REGISTERED NUMBER: 06604874 (England and Wales)

Strategic Report, Directors' Report and

Audited Financial Statements for the Year Ended 30 June 2021

for

Campus Living Villages UK Limited

Contents of the Financial Statements
for the Year Ended 30 June 2021

Campus Living Villages UK Limited

Company Information
for the Year Ended 30 June 2021

DIRECTORS:	L M Mclean P J Hicken
REGISTERED OFFICE:	7th Floor Digital World Centre 1 Lowry Plaza, Salford Quays Manchester United Kingdom M50 3UB
REGISTERED NUMBER:	06604874 (England and Wales)
INDEPENDENT AUDITOR:	Crowe U.K. LLP The Lexicon Mount Street Manchester M2 5NT
BANKER:	Barclays Bank Level 25 1 Churchill Place London E14 5HP

Strategic Report
for the Year Ended 30 June 2021

The directors present their strategic report for the year ended 30 June 2021.

REVIEW OF BUSINESS

The principal business activities of Campus Living Villages UK Limited ("CLV UK") are to provide head office management services for the UK-based, CLV student accommodation entities and to enter into tenders for any future acquisition, development and management of new student accommodation properties.

CLV UK continued to provide services outlined in the Operator Agreements for the management of operations at the student villages of the following related entities:

- Campus Living Villages (Salford) UK Limited ("CLV Salford");
- CLV (Bournemouth 1) UK LLP ("CLV Bournemouth 1");
- Campus Living Villages (Bedfordshire) UK Limited ("CLV Bedford");
- Campus Living Villages (City Portfolio) UK Limited ("CLV City Portfolio");
- Campus Living Villages (Sutton Bonington) UK Limited ("CLV Sutton Bonington");
- CLV (St Andrews) UK LLP ("CLV St Andrews");
- CLV (St Andrews) UK 2 LLP ("CLV St Andrews 2");
- CLV (St Andrews) UK 3 LLP ("CLV St Andrews 3");
- Campus Living Villages (RCM2) UK LLP ("CLV RCM2");
- Salford Village Limited ("SVL")
- Campus Living Villages (Goldsmiths) UK Limited ("CLV Goldsmiths");
- Campus Living Villages (Cranborne) UK Limited ("CLV Cranborne"); and
- Campus Living Villages (Durham) Member UK Limited ("CLV Durham");

At 30 June 2021, CLV UK owned and managed 11,488 rooms (30 June 2020: 12,979 rooms) under operator's agreements and management contracts.

The company has otherwise been engaged in the identification and tendering for the acquisition, development and management of other student accommodation facilities across the United Kingdom.

RESULTS

For the year ended 30 June 2021, CLV UK has recognised a loss after taxation of £2,754,804 (30 June 2020: loss of £1,370,389) and has net liabilities of £18,529,185 (30 June 2020: £15,774,380).

KEY PERFORMANCE INDICATORS

Given the nature of the company's activities described above, the directors use two principal measures of overall performance: profit/loss for the year and net assets/liabilities, details of which are shown above.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the Company's strategy are subject to a number of risks:

- Underperforming assets meaning debt obligations cannot be met
- Student numbers being lower than expected.
- Credit risk
- Viability of UK Universities
- COVID-19 impact on future occupancy and intake levels

Credit risk
Credit risk arises from exposure to students and universities, including outstanding receivables and committed transactions. Nomination agreements are held with most Universities to mitigate the risk of rental voids. Key relationships are also maintained with Universities to ensure any potential issues can be discussed early. Student deposits are used as security and applied against outstanding amounts.

Liquidity risk
Management monitors rolling forecasts of the company's liquidity position on the basis of expected and projected cash flow.

Market risk
Changes in Government policy (such as Higher Education funding and immigration) and Brexit may negatively affect student numbers, which in turn would affect profitability and asset values. Risks are mitigated by ongoing monitoring of changes and their implications to international students studying in UK. Although we anticipate Brexit will see a reduction in new EU students, Universities expect to see an increase in Non-EU student with the weakening of the pound expected to continue.

There have been income shortfalls over the summer period for 2021/2022 year with summer stays being minimal due to COVID-19.

There remains a risk that student numbers and demand for student accommodation could be impacted by a another wave of Covid-19 in the Winter of 2021. However, with the roll out of the vaccine programmer now being completed, and the increased speed of the of the second booster jab roll out, there is increased optimism of a return to normality for the full 2021/22 academic year, with occupancy returning to pre pandemic levels for terms 1 and 2.

