

Campus Living Villages UK Limited

**Annual report and financial statements
for the period ending 30 June 2009**

Registered number 6604874

30 June 2009

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CAMPUS LIVING VILLAGES UK LIMITED
ANNUAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009
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Campus Living Villages UK Limited is a company incorporated and domiciled in the United Kingdom and its registered office is:

201 Bishopsgate
London
EC2M 3AF

**CAMPUS LIVING VILLAGES UK LIMITED
DIRECTOR'S REPORT
FOR THE PERIOD ENDED 30 JUNE 2009**

Introduction

The director of Campus Living Villages UK Limited ("CLV UK") (Registered number 6604874) presents this report for the period from the incorporation of CLV UK on 28 May 2008 to 30 June 2009.

Directors

Gary Clarke is currently the sole director of CLV UK and is a director of CLV UK from 2 June 2008 for the entire period up to the date of signing this financial statement.

Bob Hillhouse and Susan Fadil both resigned on the 2 June 2008

Principal activities

The principal business activities of CLV UK are to provide head office management services for the UK properties and to enter into tenders for any future acquisition, development and management of UK properties

Distributions

No distribution were declared or paid during the period.

Review of operations

This was the first full year of operation for CLV UK. On 29 November 2008, CLV UK entered into an Operator Agreement for the provision of services to its sister company (Campus Living Villages (Salford) UK Limited) for the management of the operations and refurbishment works at the university student accommodation facilities in Salford. Otherwise the company has been predominantly engaged in the identification and tendering for the acquisition, development and management of other student accommodation facilities across the United Kingdom.

The loss for the period was £1,326,556, being the post tax result after writing off £901,376 from a failed tender during the period – from a related party, Campus Living Villages Pty Limited was appointed the reserve bidder by the University of Exeter for development of UK student accommodation and the bid costs were recharged to CLV UK – and a further £427,637 from normal activities, including £224,763 personnel costs and £229,322 administrative expenses associated with start up and marketing expenses.

The prevailing economic environment hindered the ability of the company to acquire new business and hence build a more substantial revenue flow.

Given that CLV UK is not a trading entity, it was not considered necessary to use Key Performance Indicators as an analysis tool for its activities.

Solvency position

As at 30 June 2009, the entity has a net liability position of £1,269,209. The entity has also experienced operating losses during the financial period ending on that date.

On 30 November 2009, the related party borrowings with Campus Living Funds Management Limited as responsible entity for the Campus Living Finance Trust were repaid.

**CAMPUS LIVING VILLAGES UK LIMITED
DIRECTOR'S REPORT
FOR THE PERIOD ENDED 30 JUNE 2009**

A loan was provided from CLV Finance UK Limited, which is an indirect subsidiary of Campus Living Finance Trust which provided CLV UK with the loan to enable repayment of the related party borrowings with the Campus Living Finance Trust. The facility is denominated in Sterling and is a principal commitment of 3.0 million Sterling at an interest rate of LIBOR plus 2.25% per annum or a margin as determined by CLV Finance UK Limited and notified to CLV UK with repayment date of 1 November 2019. The loan from CLV Finance UK Limited can be used by CLV UK to meet its current liabilities if the need arises.

Changes in state of affairs

There were no changes in the state of affairs of the company during the period.

Outlook for following financial year

A full year of services to be provided under the Operator Agreement with Campus Living Villages (Salford) UK Limited and the recent award as the preferred bidder for the development of UK student accommodation at the University of Bedfordshire signifies that CLV UK will reach profitability by 2010/11.

Loans to directors and executives

There are no loans to or from directors or executives during the period, at period end or at the date of this report

Political and charitable donations

The company made no political or charitable donations or incurred no political expenditure during the period.

