REGISTERED NUMBER: OC418013 (England and Wales)

Members' Report and

Audited Financial Statements for the Year Ended 30 June 2019

for

CLV (St Andrews) UK 3 LLP

Contents of the Financial Statements for the Year Ended 30 June 2019

General Information
for the Year Ended 30 June 2019

DESIGNATED MEMBERS:	Campus Living Villages (St Andrews) UK Limited St. Andrews University Services Limited
KEY EXECUTIVES:	Lee Mclean James Chadwick Lisa Brown Derek Watson Benjamin Stuart
REGISTERED OFFICE:	7th Floor Digital World Centre 1 Lowry Plaza, Salford Quays Manchester United Kingdom M50 3UB
REGISTERED NUMBER:	OC418013 (England and Wales)
INDEPENDENT AUDITOR:	KPMG LLP 1 St Peter's Square Manchester M2 3AE
BANKER:	Barclays Bank Level 25 1 Churchill Place London E14 5HP

Members' Report
for the Year Ended 30 June 2019

The members present their report with the financial statements of the LLP for the year ended 30 June 2019.

PRINCIPAL ACTIVITY
The principal business activities of CLV (St Andrews) UK 3 LLP ("CLV St Andrews") is the acquisition, delivery, operation and management of student accommodation and associated services.

REVIEW OF BUSINESS
In October 2018 a new student villages at St Andrews University was completed. This consists of two buildings, the Whitehorn Hall and the Powell Hall, which provide 389 student beds to students of the University of St Andrews. The buildings became occupied in November 2018.

CLV St Andrews received a Project Development Fee under a Development and Development Loan Agreement with M&G to manage and deliver the project. The Development Loan provided the funding for the costs of construction incurred. Practical completion was reached in October 2018 and a finance lease over site of 50 years was granted to the LLP. The lease is a full repairing and insuring lease with all risks passed to CLV St Andrews. Upfront costs incurred in securing the finance lease have been capitalised.

The company was incorporated on 3 July 2017 meaning the financial statements for the period ended 30 June 2018 were for a 362 day period.

DESIGNATED MEMBERS
The designated members during the year under review were:

Campus Living Villages (St Andrews) UK Limited
St. Andrews University Services Limited

The Members of the LLP were represented on the Executive Committee by the following designated individuals:

Campus Living Villages (St Andrews) UK Limited:

Lee McLean	(appointed 6 March 2019)
James Chadwick	(appointed 6 March 2019)
Mathew Panopoulos	(appointed 18 July 2018, resigned 7 March 2019)
Lisa Brown	(appointed 18 July 2018, resigned 7 March 2019)
Peter Berry	(resigned 18 July 2018)
Susan Worden	(resigned 18 July 2018)
Martin Hadland	(resigned 18 July 2018)

St. Andrews University Services Limited:
Derek Watson
Benjamin Stuart

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS
Operating profit for the period was £928,000 (30 June 2018: £2,534,000) and the result for the period is a loss of £524,000 (30 June 2018: profit of £1,050,000).

Tax is paid at the partner level by the members.

DISTRIBUTIONS
During the year the Partnership made distributions of £1,586,000 (30 June 2018: £nil).

KEY PERFORMANCE INDICATORS
The directors use the following principal measures of overall performance:

	Year ended 30 June 2019 £'000	Period ended 30 June 2018 £'000
Cash generated from operations	1,633	3,492
EBITDA*	1,620	2,534
	%	%
Occupancy	100	N/A

*Earnings before interest, taxation, depreciation, and amortisation for the year.

PRINCIPAL RISKS AND UNCERTAINTIES
The management of the business and the execution of the Partnerships' strategy are subject to a number of risks:

- Underperforming assets meaning debt obligations cannot be met
- Student numbers being lower than expected
- Credit risk
- On-going viability of the University of St Andrews

Credit risk
Credit risk arises from exposure to students and universities, including outstanding receivables and committed transactions. Student deposits are used as security and applied against outstanding amounts.

Liquidity risk
Management monitors rolling forecasts of the LLP'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. The outlook for the student accommodation section remains positive despite the uncertainty around Brexit. Student numbers continue to increase year on year which is supported by average rental increases of 3% on sites close to a University Campus such as the St Andrews sites at Whitehorn Hall and Powell Hall. Student numbers typically increase in the event of any economic downturn, as people look to up-skill or stay in higher education. Although we anticipate seeing a reduction in new EU students post Brexit, Universities expect to see an increase in Non-EU students with the current weakness of the pound.