Based on the sector Student Index, an analysis historic Total Returns for purpose built student accommodation shows the sector has a history of low volatility. Coupled with historic strong capital and rental growth, this shows there continues to be an investment case for student accommodation. This is reinforced by existing investors in the market publicly supporting the long-term fundamentals of the sector in the UK.

ON BEHALF OF THE BOARD:

....
P J Hicken - Director

Date: 6 May 2022

7th Floor Digital World Centre
1 Lowry Plaza
Salford Quays
Manchester
United Kingdom
M50 3UB

Directors' Report
for the Year Ended 30 June 2021

The directors present their report with the financial statements of the company for the year ended 30 June 2021.

DIVIDENDS
The directors have not recommended payment of a dividend for the current or prior year.

FUTURE DEVELOPMENTS
The directors expect the general level of activity, in the forthcoming year, to return to pre pandemic levels. This is consistent with the long-term strategy of the company.

DIRECTORS
The directors who have held office during the period from 1 July 2020 to the date of this report are as follows:

J K Chadwick (resigned 31 May 2021)
P J Hicken (appointed 31 May 2021)
L M McLean
M J Panopoulos (resigned 1 May 2020)

POLITICAL DONATIONS AND EXPENDITURE
No donations were made to any political party during the year (30 June 2020: £nil).

GOING CONCERN
See Note 2 in accounting policies section.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that 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 is aware of that information.

AUDITOR
The auditors, Crowe LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

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P J Hicken - Director

Date: 6 May 2022

7th Floor Digital World Centre
1 Lowry Plaza
Salford Quays
Manchester
United Kingdom
M50 3UB

Statement of Directors' Responsibilities for the Year Ended 30 June 2021

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors 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 directors are required to:

- select suitable accounting policies and then apply them consistently;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

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 for the year ended 30 June 2021 which comprise the Income Statement, Statement of Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

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

Other information
The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion based on the work undertaken in the course of our audit

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, 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; or

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

We obtained an understanding of the legal and regulatory frameworks within which the Company operates. We also considered and obtained an understanding of the legal and regulatory framework which we considered in this context were the Companies Act 2006 and UK taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and misstatement of income. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, review of the posting of journals. We also reviewed and challenged accounting estimates and assumptions used by management which were reasonable and free of biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Jayson (Senior Statutory Auditor)

for and on behalf of
Crowe UK LLP
Statutory Auditor
3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT

Date 6 May 2022

Income Statement
for the Year Ended 30 June 2021

	Notes	2021 £	2020 £
TURNOVER	3	2,573,328	3,251,915
Administrative expenses		(5,977,841)	(4,689,627)
OPERATING LOSS		(3,404,513)	(1,437,712)
Interest payable and similar expenses	6	(582,881)	(583,303)
LOSS BEFORE TAXATION	7	(3,987,394)	(2,021,015)
Tax on loss	8	1,232,590	650,626
LOSS FOR THE FINANCIAL YEAR		(2,754,804)	(1,370,389)

The notes on pages 13 to 28 form part of these financial statements

Campus Living Villages UK Limited

Other Comprehensive Income
for the Year Ended 30 June 2021

	2021	2020
	£	£
LOSS FOR THE YEAR	(2,754,804)	(1,370,389)
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(2,754,804)	(1,370,389)

The notes on pages 13 to 28 form part of these financial statements

Balance Sheet
30 June 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	9	7,910,614	6,436,231
CURRENT ASSETS			
Debtors	10	5,377,022	4,615,443
Cash at bank and in hand	11	920,789	1,055,316
		6,297,811	5,670,761
CREDITORS			
Amounts falling due within one year	12	(32,350,299)	(27,410,101)
NET CURRENT LIABILITIES		(26,052,488)	(21,739,340)
TOTAL ASSETS LESS CURRENT LIABILITIES		(18,141,874)	(15,303,109)
CREDITORS			
Amounts falling due after one year		(387,312)	(470,566)
Provisions	15	-	(705)
		(387,312)	(471,271)
NET LIABILITIES		(18,529,186)	(15,774,380)
CAPITAL AND RESERVES			
Called up share capital	16	55,793	55,793
Retained earnings	17	(18,584,979)	(15,830,173)
SHAREHOLDERS' DEFICIT		(18,529,186)	(15,774,380)