Disclosure of information to auditors

The director who held office at the date of approval of this directors' report confirms that, so far as he is aware, there is no relevant audit information of which the company auditors are unaware, and the director has taken all the steps he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP were appointed to office during the financial period and have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

Matters subsequent to the end of the financial period

Since 30 June 2009, the director has not identified any matters that would require disclosure in the annual report



Gary Clarke
Director

26 February 2010

CAMPUS LIVING VILLAGES UK LIMITED
INCOME STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2009

	Note	2009 £
Revenue		
Management fees		73,405
Other income		56,797
Employee benefits expense	3	(224,763)
Administrative expense		(229,322)
Depreciation		(7,345)
Other expenses		(68,163)
Bid cost written off	8	(901,376)
Operating loss		<u>(1,300,767)</u>
Unrealised foreign exchange loss		(21,861)
Interest expense		(6,385)
Finance costs		<u>(28,246)</u>
Loss on ordinary activities		<u>(1,329,013)</u>
Loss before taxation		<u>(1,329,013)</u>
Income tax expense	4(a)	2,457
Loss for financial period		<u>(1,326,556)</u>

**CAMPUS LIVING VILLAGES UK LIMITED
BALANCE SHEET
FOR THE PERIOD ENDED 30 JUNE 2009**

	Note	2009 £
Assets		
Non-current assets		
Property plant and equipment	7	30,566
Deferred tax assets	4(c)	<u>2,457</u>
		33,023
Current assets		
Trade and other receivables	6	16,297
Cash and cash equivalents	5(a)	<u>33,593</u>
		49,890
TOTAL ASSETS		<u>82,913</u>
LIABILITIES		
Current liabilities		
Related party borrowings	9	(1,180,662)
Trade and other payables	10	<u>(171,460)</u>
TOTAL LIABILITIES		<u>(1,352,122)</u>
NET LIABILITIES		<u>(1,269,209)</u>
EQUITY		
Capital and Reserves Attributable to the Shareholders of the company		
Share capital	11	57,347
Accumulated loss	12	<u>(1,326,556)</u>
TOTAL EQUITY		<u>(1,269,209)</u>

These financial statements on pages 4 to 19 were approved by Gary Clarke on 26 February 2010.



Gary Clarke
Director of
CAMPUS LIVING VILLAGES UK LIMITED
(Registered number 6604874)

CAMPUS LIVING VILLAGES UK LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2009

	Share capital	Accumulated loss	Total equity
	£	£	£
Loss for the financial period	0	(1,326,556)	(1,326,556)
Total income and expense recognised for the period	0	(1,326,566)	(1,326,556)
Issue of share capital	57,347	0	57,347
Total equity at the end of the period	57,347	(1,326,556)	(1,269,209)

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

CAMPUS LIVING VILLAGES UK LIMITED
CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2009

	Note	2009 £
Cash flows from operating activities		
Receipts from customers		73,405
Payments to suppliers		(310,288)
Bid costs incurred	8	(901,376)
Borrowing costs		(6,385)
Interest received		0
Net cash flow from operating activities	5 (b)	<u>(1,144,644)</u>
 Cash flows from investing activities		
Purchase of property plant and equipment		<u>(37,911)</u>
Net cash outflow from investing activities		<u>(37,911)</u>
 Cash flows from financing activities		
Proceeds from issue of share capital	11	57,347
Proceeds from related party loans		<u>1,158,801</u>
Net cash inflow from financing activities		<u>1,216,148</u>
 Net increase in cash and cash equivalents		33,593
Cash and cash equivalents at the beginning of the financial year		0
Cash and cash equivalents at the end of the financial year	5 (a)	<u>33,593</u>

The above Cash Flow Statement should be read in conjunction with the accompanying notes

CAMPUS LIVING VILLAGES UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2009

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**CAMPUS LIVING VILLAGES UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2009**

1. Summary of accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to the entire period presented, unless otherwise stated. The company was incorporated on 28 May 2008 and accordingly only current year figures covering the period from incorporation are shown. The financial report includes Campus Living Villages UK Limited ("CLV UK").

a) Basis of preparation

The company's financial statements have been prepared and approved by the director in accordance with International Financial Reporting Standards as adopted by the EU Endorsed ("adopted IFRSs"), IFRIC interpretations and the Companies act 2006 and on a going concern basis. For further information on going concern refer below to Solvency position. Unless otherwise indicated, all amounts are presented in Sterling.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are set out in the applicable accounting policy note.

