fee is payable quarterly in advance and GBP 411,375 (31 December 2020: GBP 261,918) was paid in advance for the first quarter of 2022. The fee reimbursable from the Limited Partnership on the LP Units is GBP 411,375 (31 December 2020: GBP 261,918).

Trustee and Administrator

Sanne Fund Administration Limited were appointed as Administrator to the Trust with effect from 28 May 2015 and is an affiliated entity of the Trustee, Sanne Trustee Services Limited. Both entities are controlled by Sanne Group plc.

The fees payable to Sanne affiliated entities for the year amounted to GBP 206,721 (31 December 2020: GBP 151,521) of which GBP 65,472 (31 December 2020: GBP 60,066) was outstanding at year end.

LP Units

In accordance with the Prospectus and Declaration of Trust, the Trust is responsible for the expenses of Limited Partnership and its General Partner. During the year the Unit Trust incurred expenses amounting to GBP 30,239 (31 December 2020: GBP 22,245) in respect of administration fees on behalf of the Limited Partnership and GBP 22,743 (31 December 2020: GBP 10,869) on behalf of its General Partner.

NOTES TO THE AUDITED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Related party transactions - continued**Hollyport V CC Feeder LP**

The Unit Trust paid expenses on behalf of the Hollyport V CC Feeder LP in the amount of GBP 19,761 (31 December 2020: GBP 14,419). At year end GBP 4,265 (31 December 2020: GBP 4,723) was receivable from Hollyport V CC Feeder LP in respect of expenses paid on its behalf.

11. Parent and ultimate controlling party

It is the opinion of the Trustee that no parent and ultimate controlling party exists.

12. Subsequent events

The Trustee has evaluated subsequent events from the date of the financial statements through to the date the financial statements were available to be issued. There were no subsequent events identified which require adjustment or disclosure in these financial statements, except for the below.

In light of the Russian invasion of Ukraine and the resulting sanctions imposed on Russia, the Trustee has assessed the impact on the Unit Trust. The Unit Trust has an indirect exposure of GBP 125.3 million as at 31 December 2021 to a Russian e-commerce business listed on NASDAQ. The long-term impact on the valuation and potential routes to liquidity are difficult to assess and will depend on the evolving situation. The current situation is likely to result in a significant decrease in valuation of this investment during Q1 2022. Given the timing of the Russian invasion of Ukraine, from an accounting perspective, this is treated as a non-adjusting event and therefore has not been taken into account in determining the Net Asset Value of the Unit Trust at 31 December 2021.