MEMBERS' INTERESTS
Members are permitted to make drawings from profits which have been divided and allocated to them and which are available for distribution under the terms of the LLP agreement, and which, according to those terms would not make the LLP insolvent.

New members are required to subscribe to a minimum level of capital. Additional capital may be raised only by agreement of the members in proportion to their interests. Additional loan financing may be raised from members, in proportion to the interest they hold, by agreement with members. Where such additional financing is not provided by the members the LLP is authorised to obtain loans from a bank or third party provider. The initial capital of £1 is only repaid on the cessation and dissolution of the LLP or on the expulsion of a Member.

POLITICAL AND CHARITABLE DONATIONS AND EXPENDITURE
No donations were made to any political party or charities during the year (30 June 2018: £nil).

GOING CONCERN
As at 30 June 2019 the company has net current assets of £892,000 and made an operating profit of £928,000.

Forecasts show the LLP is expected to be cash generative in the future after interest payments. Sensitivity analysis was also performed on the forecasts, with the LLP still being cash generative after an increase in operating costs. There is also a strong nominations agreement with the University of St Andrews. Based on this the directors have no concerns over the company's ability to meet its obligations as they fall due.

The outlook for the student accommodation section remains positive despite the uncertainty post Brexit. Student numbers continue to increase year on year which is supported by average rental increases of 3% on sites close to a University Campus such as CLV St Andrews site, Fife Park 3. Student numbers typically increase in the event of any economic downturn, as people look to up-skill or stay in higher education. Although we anticipate seeing a reduction in new EU students post Brexit, Universities expect to see an increase in Non-EU students with the current weakness of the pound.

The members, having assessed the responses of the directors of the investing companies to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the entity to continue as a going concern.

On the basis of their assessment of the entity's financial position and of the enquiries made, the members have adopted the going concern basis of accounting in preparing the financial statements.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR
So far as the members are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the LLP's auditor are unaware, and each member has taken all the steps that he ought to have taken as a member in order to make himself aware of any relevant audit information and to establish that the LLP's auditor are aware of that information.

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

ON BEHALF OF THE MEMBERS:

....
James Chadwick

Date: 6 March 2020

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

Statement of Members' Responsibilities for the Year Ended 30 June 2019

The members are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of its profit or loss for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;

- make judgements and 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 LLP'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 LLP or to cease operations, or have no realistic alternative but to do so.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. 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 LLP and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of CLV (St Andrews) UK 3 LLP

Opinion
We have audited the financial statements of CLV (St Andrews) UK 3 LLP ("the LLP") for the year ended 30 June 2019 which comprise the Income Statement, Statement of Other Comprehensive Income, Balance Sheet, Reconciliation of Members' Interests and related notes, including the accounting policies in note 2.

In our opinion the financial statements:
- give a true and fair view, of the state of affairs of the LLP as at 30 June 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

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

The impact of uncertainties due to the UK exiting the European Union on our audit
Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as recoverability of loans and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and its effects are subject to unprecedented levels of uncertainty of consequences, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

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

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the members' conclusions, we considered the inherent risks to the LLP's business model, including the impact of Brexit, and analysed how those risks might affect the LLP's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the LLP will continue in operation.

Other information
The members are responsible for the other information, which comprises the members' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Members' responsibilities

As explained more fully in their statement set out on page 5, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

This report is made solely to the members of the LLP, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Rehman Minshall

Rehman Minshall (Senior Statutory Auditor)
for and on behalf of KPMG LLP Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

Date: 6 March 2020

CLV (St Andrews) UK 3 LLP

Income Statement
for the Year Ended 30 June 2019

CONTINUING OPERATIONS	Notes	Year ended 30 June 2019 £'000	Period ended 30 June 2018 £'000
TURNOVER	3	1,638	-
Administrative expenses		(13,787)	(24,265)
		(12,149)	(24,265)
Other operating income	4	13,077	26,799
OPERATING PROFIT	6	928	2,534
Interest payable and similar expenses	7	(1,452)	(1,484)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		(524)	1,050

The notes on pages 12 to 26 form part of these financial statements

CLV (St Andrews) UK 3 LLP

Other Comprehensive Income
for the Year Ended 30 June 2019

	Year ended 30 June 2019 £'000	Period ended 30 June 2018 £'000
(LOSS)/PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	(524)	1,050
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(524)	1,050