Solvency position

As at 30 June 2009, the entity has a net liability position of £1,269,209. The entity has also experienced operating losses during the financial year ending on that date.

On 30 November 2009, the related party borrowings with Campus Living Funds On 30 November 2009, the related party borrowings with Campus Living Funds Management Limited ("CLFM") as responsible entity for the Campus Living Finance Trust ("CLFT") were repaid. A loan was provided from CLV Finance UK Limited ("CLV Finance UK"), which is an indirect subsidiary of CLFT which provided CLV UK with the loan to enable repayment of the related party borrowings with the CLFT

The facility is denominated in Sterling and is a principal commitment of 3.0 million Sterling at an interest rate of LIBOR plus 2.25% per annum or a margin as determined by CLV Finance UK and notified to CLV UK with repayment date of 1 November 2019. The loan from CLV Finance UK can be used by CLV UK to meet its current liabilities if the need arises.

CLV UK is part of the Campus Living Villages ("CLV") Fund and certain Fund entities will continue to provide support CLV UK to ensure it continues as a going concern.

**CAMPUS LIVING VILLAGES UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2009**

Summary of accounting policies (continued)

b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. The entity recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the entity's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the revenue have been resolved.

Revenue is recognised for the major business activities as follows:

- Management fees
- Interest income on cash deposits

c) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused revenue tax losses

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences for the carrying amount and the tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future,

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

**CAMPUS LIVING VILLAGES UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2009**

Summary of accounting policies (continued)

d) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet

e) Financial assets

Classification

The entity classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than twelve months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables, other current assets, receivables and other non-current assets in the balance sheet.

Recognition and derecognition

Loans and receivables are recognised on the date on which the entity commits to or enters into the relevant loan agreement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the entity has transferred substantially all the risks and rewards of ownership.

Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Fair value

If the market for a financial asset is not active, the entity establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment

The entity assesses at each balance date whether there is objective evidence that a financial asset or entity of financial assets is impaired. Impairment losses are recognised in the income statement.

**CAMPUS LIVING VILLAGES UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2009**

Summary of accounting policies (continued)

f) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The entity uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the entity for similar financial instruments.

g) Property, and plant equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the reporting period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows.

Furniture, fittings and equipment	3-8 years
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, it is the entity's policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

h) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

**CAMPUS LIVING VILLAGES UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2009**

Summary of accounting policies (continued)

i) Trade and other payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

j) Borrowings and borrowing costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the entity has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. Borrowing costs are expensed.

k) Issued capital

The issued capital of the entity is the share capital of CLV UK.

l) Operating lease payments

Payments made under operating lease payments are recognised in the income statement on a straight line basis over the term of the lease.

m) Foreign currency

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

n) Trade and other receivables

Trade and other receivables are stated at their nominal amount (discounted if material) less provision for impairment.

CAMPUS LIVING VILLAGES UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2009

o) Distributions

Provision is made for the amount of any distribution declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial period but not distributed at balance date

p) Adopted IFRS not yet applied

The following adopted IFRSs were available for early application but have not been applied by the company in these financial statements:

- IFRS 8 'Operating Segments' applicable for years commencing on or after 1 January 2009. The application of IFRS 8 in the current year would not have affected the balance sheet or income statement as the standard is concerned only with disclosure.

After due consideration, it was determined that there were no other IFRSs that need to be applied by the company in these financial statements.

2. Financial risk management

CLV UK's activities expose it to a variety of financial risks, which include credit risk, cash flow interest rate risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance. The entity holds the following financial instruments:

	2009 (£)
Financial assets	
Cash and cash equivalents	33,593
Trade and other receivables	16,297
	<u>49,890</u>
Financial liabilities	
Trade and other payables	171,460
Borrowings	1,180,662
	<u>1,352,122</u>

a) Credit risk

Credit risk arises from cash and cash equivalents, deposits with major banks and financial institutions and loans to related parties and entities within the CLV Fund. Only banks and financial institutions with high credit ratings are used to deposit funds. Credit granted to related parties is monitored regularly and the loan agreements contain unsecured recourse against the borrower for default of the loans.

b) Cash flow interest rate risk

As all interest is added to principal there is no cash flow interest rate risk. The borrowings are from a related party (CLFT) and are repayable within 12 months.