The financial statements were approved by the Board of Directors on 6 May 2022 and were signed on its behalf by:

P Hicken

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P J Hicken - Director

The notes on pages 13 to 28 form part of these financial statements

Statement of Changes in Equity
for the Year Ended 30 June 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2019	55,793	(14,459,786)	(14,403,993)
Changes in equity			
Total comprehensive income	-	(1,370,389)	(1,370,389)
Balance at 30 June 2020	55,793	(15,830,175)	(15,774,382)
Changes in equity			
Total comprehensive income	-	(2,754,804)	(2,754,804)
Balance at 30 June 2021	55,793	(18,584,979)	(18,529,186)

The notes on pages 13 to 28 form part of these financial statements

1. STATUTORY INFORMATION

Campus Living Villages UK Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparation
These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
  - paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10)(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

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2. **ACCOUNTING POLICIES - continued**

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the directors, there are no critical accounting judgements relevant to these financial statements or key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Going concern
Notwithstanding net current liabilities of £26,052,488 as at 30 June 2021 and a loss for the year then ended of £2,754,804 the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides and the anticipated impact of COVID-19 on the operations and its financial resources, the Company will have sufficient funds to meet its liabilities as they fall due for that period

The downside sensitivities considered include a reduction in the level of future forecast revenue based on a reduced occupancy reflecting a severe but plausible scenario. In the event that the downside scenario arises the Directors consider they are able to take reasonable mitigating actions, which include but are not limited to, a reduction in discretionary distributions (being the payment of subordinate debt interest). Implementing these mitigating actions would enable the Company to continue to operate within its existing facilities during the forecast period

Those forecasts are dependent on the company's related parties, CLV Finance UK Limited, CLV (St Andrews) UK Limited and CLV Salford not seeking repayment of the amounts currently due to the company, which at 30 June 2021 amounted to CLV Finance UK Limited (£23,653,748), CLV (St Andrews) UK Limited (£1,933,579) and CLV Salford (£2,693,880). These related parties have indicated that they do not intend to seek repayment of these amounts for the period of at least twelve months from the date of signing these financial statements. In addition CLV UK Accommodation Holdings PTY Limited have indicated its intention to provide additional financial support for at least 12 months from the date of approval of these financial statements.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

continued...

2. **ACCOUNTING POLICIES - continued**

Turnover
Turnover is generated through management and development fees. Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and it can be reliably measured. All such turnover is reported net of discounts and value added and other sales taxes.

Interest payable
Interest payable is recognised as interest accrues, using the effective interest method, to the net carrying amount of the financial liability.

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability to that assets or liabilities net carrying amount.

Tangible fixed assets
Tangible fixed assets are stated at historical cost less accumulated depreciation. Historical cost includes expenditures that are 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 company 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 year in which they are incurred.

Capital work-in-progress is not depreciated.

Depreciation on other tangible fixed 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:

Fixtures and fittings	3 - 8 years
Property, plant and equipment	3 - 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting 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 profit and loss account. When revalued assets are sold, it is the company's policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

continued...

2. **ACCOUNTING POLICIES - continued**

Financial assets

(a) Classification

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI - debt investment; FVOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Investments in joint ventures are carried at cost less impairment.

(b) Subsequent measurement and gains and losses

Financial assets at FVTPL - these assets (other than derivatives designated as hedging instruments) are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

continued...

2. **ACCOUNTING POLICIES - continued**

Debt investments at FVOCI - these assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI - these assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities and equity

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(c) Impairment

The company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI and contract assets (as defined in IFRS 15).

The company measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured as 12-month ECL. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

continued...

2. **ACCOUNTING POLICIES - continued**

The company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any is held); or

- the financial asset is more than 90 days past due. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk. Measurement of ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets
At each reporting date, the company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-offs
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

Trade and other debtors
Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors
Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments in debt and equity securities
Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand and short term deposits. Short term deposits are defined as deposits with an initial maturity of three months or less.

Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purposes of the statement of cash flows.

Restricted cash is classified with cash and cash equivalents. This related to cash set aside for fire works projects.

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2. ACCOUNTING POLICIES - continued

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and the carrying amounts in the financial statements.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised

Deferred tax is determined using the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Intercompany loans

The intercompany loans and receivables are measured at amortised cost. The Company reviews the recoverability of intercompany loans to assess whether the receivable balances remain collectible at each reporting period end and annually for any impairment that may be required. The company's loans and receivables comprise intercompany receivables and payables in the balance sheet.