The notes on pages 12 to 26 form part of these financial statements

CLV (St Andrews) UK 3 LLP (Registered number: OC418013)

Balance Sheet
30 June 2019

	Notes	2019 £'000	2018 £'000
FIXED ASSETS			
Tangible assets	10	647	-
Investment property	11	49,775	-
		50,422	-
CURRENT ASSETS			
Debtors	12	1,262	30,239
Cash at bank and in hand	13	1,990	9,005
		3,252	39,244
CREDITORS			
Amounts falling due within one year	14	(2,360)	(38,000)
NET CURRENT ASSETS		892	1,244
TOTAL ASSETS LESS CURRENT LIABILITIES		51,314	1,244
CREDITORS			
Amounts falling due after more than one year	15	(52,375)	-
NET ASSETS ATTRIBUTABLE TO MEMBERS		(1,061)	1,244
REPRESENTED BY:			
Members interest	8	(1,061)	1,244
TOTAL MEMBERS' INTEREST		(1,061)	1,244

The financial statements were approved by the members of the LLP on 6 March 2020 and were signed by:

....
James Chadwick

The notes on pages 12 to 26 form part of these financial statements

CLV (St Andrews) UK 3 LLP

Reconciliation of Members' Interests for the Year Ended 30 June 2019

30 June 2019

	Members' Capital	Other reserves	Total	Amounts due to Members	Total Members' interests
	£'000	£'000	£'000	£'000	£'000
As at 1 July 2018	194	-	194	1,050	1,244
Loss for financial year available for allocation		(524)	(524)	-	(524)
Group Members' interest after profit for the year	194	(524)	(330)	1,050	720
Distribution	-	-	-	(1,587)	(1,587)
Reduction in capital	(194)	-	(194)	-	(194)
Members' interest at 30 June 2019	-	(524)	(524)	(537)	(1,061)

30 June 2018

	Members' Capital	Other reserves	Total	Amounts due to Members	Total Members' interests
	£'000	£'000	£'000	£'000	£'000
At incorporation on 3 July 2017	-	-	-	-	-
Members Capital introduced	1,244	-	1,244	-	1,244
Profit for financial year available for allocation	-	1,050	1,050	-	1,050
Group Members' interest after profit for the year	1,244	1,050	2,294	-	2,294
Allocation of profits	-	(1,050)	(1,050)	1,050	-
Reduction in capital	(1,050)	-	(1,050)	-	(1,050)
Members' interest at 30 June 2018	194	-	194	1,050	1,244

The notes on pages 12 to 26 form part of these financial statements

1. **STATUTORY INFORMATION**

CLV (St Andrews) UK 3 LLP is registered in England and Wales. The LLP's registered number and registered office address can be found on the General Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Partnership applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The accounting policies have been applied consistently throughout the current and preceding period.

As permitted by FRS 101, the LLP has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions with wholly owned subsidiaries. Where required, equivalent disclosures are given in the group accounts of Campus Living UK Trust.

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; and
    - paragraphs 76 and 79(d) of IAS 40 Investment Property;
- 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.

Functional and presentation currency
Items included in the financial statements of the LLP are measured using the currency of the primary economic environment in which the LLP operates ('the functional currency'). These financial statements are presented in 'Pounds Sterling' (£) rounded to the nearest £'000, which is also the LLP's functional currency.

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2. **ACCOUNTING POLICIES - continued**

Critical accounting judgements and key sources of estimation uncertainty
In the application of the LLP's accounting policies, which are described above, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources.

There are currently no critical accounting judgements or key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

Going concern
As at 30 June 2019 the company has net current assets of £892,000 and made an operating profit of £928,000.

Forecasts show the LLP is expected to be cash generative in the future after interest payments. Sensitivity analysis was also performed on the forecasts, with the LLP still being cash generative after an increase in operating costs. There is also a strong nominations agreement with the University of St Andrews. Based on this the directors have no concerns over the company's ability to meet its obligations as they fall due.

The outlook for the student accommodation section remains positive despite the uncertainty post Brexit. Student numbers continue to increase year on year which is supported by average rental increases of 3% on sites close to a University Campus such as CLV St Andrews site, Fife Park 3. Student numbers typically increase in the event of any economic downturn, as people look to up-skill or stay in higher education. Although we anticipate seeing a reduction in new EU students post Brexit, Universities expect to see an increase in Non-EU students with the current weakness of the pound.

The members, having assessed the responses of the directors of the investing companies to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the entity to continue as a going concern.

On the basis of their assessment of the entity's financial position and of the enquiries made, the members have adopted the going concern basis of accounting in preparing the financial statements.

Changes in accounting policies

IFRS 15 'Revenue from Contracts with Customers':

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control - at a point in time or over time - requires judgement.

The standard introduces a new revenue recognition model that recognised revenue either at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. It has been determined that no changes are required to our current revenue recognition methods as these are still within material adherence of IFRS 15 and therefore there have been no measurement or recognition adjustments made to the current or prior period financial statements.

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2. **ACCOUNTING POLICIES - continued**

IFRS 9 'Financial Instruments':

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The main financial statement caption effected is receivables. As a result of the adoption of IFRS 9, the new single expected credit loss impairment model is now applied in calculating the provision for credit losses. Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively.

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVOCI and FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies related to financial assets (including intercompany balances) or financial liabilities and therefore there have been no measurement or recognition adjustments made to the current or prior period financial statements.

Turnover
Turnover represents bed rental fees.

Turnover from bed rental is recognised on a straight line basis over the term of the rental contact, to the extent that it is probable that the economic benefits will flow to the company and it can be reliably measured. All such revenue arising from the provision of student accommodation letting is reported net of discounts and value added and other sales taxes.

The company has initially applied IFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated.

Taxation
No provision has been made for taxation in the financial statements. Each member is exclusively liable for any tax liabilities arising out of their interest in the LLP, which will be assessed on the individual members and not on the LLP.

Investment property
Investment Property is treated in line with IAS 40.

IAS 40 allows two methods of measurement for Investment Property (para 30) following initial recognition at cost - the fair value model or the cost model. The company uses the cost model.

Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful life of 22-50 years. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are included in profit or loss when the changes arise.

continued...

2. **ACCOUNTING POLICIES - continued**

Other fixed assets
Fixed assets are 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.

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 - 5 years

Assets under construction
Assets in the course of construction (capital work in progress) are carried at cost, less any recognised impairment loss. Costs include professional fees and borrowing costs capitalised where they are directly attributable to the acquisition of the asset. Depreciation of these assets commences when the assets are ready for their intended use.

Financial instruments
(policy applicable from 30th June 2018)

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

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.

continued...

2. **ACCOUNTING POLICIES - continued**

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.

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.

continued...

2. **ACCOUNTING POLICIES - continued**

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.

(iii) 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.

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2. **ACCOUNTING POLICIES - continued**

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.

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.

Policy applicable prior to 30th June 2018:

(i) Classification of financial instruments issued by the Company

Following the adoption of IAS 32, 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.

(ii) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

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2. **ACCOUNTING POLICIES – continued**

Leased assets
At inception the LLP assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Finance leased assets
Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance lease are capitalised at commencement of the lease as assets at the fair value of the leased asset, or if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease.

Assets are depreciated over the shorter of the lease term and estimated useful life of the asset.

Cash and cash equivalents
Cash and cash equivalents, cash and in hand and other short term deposits with an initial maturity of 3 months or less.

Restricted cash is classified with cash and cash equivalents and set aside for future capex and maintenance works.

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 initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method

Borrowings
Borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the profit and loss account over the period of the borrowings on an effective interest basis.

Borrowing costs are recognised in the profit and loss account in the period to which they relate.

Effective interest method
The effective interest rate is the rate that discounts estimated future cash receipts or payments through the expected life of the financial asset or liability to that asset's or liability's net carrying amount.

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

Interest directly attributable to the construction of the entity's qualifying assets, which are assets that take a substantial period of time to get ready for their intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

continued...

2. **ACCOUNTING POLICIES - continued**

Members' profit allocation, drawings and repayment of members' capital
In accordance with the LLP agreement, profit is allocated 51% to Campus Living Villages (St Andrews) UK Limited and 49% to St Andrews University Services Limited as long as the LLP Group has sufficient working capital or reserves to satisfy the Group's obligations and liabilities for the following quarter and after Members' further capital contributions have been repaid. Allocated profit is included within 'Loans and other debts due to members' in 'Amounts due to members'.

Drawings are treated as payments on account of profit allocation and are only repayable to the LLP in so far as there are insufficient profits to allocate against such drawings. Any drawings in excess of total profits allocated would be included within 'amounts due from members' within debtors.

The capital requirements of the partnership are determined and reviewed by the members in their capacity as the Group's Executive Committee. Each member is required to subscribe a proportion of initial capital as set out within the LLP agreement. Further capital contributions are contributed in line with the member's agreement and must be repaid to extend of the receipt of the development success fee on practical completion. No interest is paid on capital. The initial capital of £1 is only repaid on the cessation and dissolution of the LLP or on the expulsion of a Member.

Related parties
For the purposes of these financial statements, a party is considered to be related to the LLP if the party:

(i) has the ability, directly or indirectly, through one or more intermediaries, to control the LLP or exercise significant influence over the LLP in making financial and operating policy decisions, or has joint control over the LLP;
(ii) and the LLP are subject to common control;
(iv) is a member of key management personnel of the LLP or the LLP'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;
(v) 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

3. **TURNOVER**

In the below table, turnover is disaggregated by accommodation type:

	Year ended 30 June 2019 £'000	Period ended 30 June 2018 £'000
Student accommodation related	1,638	-
	1,638	-

All turnover is UK based.

The company has initially applied IFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated.

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4. OTHER OPERATING INCOME

Other income represents the rendering of services for the construction of the asset. Where these can be estimated reliably, revenue associated with the construction shall be recognised by reference to the stage of completion of the construction at the reporting period where it is probable that the economic benefits associated with the transaction will flow to the LLP.

The development success fee is also included within other income.

	Year ended 30 June 2019 £'000	Period ended 30 June 2018 £'000
Development success fee	527	1,050
Service fee	12,550	25,749
	13,077	26,799

5. EMPLOYEE INFORMATION

The LLP had no employees during the period, with all staff being employed by a fellow group undertaking (30 June 2018: Nil).

The key executives of the LLP received no remuneration for their services to the LLP in the current or prior period as they were remunerated by Campus Living Villages UK Limited without recharge to the LLP.

The directors do not consider it is possible to determine the value of remuneration applicable to the LLP. The full amount of their remuneration is disclosed in the accounts of Campus Living Villages UK Limited.

6. OPERATING PROFIT

Operating profit is stated after charging the following:

	Year ended 30 June 2019 £'000	Period ended 30 June 2018 £'000
Included in administrative expenses:		
Audit fees	11	5
Depreciation	692	-

There were no fees payable to KPMG LLP and its associates for non-audit services in the year (30 June 2018: £nil).

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019 £'000	2018 £'000
Finance lease interest	585	-
Development loan interest	867	1,484
	1,452	1,484

continued...

8. INFORMATION IN RELATION TO MEMBERS

	2019	2018
Ownership	%	%
St. Andrews University Services Limited	49	49
CLV St Andrews UK	51	51
	100	100

	2019	2018
Capital	£'000	£'000
St. Andrews University Services Limited	-	-
CLV St Andrews UK	-	194
	-	194

	2019	2018
Amounts due to Members'	£'000	£'000
St. Andrews University Services Limited	504	514
CLV St Andrews UK	(1,041)	536
	(537)	1,050

9. TAXATION

As noted in the accounting policies, no provision has been made for taxation in the financial statements. Each member is exclusively liable for any tax liabilities arising out of their interest in the LLP, which will be assessed on the individual members and not on the LLP.

10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £'000	Capital works in progress £'000	Totals £'000
COST			
At 1 July 2018	-	-	-
Additions	91	561	652
At 30 June 2019	91	561	652
DEPRECIATION			
At 1 July 2018	-	-	-
Charge for year	5	-	5
At 30 June 2019	5	-	5
NET BOOK VALUE			
At 30 June 2018	-	-	-
At 30 June 2019	86	561	647

continued...

11. INVESTMENT PROPERTY

	Total
	£'000
COST	
At 1 July 2018	-
Additions	50,462
At 30 June 2019	50,462
DEPRECIATION	
At 1 July 2018	-
Charge for year	687
At 30 June 2019	687
NET BOOK VALUE	
At 30 June 2018	-
At 30 June 2019	49,775

Management deem the fair value of the investment property to be £49,818,000. This valuation is based on a discounted cash flow model.

Depreciation was charged on the lease from the commencement date of 25 October 2018.

12. DEBTORS:

Due within one year:

	2019	2018
	£'000	£'000
Amounts owed by group undertakings	883	194
Other debtors	-	3,247
Prepayments and accrued income	379	26,798
	1,262	30,239

The prior period accrued income related to construction costs and development fee income for the student village.

13. CASH AT BANK AND IN HAND

	2019	2018
	£'000	£'000
Restricted cash	619	9,005
Cash at bank	1,371	-
	1,990	9,005

Restricted cash is classified with cash and cash equivalents and set aside for future capex and maintenance works.

continued...

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £'000	2018 £'000
Development loan (see note 16)	-	33,795
Finance leases (see note 17)	701	-
Trade creditors	798	28
Other creditors	37	-
Accruals and deferred income	824	4,177
	2,360	38,000

Prior period accruals related to construction costs for the student village for works completed in the period but not yet invoiced.

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

	2019 £'000	2018 £'000
Finance leases (see note 17)	52,375	-

16. LOANS

An analysis of the maturity of loans is given below:

	2019 £'000	2018 £'000
Amounts falling due within one year or on demand:		
Development loan	-	33,795

The prior period development loan was repaid in the year. Subsequently a new 50 year finance lease was agreed, commencing on 26 October 2018.

17. LEASING AGREEMENTS

Lease liabilities:	2019 £'000	2018 £'000
Amounts due in less than one year	701	-
Amounts due in more than one year	52,375	-
	53,076	-

Minimum lease payments under finance leases fall due as follows:

	2019 Principal £'000	2019 Interest £'000	2019 Total £'000
Payments within one year	701	869	1,570
Payments within two to five years	2,919	3,363	6,282
Payments after five years	49,456	20,214	69,670
	53,076	24,446	77,522

The finance lease commenced on 26 October 2018 and expires on 31 October 2068

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18. **LOANS AND OTHER DEBTS DUE TO MEMBERS**

	2019	2018
	£'000	£'000
Amounts owed by/(to) members in respect of profits	(537)	1,050
Amounts falling due within one year	504	1,050
Amounts falling due in more than one year	(1,041)	-
	(537)	1,050

19. **ULTIMATE PARENT COMPANY**

CLV (St Andrews) UK 3 LLP is owned 49% by St Andrews University Services Limited and 51% by Campus Living Villages (St Andrews) UK Limited.

The registered address for is St Andrews University Services Limited is College Gate, North Street, St Andrews, Fife, KY16 9AJ. The registered address for Campus Living Villages (St Andrews) UK Limited is 7th Floor Digital World Centre, 1 Lowry Plaza, Salford Quays, Manchester, United Kingdom, M50 3UB.

The LLP'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 LLP 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**

The directors have not identified any contingent liabilities at 30 June 2019 (30 June 2018: none).

21. **CAPITAL COMMITMENTS**

There were no capital commitments in place at 30 June 2019 (30 June 2018: none).

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23. RELATED PARTY TRANSACTIONS

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

	Balance at 30 June 2019 £'000	Capital repayments in year £'000	Transactions in year £'000
Intercompany balances			
CLV (St Andrews) UK 2 LLP	54		54
Salford Village Ltd	22	-	22
CLV (Cranborne) UK Ltd	5	-	5
CLV (Bedfordshire) UK Ltd	2	-	2
CLV (City Portfolio) UK Ltd	49	-	49
CLV (Sutton Bonington) UK Ltd	15	-	15
CLV UK Ltd	748	-	748
CLV (RCM 2) UK LLP	(1)	-	(1)
CLV (Salford) UK Ltd	(1)	-	(1)
Signpost Homes Ltd	(1)	-	(1)
Arlington Student Holdings (No.3) Ltd	(10)	-	(10)
Campus Living Villages (St Andrews) UK Ltd	-	(194)	-
Members interest:			
Campus Living Villages (St Andrews) UK Ltd	1,041	-	1,577
St Andrews University Services Ltd	(504)	-	10

	Balance at 30 June 2018 £'000	Capital repayments in year £'000	Transactions in year £'000
Intercompany balances			
Campus Living Villages (St Andrews) UK Ltd	194	-	194
Members interest:			
Campus Living Villages (St Andrews) UK Ltd	(536)	(1,050)	(536)
St Andrews University Services Ltd	(514)	-	(514)