	2009 (£)
Related party borrowings	<u>1,180,662</u>

**CAMPUS LIVING VILLAGES UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2009**

c) Liquidity risk

Cash flow forecasts are utilised to manage liquidity risk. Capital expenditure is funded through borrowings and cash calls from investors. Repayments of borrowings are funded through cash generated from operations, refinancing and cash calls from investors where required.

The forecasted payments of interest and principal for the financial liabilities of the remaining contractual liabilities are:

	2009 (£)
Payments within one year	1,180,662
Payments within two to five years	0
Payments after five years	0
Total payments	<u>1,180,662</u>

3. Employee benefits expense

The average number of persons employed by the company (including the director) during the period, analysed as follows:

	Number of employees
Administration	5
Property management	17
	<u>22</u>

The aggregate payroll costs of these persons were as follows.

	2009 (£)
Wages and salaries	208,323
Other employee related costs	16,440
	<u>224,763</u>

Directors emoluments

Gary Clarke (sole Director) is a salaried employee of Transfield Corporate Pty Limited. The total charge from Transfield Corporate Pty Limited to Campus Living Villages Pty Limited ("CLV PL") for Gary Clarke was £131,040. These costs have been recharged by CLV PL to CLV UK.

CAMPUS LIVING VILLAGES UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2009

4. Income tax expense

	2009 (£)
Income tax expense	
Deferred tax	(2,457)
Total tax credit	<u>(2,457)</u>

b. Reconciliation of income tax expense to prima facie tax payable:

	2009 (£)
Loss before taxation	(1329,013)
Taxation at the domestic corporate tax rate of 28%	(372,124)
Losses not recognised	167,008
Non-deductible expenses	202,659

Total income tax credit	<u>(2,457)</u>
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c. Deferred taxation asset

	2009 (£)
Property, plant and equipment	754
Other	1,703

Total deferred tax asset	<u>2,457</u>
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A deferred tax asset of £167,008 has not been recognised for the unused tax losses on the basis that it is not probable that future taxable amounts will be available to utilise the tax losses.

5. Cash and cash equivalents and notes to the cash flow statement

a. Cash at period end comprises

	2009 (£)
Cash at bank and on hand	33,593
Cash and cash equivalents	33,593
Bank overdrafts	0
Cash balance per cash flow statement	<u>33,593</u>

b. Reconciliation of loss for the period to net cash flow from operating activities

	2009 (£)
Loss for the period after income tax	(1,326,556)
Adjustments for:	
Depreciation and amortisation	7,345
Foreign exchange gains and losses	21,861
Deferred tax	(2,457)

Working capital adjustments:

- Increase in trade and other receivables	(16,297)
- Increase in trade and other payables	171,460
Net cash inflow from operating activities	<u>(1,144,644)</u>

CAMPUS LIVING VILLAGES UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2009

6. Trade and other receivables

	2009 (£)
Trade receivables	0
Other receivables	16,297
Total trade and other receivables	<u>16,297</u>

7. Property, plant and equipment

30 June 2009	Furniture and fittings	Equipment	Total
	£	£	£
Cost or Fair value	24,918	12,993	37,911
Accumulated depreciation	(4,166)	(3,179)	(7,345)
Net Book Value	<u>20,752</u>	<u>9,814</u>	<u>30,566</u>

Reconciliation of opening to closing net book amount

	£	£	£
Opening net book amount	0	0	0
Additions	24,918	12,993	37,911
Depreciation	(4,166)	(3,179)	(7,345)
Closing net book amount	<u>20,752</u>	<u>9,814</u>	<u>30,566</u>

8. Bid cost write off

During the period there was a write off amounting to £901,376 as a consequence of a failed tender. CLV PL was appointed reserve bidder by the University of Exeter and the costs included the necessary due diligence and consultancy costs incurred in order to compile the bid documents.