Related parties

For the purposes of these financial statements, a party is considered to be related to the company if the party:
(i) has the ability, directly or indirectly, through one or more intermediaries, to control the company or exercise significant influence over the company in making financial and operating policy decisions, or has joint control over the company;
(ii) and the company are subject to common control;
(iii) is a member of key management personnel of the company or the company's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
(iv) is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

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2. **ACCOUNTING POLICIES - continued**

Leases
At inception of a contract, the company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company uses the definition of a lease in IFRS 16.

The company recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimated of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, if the company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

The company presents right of use assets separately on the statement of financial position.

The company has elected not to recognise right of use assets and lease liabilities for leases of low value assets or short-term leases. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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3. **TURNOVER**

In the below table, turnover is disaggregated by type:

	2021 £	2020 £
Management fees	2,573,328	3,251,915
	2,573,328	3,251,915

Turnover arises entirely in the United Kingdom.

4. **EMPLOYEES AND DIRECTORS**

	2021 £	2020 £
Wages and salaries	2,788,959	2,970,760
Social security costs	340,200	344,594
Other pension costs	95,936	103,764
Other staff costs	55,248	56,572
	3,280,342	3,475,690

The average monthly number of employees during the current and prior year was made up as follows:

	2021 No.	2020 No.
Administration	45	49
Property management	240	254
	285	302

The above numbers include employees that are provided to related parties under Operator Agreements.

5. **DIRECTORS' EMOLUMENTS**

	2021 £	2020 £
Emoluments	367,838	353,626
Company contributions to money purchase pension schemes	20,699	23,567
	388,537	377,193

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid director was £225,500 (30 June 2020: £218,959) and company pension contributions of £12,250 (30 June 2020: £14,700).

continued...

5. DIRECTORS' EMOLUMENTS - continued

Retirement benefits are accruing to the following number of directors under:

	2021	2020
	No.	No.
Money purchase pension schemes	2	2
	2	2

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Related party interest expense	556,065	525,803
External interest expense	25,696	33,837
Foreign exchange loss	1,120	23,663
	582,881	583,303

7. LOSS BEFORE TAXATION

Loss before taxation is stated after charging the following:

	2021	2020
	£	£
Included in administrative expenses:		
Audit fees	20,000	20,000
Depreciation	212,256	213,864
Intercompany balances written off	-	64,933
Work in progress written off	-	273,338
Staff costs	3,280,342	3,475,690

Fees payable to Auditors and its associates for non-audit services to the company during the period were £nil (30 June 2020: £nil).

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8. TAXATION

Analysis of tax income

	2021	2020
	£	£
Current tax	(1,231,885)	(650,626)
Deferred tax	(705)	-
Total tax income in income statement	(1,232,590)	(650,626)

The differences are explained below:

	2021	2020
	£	£
Loss on ordinary activities before taxation	(3,987,393)	(2,021,015)
Tax at the UK tax rate of 19% (30 June 2020: 19%)	(757,605)	(383,993)
Effects of:		
Expenses not deductible for tax purposes	136,550	125,943
Utilisation of loss brought forward	(313,499)	(355,765)
Deferred tax movement	(705)	-
Losses not recognised	-	-
Adjustments to prior periods	(297,331)	(36,811)
Total taxation charge	(1,232,590)	(650,626)

Corporation tax is computed at the main rate of 19% (30 June 2020 19%).

continued...

9. TANGIBLE FIXED ASSETS

	Property, plant and equipment £	Fixtures and fittings £	Capital work-in-progress £	Total £
COST				
At 1 July 2020	1,673,455	221,137	5,653,708	7,548,300
Additions	161	2,201	1,687,277	1,689,639
At 30 June 2021	1,673,616	223,338	7,340,985	9,237,939
DEPRECIATION				
At 1 July 2020	915,291	196,778	-	1,112,069
Charge for year	190,073	25,183	-	215,256
At 30 June 2021	1,105,364	221,961	-	1,327,325
NET BOOK VALUE				
At 30 June 2021	568,252	1,377	7,340,985	7,910,614
At 30 June 2020	758,165	24,358	5,653,708	6,436,231

Right of use asset

At 30 June 2021 property, plant and equipment includes right-of-use assets as follows:

	Property, plant and equipment £	Total £
At 30 June 2021	471,026	471,026
At 30 June 2020	565,217	565,217

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	184,939	57,041
Amounts owed by group undertakings (see note 21)	4,890,913	4,299,340
Other debtors	71	65,305
Prepayments and accrued income	301,100	193,757
	5,377,022	4,615,443

11. CASH AT BANK AND IN HAND

	2021 £	2020 £
Cash at bank	920,789	1,055,316
	920,789	1,055,316

continued...

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	286,030	631,737
Amounts owed to group undertakings (see note 22)	6,015,195	6,406,204
Loans owed to group undertakings (see note 15)	24,306,479	19,303,017
Lease creditor	108,950	108,950
Other creditors	269,645	264,492
Accruals and deferred income	1,363,999	695,701
	32,350,299	27,410,101

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Lease liabilities	387,312	470,566

Minimum lease payments under finance leases fall due as follows:

	2021 Principal	2021 Interest	2021 Total
	£	£	£
Payments within one year	88,702	20,248	108,950
Payments within two to five years	407,560	28,240	435,800
	496,262	48,488	544,750

14. LEASING AGREEMENTS

Right-of-use asset:
Right-of-use assets related to lease properties that do not meet the definition of investment properties are presented in property, plant and equipment.

	2021	2020
Property, plant and equipment	£	£
Balance at 1 July 2020	565,217	-
Additions to right-of-use-assets	-	659,408
Depreciation charge for the year	(94,191)	(94,191)
	471,026	565,217

Amounts recognised in profit or loss

The following amounts have been recognised in profit or loss for which the Company is a lessee:

	2021	2020
	£	£
Interest expense	25,696	31,143

continued...

15. AMOUNTS/LOANS PAYABLE TO RELATED PARTIES

Due within one year:

	2021	2020
	£	£
Amounts payable to related parties (see note 21)	6,015,195	6,406,204
Loans payable to related parties (see note 21)	24,306,479	19,303,017
	30,321,675	25,709,221

The loans payable to related parties are due to CLV Finance, CLV Salford and CLV Bedford. The loan with CLV Finance is repayable on 1 May 2030 and the loans with CLV Salford and CLV Bedford are both repayable on 30 April 2030. The loan agreements state that these three loans can be recalled at any time, and therefore they have been classified as due within one year.

The CLV Finance facility is a principal commitment of £8.6 million at an interest rate of SONIA + 5.01%.

The CLV Salford facility is a principal commitment of £3.0 million at an interest rate of SONIA + 4%.

The CLV Bedford facility is a principal commitment of £2.0 million at an interest rate of SONIA + 4%.

16. PROVISIONS FOR LIABILITIES

Deferred tax liability

	2021	2020
	£	£
Balance brought forward	705	31,496
Movement in the year	(705)	(30,791)
	-	705

Deferred tax balances have been stated at 25% (30 June 2020: 19%).

The company did not have any unrecognised deferred tax assets or liabilities at 30 June 2021 (30 June 2020: none).

17. CALLED UP SHARE CAPITAL

Allotted and issued:

Number:	Class:	Nominal value:	2021	2020
			£	£
100,000	Share capital	£1	55,793	55,793

18. RESERVES

	Retained earnings
	£
At 1 July 2020	(15,830,175)
Loss for the year	(2,754,804)
At 30 June 2021	(18,584,979)

continued...

19. ULTIMATE PARENT COMPANY

The company's ultimate controlling party is Campus Living UK Trust (formerly named Campus Living Overseas Trust). The largest and smallest group in which the results of the Company are consolidated is that headed by Campus Living UK Trust, a trust company domiciled in Australia. The registered office address is Triniti II, Level 6, 39 Delhi Road, North Ryde, NSW 2113, Australia.

20. CONTINGENT LIABILITIES

Management have not identified any contingent liabilities at 30 June 2021 (30 June 2020: £nil).

21. CAPITAL COMMITMENTS

There are no capital commitments at 30 June 2021 (30 June 2020: £nil).

22. RELATED PARTY DISCLOSURES

The transactions during the period with related parties and balances outstanding at the period end are as follows:

	Balance due (to)/ from at 30 June 2021	Balance due (to)/ from at 30 June 2020
Receivables from related parties	£	£
Amounts due from CLV (Salford) UK Ltd	369,146	241,837
Amounts due from CLV (Bedfordshire) UK Ltd	713,346	211,323
Amounts due from CLV (Goldsmiths) Investments UK Ltd	-	1,309
Amounts due from CLV (Portfolio Finance) UK Ltd	1,137,744	1,374,159
Amounts due from CLV Investments UK Ltd	75,386	53,076
Amounts due from CLV (Cranborne) UK Ltd	269,736	256,116
Amounts due from CLV (Goldsmiths) UK Ltd	42,426	106,216
Amounts due from CLV (City Portfolio) UK Ltd	598,880	344,565
Amounts due from Signpost Homes Ltd	-	9,683
Amounts due from Arlington No.3 Bond Issuer Plc	-	196,500
Amounts due from Arlington Student Holdings No.3 Ltd	-	89,528
Amounts due from CLV (RCM 2) LLP	19,515	57,652
Amounts due from Dashwood London Ltd	-	249,540
Amounts due from CLV (Sutton Bonington) UK Ltd	121,976	20,460
Amounts due from CLV (Bournemouth) UK Ltd	6,699	6,699
Amounts due from CLV (Bournemouth 1) UK LLP	46,492	56,239
Amounts due from CLV Finance UK Ltd	14,032	368
Amounts due from Salford Village Ltd	-	117,540
Amounts due from CLV (Holte) UK Ltd	356,551	40,487
Amounts due from CLV (Durham) Member UK Ltd	230,219	230,219
Amounts due from CLV (Durham) Operations UK Ltd	48,266	44,909
Amounts due from CLV UK Accommodation Holdings Pty Ltd	-	192,648
Amounts due from CLV (Peel Park) Holdings UK Ltd	470,027	397,907
	4,890,913	4,299,340

continued...

22. RELATED PARTY DISCLOSURES - continued

	Balance due (to)/ from at 30 June 2021	Balance due (to)/ from at 30 June 2020
Payables to related parties	£	£
Amounts due to CLV (Bournemouth 1) UK LLP	(368,143)	(368,143)
Amounts due to CLV (Bournemouth) II UK Ltd	(143,499)	(143,499)
Amounts due to St Andrews Ltd	(1,933,579)	(2,120,298)
Amounts due to CLV (St Andrews) UK 3 LLP	(429,058)	(668,942)
Amounts due to CLV Finance UK Ltd	(2,591,616)	(2,103,013)
Amounts due to Salford Village Ltd	(6,434)	(215,103)
Amounts due to CLV (RCM 2) LLP	(14,828)	(14,828)
Amounts due to Arlington Student Holdings No.3 Ltd	-	-
Amounts due to CLV (St Andrews) UK LLP	(4,708)	(8,649)
Amounts due to CLV (St Andrews) UK 2 LLP	-	(6,648)
Amounts due to CLV (Portfolio Finance) UK Ltd	-	(209)
Amounts due to CLV (Bond Issuer) Plc	-	(218,432)
Amounts due to CLV (Bedfordshire) UK Ltd	(29,103)	-
Amounts due to CLV Communities Ltd	(938)	(938)
Amounts due to CLV (Salford) UK Ltd	(215,103)	-
Amounts due to CLV (Goldsmiths) UK Ltd	(35,446)	(35,446)
Amounts due to Signpost Homes Ltd	-	(53,063)
Amounts due to Arlington Student Holdings No.3 Ltd	-	(41,503)
Amounts due to CLV UK Accommodation Holdings Pty Ltd	-	(151,712)
Amounts due to CLV (Durham) Operations UK Ltd	-	(200,000)
Amounts due to CLV Fund Management Pty	-	(54,223)
Amounts due to CLV (Operations) UK Ltd	(1,555)	(1,555)
Amounts due to CLV Holte UK Ltd	(2,449)	-
Amounts due to CLV (Sutton Bonnington) UK Ltd	(20,303)	-
Amounts due to CLV (Bond Issuer) UK Plc	(218,433)	-
	(6,015,195)	(6,406,204)
Loans due to CLV Finance UK Ltd	(21,062,132)	(16,294,748)
Loans due to CLV (Bedford) UK Ltd	(765,572)	(627,748)
Loans due to CLV (Salford) UK Ltd	(2,478,775)	(2,380,521)
	(24,306,479)	(19,303,017)
	(30,321,674)	(25,709,221)