9. Related party borrowings

	£
Current-principal	<u>1,180,662</u>

The related party borrowings from CLFM as responsible entity for the CLFT were lent in Australian Dollars and were repaid on 30 November 2009. The interest rate on the related party borrowings was the average BBSY bid rate on the Reuters Monitor System at a prescribed time plus a margin of 0.42% per annum determined by reference to the Facility Agreement dated 8 February 2008 as amended and restated from time to time between Australian and New Zealand Banking Group Limited and the CLFT plus a further margin of 0.25% per annum under the Loan Facility between CLFT and CLV UK.

CAMPUS LIVING VILLAGES UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2009

On 30 November 2009, the related party borrowings with CLFT were repaid. A loan was provided from CLV Finance UK, which is an indirect subsidiary of CLFT which provided CKV UK with the loan to enable repayment of the related party borrowings with the CLFT. The facility is denominated in Sterling and is a principal commitment of 3.0 million Sterling at an interest rate of LIBOR plus 2.25% per annum or a margin as determined by CLV Finance UK and notified to CLV UK with repayment date of 1 November 2019. The loan from CLV Finance UK can be used by CLV UK to meet its current liabilities if the need arises.

10.Trade and other payables

	£
Trade payables	23,766
Intercompany payables	41,210
Other payables	106,484
Total trade and other payables	<u>171,460</u>
<i>(Other payables include accruals and payroll related payables)</i>	

11.Share capital

	£
CLV UK has 57,347 share issued at £1 each share – fully paid	57,347
<i>Authorised:</i> 100,000 Ordinary shares of £1 each	

12.Accumulated loss

	£
<u>Reconciliation of Accumulated loss:</u>	
Balance at the beginning of the period	0
Loss for the financial period	(1,326,556)
Distributions for the period	0
Balance at the end of the period	<u>(1,326,556)</u>

13.Remuneration of auditors

During the period, the following fees were paid or payables for services provided by the auditor of the entity, its related practices and non-related audit firms:

	£
PriceWaterhouseCooper LLP	
Audit of financial reports	4,000
Taxation services	0
Total remuneration for audit services	<u>4,000</u>

CAMPUS LIVING VILLAGES UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2009

14. Operating lease

Non-cancellable operating lease rentals are payable as follows

	£
Less than one year	18,000
Between one and five years	16,500
Greater than five years	0
Total operating lease payments	34,500

15. Related parties

The company had the following transactions in the period with related parties.

	£
Inter-company interest expense: (CLFT)	6,333
Management Fee received (Campus Living Villages (Salford) UK Limited)	(73,405)
Recharge of tender costs (CLV PL)	901,376
Recharge of director costs (CLV PL)	131,040

The company had the following balances at period end with related parties:

Borrowings (CLFT)	1,180,662
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16. Parent company and ultimate parent company

Parent company CLV UK Accommodation Holdings Pty Limited Ultimate parent company: CLFM as responsible entity for Campus Living Overseas Trust. Copies of the Group financial statements may be obtained from Pier 8/9, 23 Hickson Road, Walsh Bay, Sydney NSW 2000, Australia.

17. Contingencies

Management have not identified any contingencies at year end

18. Capital commitments

There were no capital commitments at year end.

19. Events occurring after the balance sheet date

Since 30 June 2009, the director has not identified any matters that would require disclosure in the annual report, other than the changes to the funding arrangements of CLV UK as described in the Director's report.

CAMPUS LIVING VILLAGES UK LIMITED
STATEMENT OF THE DIRECTOR'S RESPONSIBILITIES
FOR THE PERIOD ENDED 30 JUNE 2009

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the director 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Gary Clarke

Director

26 February 2010

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAMPUS LIVING VILLAGES UK LIMITED

We have audited the financial statements of Campus Living Villages UK limited ("CVL UK") for the period ended 30 June 2009 which comprise the Income Statement, Balance Sheet, the Cash Flow Statement, the Changes in Equity Statement, and the notes to the Financial statements. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 20, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2009 and of its loss and cash flows for the period then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF CAMPUS LIVING VILLAGES UK LIMITED**

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Ian Marsden (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester