

**Company Registration No. 119104 (Jersey)**

**Campus Living Villages (Goldsmiths) Holdco Limited**

**Annual Report and Financial Statements**

**For the year ended 30 June 2017**

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Annual report and financial statements**  
**For the year ended 30 June 2017**

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<b>CONTENTS</b>	<b>PAGES</b>
Officers and Professional Advisers	2
Strategic report	3
Directors' report	4 – 5
Independent auditor's report to the members of Campus Living Villages (Goldsmiths) Holdco Limited	6 – 7
Consolidated statement of comprehensive income	8
Consolidated statement of changes in equity	9
Parent company statement of changes in equity	9
Consolidated statement of financial position	10
Parent company statement of financial position	11
Consolidated statement of cash flow	12
Parent company statement of cash flows	13
Notes to the financial statements	14 – 27

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Officers and Professional Advisers**  
**For the year ended 30 June 2017**

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**The Board of Directors**

Sean McKeown  
George Shweiry  
Michael Seal  
Richard Gabelich  
Robert Moyle  
Martin Hadland

**Company Registration Number**

119104 (Jersey)

**Registered Office**

11 Bath Street  
St Helier  
Jersey  
JE2 4ST

**Bankers**

Barclays Bank  
Level 25  
1 Churchill Place  
London  
E14 5HP

**Independent Auditor**

KPMG LLP  
1 St Peter's Square  
Manchester  
M2 3AE

## **Campus Living Villages (Goldsmiths) Holdco Limited**

### **Strategic report**

### **For the year ended 30 June 2017**

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The directors present their annual report together with the audited financial statements of the Group and parent company for the year to 30 June 2017.

#### **Review of the Business and Results**

The principal business activity of Campus Living Villages (Goldsmiths) Holdco Limited ("CLV Goldsmiths Holdco") is to act as a special purpose holding company with limited permitted activities to acquire a leasehold interest and subsequently operate a number of student accommodation properties for Goldsmiths, University of London ("Goldsmiths University").

CLV Goldsmiths Holdco was incorporated on 27 July 2015 and is a joint venture between Campus Living Villages (Goldsmiths) Investments UK Limited ("CLV Goldsmiths Investments") and Arlington Student Holdings (No 2) Limited ("Arlington").

CLV Goldsmiths Holdco owns 100% of Campus Living Villages (Goldsmiths) Issuer Plc ("CLV Goldsmiths Issuer") which began trading on 21 September 2015 for the purposes of issuing listed debt securities on the Irish Stock Exchange. The funds raised from the issuance of these securities were used to purchase the student accommodation properties (Goldsmiths Student Village) held by its subsidiary asset operating company, Campus Living Villages (Goldsmiths) UK Ltd ("CLV Goldsmiths"), totalling 391 beds. Funds are also being used to carry out refurbishment works.

Goldsmiths Student Village consists of three buildings which are 100% nominated on contracts with Goldsmiths University where operating and ancillary services are also offered to the students.

The results of the Group for the period are shown in the Consolidated Statement of Comprehensive Income. Loss before tax was £1.9 million (2016: £0.5 million). The Consolidated Statement of Financial Position shows that the Group's net liabilities were £2.4 million (2016: £0.5 million).

#### **Key Performance Indicators**

The directors use two principal measures of overall performance; net assets and profit/loss before tax (see above). The objective of the Group is to provide funding to its subsidiary companies and to provide accommodation to students through leased facilities at Goldsmiths University of London, and in so doing ensure that the Group's liabilities and interest expense are offset by equal and opposite receivables and interest income from the subsidiary companies.

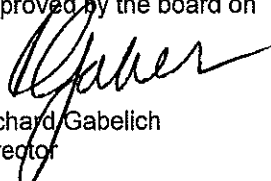
#### **Principal Risks and Uncertainties**

The management of the business and the execution of the group's strategy are subject to a number of risks. The key business risks and uncertainties affecting the group arise from financial risk through its assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. Due to the nature of the Group's business and the assets and liabilities contained within the group's balance sheet the only financial risks the directors consider relevant to this company are credit risk and liquidity risk. Credit risk is considered to be low and both risks are mitigated by the high credit quality of debtor balances receivable, these being due from other group companies. Cash flow risk is mitigated by the matching of terms between the listed debt securities and the intercompany loan arrangements with the subsidiary entities.

#### **Future Developments**

The directors expect turnover to remain consistent with the period to 30 June 2017 in the forthcoming year and in line with the continuing development and refurbishment of the site. The bonds held by the holding company have a number of years until maturity. There have been no significant events since the balance sheet date.

Approved by the board on 19 JANUARY 2018 and signed on its behalf by

  
Richard Gabelich  
Director

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Directors' report**  
**For the year ended 30 June 2017**

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**Directors of the Company**

The directors who served the company throughout the year and up to date the financial statements were signed, were as follows:

Sean McKeown	
George Shweiry	
Michael Seal	
Richard Gabelich	
Robert Moyle	
David Lewis	(resigned 11 May 2017)
Martin Hadland	(appointed 11 May 2017)

The Group has made qualifying third party indemnity provisions for the benefit of its directors which remain in force at the date of this report.

**Dividends**

The directors have not recommended payment of a dividend for the current year (2016: £Nil).

**Financial Instruments**

The financial risk management and objectives policy is set out within note 1.

**Auditor**

Each of the persons who served as a director at the date of approval of this report confirms that:

- so far as the director is 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 in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

KPMG LLP has been appointed auditor to the company during the year and have expressed their willingness to continue in office. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

**Going concern**

The financial statements are prepared on a going concern basis which is appropriate due to the continued financial support of the related party entity Campus Living Villages (Goldsmiths) Investments Limited and Arlington student Holdings No 2 Limited.

The Group's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report on page 3.

On the basis of their assessment of the Group's financial position and of the enquiries made the Group's directors have a reasonable expectation that the Group will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Directors' Responsibilities Statement**  
**For the year ended 30 June 2017**

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**Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements**

The directors are responsible for preparing 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 International Financial Reporting Standards.


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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 Companies (Jersey) Law 1991. They 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the board on 19 JANUARY 2018 and signed on its behalf by



Richard Gabelich  
Director

**Independent Auditor's Report to the Members of Campus Living Villages  
(Goldsmiths) Holdco Limited  
For the year ended 30 June 2017**

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**Our opinion is unmodified**

We have audited the consolidated financial statements (the "Consolidated Financial Statements") of CLV (Goldsmiths) Holdco Ltd (the "Company") and its subsidiaries (together, the "Group"), which comprise the consolidated statement of financial position as at 30 June 2017, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

**In our opinion, the accompanying financial statements:**

- give a true and fair view of the financial position of the Company and Group as at 30<sup>th</sup> June 2017, and of the Group's financial performance and the Group's cash flows for the year then ended;
- are prepared in accordance with International Financial Reporting Standards as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law, 1991.

**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 Company and Group in accordance with, UK ethical requirements including FRC Ethical Standards. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**We have nothing to report on going concern**

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 twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

**We have nothing to report on the other information in the Directors' report**

The directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon or any form of assurance conclusion thereon.

Our responsibility is to read the directors' report 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 information presented in the directors' report.

**We have nothing to report on other matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company; or
- the parent financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Independent Auditor's Report to the Members of Campus Living Villages  
(Goldsmiths) Holdco Limited (continued)  
For the year ended 30 June 2017**

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**Respective responsibilities**

**Directors' responsibilities**

As explained more fully in their statement set out on page 6, the Directors are responsible for: the preparation of the Financial Statements including 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 Group and parent 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 they either intend to liquidate the Group or the parent Company 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](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of this report and restrictions on its use by persons other than the Company's members as a body**

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. 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.

*Nicola Quayle*

**Nicola Quayle (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
1 St Peter's Square  
Manchester  
M2 3AE**

*19 JANUARY 2018*



**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Consolidated Statement of Comprehensive Income**  
**For the year ended 30 June 2017**

		<b>2017</b>	<b>Period ended 30 June 2016</b>
	<b>Notes</b>	<b>£'000</b>	<b>£'000</b>
Revenue	4	1,999	1,915
Administrative expenses		(1,814)	(1,181)
<b>Operating profit</b>	3	185	734
Net finance costs	5	(2,160)	(1,227)
<b>Loss before tax</b>		(1,975)	(493)
Income tax	6	70	(70)
<b>Total comprehensive loss for the year attributable to owners of the parent</b>		(1,905)	(563)

The notes on pages 14 to 27 form part of these financial statements.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Consolidated Statement of Changes in Equity**  
**For the year ended 30 June 2017**

	<b>Called-up share capital £'000</b>	<b>Accumulated losses £'000</b>	<b>Total deficit £'000</b>
<b>Balance at 30 June 2016</b>	25	(563)	(538)
Total comprehensive loss for the year	-	(1,905)	(1,905)
<b>Balance at 30 June 2017</b>	<u>25</u>	<u>(2,468)</u>	<u>(2,443)</u>

	<b>Called-up share capital £'000</b>	<b>Accumulated losses £'000</b>	<b>Total deficit £'000</b>
<b>Balance at 30 June 2015</b>	-	-	-
Issue of share capital	25	-	25
Total comprehensive loss for the year	-	(563)	(563)
<b>Balance at 30 June 2016</b>	<u>25</u>	<u>(563)</u>	<u>(538)</u>

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Parent Company Statement of Changes in Equity**  
**For the year ended 30 June 2017**

	<b>Called-up share capital £'000</b>	<b>Accumulated losses £'000</b>	<b>Total deficit £'000</b>
<b>Balance at 30 June 2016</b>	25	(2)	23
Total comprehensive loss for the year	-	(3)	(3)
<b>Balance at 30 June 2017</b>	<u>25</u>	<u>(5)</u>	<u>20</u>


	<b>Called-up share capital £'000</b>	<b>Accumulated losses £'000</b>	<b>Total deficit £'000</b>
<b>Balance at 30 June 2015</b>	-	-	-
Issue of share capital	25	-	25
Total comprehensive loss for the year	-	(2)	(2)
<b>Balance at 30 June 2016</b>	<u>25</u>	<u>(2)</u>	<u>23</u>

The notes on pages 14 to 27 form part of these financial statements.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Consolidated Statement of Financial Position**  
**As at 30 June 2017**

	Notes	2017 £'000	2016 £'000
<b>Fixed assets</b>			
Property, plant and equipment	9	38,606	25,334
<b>Current assets</b>			
Debtors	10	1,266	607
Cash and cash equivalents	11	10,384	11,753
		<u>11,650</u>	<u>12,360</u>
<b>Creditors: Amounts falling due within one year</b>			
Loan notes payable	13	(700)	(352)
Trade and other payables	12	(1,443)	(942)
Corporation tax payable		-	(70)
		<u>(2,143)</u>	<u>(1,364)</u>
<b>Net current liabilities</b>		9,907	10,996
<b>Total assets less current liabilities</b>		<u>48,513</u>	<u>36,330</u>
<b>Creditors: Amounts falling due after more than one year</b>			
Loan notes payable	13	(39,369)	(30,729)
Related party borrowings	15	(11,187)	(6,139)
		<u>(50,556)</u>	<u>(36,868)</u>
<b>Net liabilities</b>		<u>(2,443)</u>	<u>(538)</u>
<b>Equity</b>			
<b>Issued capital and reserves</b>			
Called-up share capital	17	25	25
Accumulated losses		(2,468)	(563)
<b>Total shareholder's deficit</b>		<u>(2,443)</u>	<u>(538)</u>

These financial statements on pages 8 to 27 were approved by the Board and authorised for issue on 19 JANUARY 2018 and signed on its behalf by

  
 .....  
 Richard Gabelich  
 Director

Company registered number 119104 (Jersey)

The notes on pages 14 to 27 form part of these financial statements.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Parent Company Statement of Financial Position**  
**As at 30 June 2017**

	Notes	2017 £'000	2016 £'000
<b>Non-Current assets</b>			
Investments in subsidiary undertakings	7	50	50
		<u>50</u>	<u>50</u>
<b>Current assets</b>			
Subordinated loan to subsidiary undertakings	8	11,157	6,112
		<u>11,157</u>	<u>6,112</u>
<b>Total assets</b>		<u>11,207</u>	<u>6,162</u>
<b>Creditors: Amounts falling due within one year</b>			
Subordinated debt	15	(11,187)	(6,139)
<b>Net current liabilities</b>		<u>(11,187)</u>	<u>(6,139)</u>
<b>Total assets less current liabilities</b>		20	23
<b>Net assets</b>		<u>20</u>	<u>23</u>
<b>Equity</b>			
<b>Issued capital and reserves</b>			
Issued share capital	17	25	25
Accumulated losses		(5)	(2)
<b>Total equity</b>		<u>20</u>	<u>23</u>

These financial statements on pages 8 to 27 were approved by the Board and authorised for issue on 19 JANUARY 2018 and signed on its behalf by



.....  
Richard Gabelich  
Director

Company registered number 119104 (Jersey)

The notes on pages 14 to 27 form part of these financial statements.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Consolidated Statement of Cash Flows**  
**For the year ended 30 June 2017**

	Notes	Year ended 30 June 2017 £'000	Period ended 30 June 2016 £'000
<b>Cash flows from operating activities</b>			
Loss before tax		(1,975)	(493)
Income tax expense		70	(70)
		<u>(1,905)</u>	<u>(563)</u>
<b>Loss for financial year</b>			
<b>Non-cash adjustments</b>			
Depreciation		545	388
Accrued tax		(140)	70
Accrued Interest		475	721
		<u></u>	<u></u>
<b>Cash flows before changes in working capital</b>		(1,025)	616
<b>Decrease in working capital</b>			
Increase in trade receivables		(589)	(607)
Increase in trade payables		(48)	364
Increase in accrued liabilities		74	203
		<u>(563)</u>	<u>(40)</u>
<b>Decrease in working capital</b>			
		<u>(1,588)</u>	<u>576</u>
<b>Cash flows from operating activities</b>			
<b>Cash flows from investing activities</b>			
Payments to acquire property, plant and equipment		(13,817)	(25,722)
Issue of share capital		-	25
		<u>(13,817)</u>	<u>(25,697)</u>
<b>Net cash flows used in investing activities</b>			
<b>Cash flows from financing activities</b>			
Increase in external borrowings		8,988	31,081
Increase in related party borrowings		5,048	5,793
		<u>14,036</u>	<u>36,874</u>
<b>Net cash flows from financing activities</b>			
<b>(Decrease) / Increase in cash for the period</b>		(1,369)	11,753
Cash and cash equivalents at beginning of period		11,753	-
<b>Cash and cash equivalents at 30 June 2017</b>	11	<u>10,384</u>	<u>11,753</u>

The notes on pages 14 to 27 form part of these financial statements.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements**  
**For the year ended 30 June 2017**

	Notes	Year ended 30 June 2017 £'000	Period ended 30 June 2016 £'000
<b>Cash flows from operating activities</b>			
Loss before tax		(3)	(2)
Income tax expense		-	-
<b>Loss for financial year</b>		<u>(3)</u>	<u>(2)</u>
<b>Cash flows before changes in working capital</b>		(3)	(2)
<b>Cash flows from investing activities</b>			
Issue of share capital		-	25
<b>Net cash flows used in Investing activities</b>		<u>-</u>	<u>25</u>
<b>Cash flows from financing activities</b>			
Increase in external borrowings		5,048	6,139
Increase in related party lending		(5,045)	(6,162)
<b>Net cash flows from financing activities</b>		<u>3</u>	<u>(23)</u>
<b>Increase in cash for the period</b>		-	-
Cash and cash equivalents at beginning of period		-	-
<b>Cash and cash equivalents at 30 June 2017</b>		<u>-</u>	<u>-</u>

The notes on pages 14 to 27 form part of these financial statements.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements**  
**For the year ended 30 June 2017**

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**1. Authorisation of financial statements and statement of compliance with IFRS's**

The group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group") The parent company financial statements present information about the Company as a separate entity and not about its group. The Group's and parent company financial statements for the period were authorised for issue on \_\_\_\_\_ and the statement of financial position signed on the board's behalf by Richard Gabelich.

**2. Accounting policies**

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

**Basis of preparation**

The group and parent company financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), and IFRIC Interpretations applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention, except that financial instruments have been classified as at fair value through profit or loss.

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

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the relevant notes. There are no critical accounting estimates used in Campus Living Villages (Goldsmiths) Holdco Limited.

Unless otherwise indicated, all amounts are presented in Sterling.

*New and amended standards adopted by the Company*

No new standards, amendments to standards and interpretations were effective for the first time for the financial year to 30 June 2017.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

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**2. Accounting policies (continued)**

**New and revised IFRSs in issue but not yet effective**

At the date of authorisation of these financial statements, the company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 11 (amendments)	Accounting for Acquisitions of Interests in Joint Operations
IAS 16 and IAS 38 (amendments)	Clarification of Acceptable Methods of Depreciation and Amortisation
IAS 27 (amendments)	Equity Method in Separate Financial Statements
IFRS 10 and IAS 28 (amendments)	Sale or contribution of Assets between an Investor and its Associate or Joint Venture
IFRS 10, IFRS 12 and IAS 28 (amendments)	Investment Entities: Applying the Consolidation Exception
Annual Improvements to IFRSs: 2011-2013	Amendments to: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 3 Business Combinations, IFRS 13 Fair Value Measurement and IAS 40 Investment Property
Annual Improvements to IFRSs: 2012-2014 Cycle	Amendments to: IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, IFRS 7 Financial Instruments: Disclosures, IAS 19 Employee Benefits and IAS 34 Interim Financial Reporting

At the date of authorisation of these financial statements, the company has not applied the following new and revised IFRSs that have been issued but are not yet effective and had not yet been adopted by the EU:

IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases
Annual Improvements to IFRSs: 2011-2013	Amendments to: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 3 Business Combinations, IFRS 13 Fair Value Measurement and IAS 40 Investment Property

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods, except that IFRS 9 will impact both the measurement and disclosures of financial instruments and IFRS 15 may have an impact on revenue recognition and related disclosures. The directors further expect that IFRS 16 which replaces IAS 17 will have a significant impact on the group. Beyond the information above, it is not practicable to provide a reasonable estimate of the effect of IFRS 9 and IFRS 15 until a detailed review has been completed.

**Going concern**

The financial statements are prepared on a going concern basis which is appropriate due to the continued financial support of the related party entity Campus Living Villages (Goldsmiths) Investments Limited and Arlington student Holdings No 2 Limited.

The Group's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report on page 3.

On the basis of their assessment of the Group's financial position and of the enquiries made the Group's directors have a reasonable expectation that the Group will be able to continue in



**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

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operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**Parent company statement of comprehensive income**

The parent company has not presented its own statement of comprehensive income as permitted by section 105 (11) of the Companies (Jersey) Law 1991. The parent company's loss after taxation for the year was £2,731 (2016: loss of £2,482).

**Revenue recognition**

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

**Interest expense**

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

**Income tax**

Income tax expense represents the sum of the tax currently payable and deferred income tax.

The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

**Investments in subsidiaries**

In the parent company balance sheet, investments in subsidiaries are shown at cost less provision of impairment.

**Property, plant and equipment (PP&E)**

Property, plant and equipment is stated at historical cost less accumulated 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. All other repairs and maintenance are charged to the income statement during the reporting year in which they are incurred.

Work in progress is not depreciated. Depreciation on other property, plant and equipment 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:

Property, plant and equipment	25 - 50 years
Furniture and fittings	3 - 8 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 income statement. When revalued assets are sold it is the entity's policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

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**2. Accounting policies (continued)**

**Deferred tax**

Deferred tax is provided in full, using the statement of financial position 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.

**Trade and other receivables**

Trade and other receivables are recognised by the company and carried at original invoice amount less an allowance for any uncollectible or impaired amounts.

Provision for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when they are specifically identified as being bad.

Other receivables are recognised at fair value.

**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.

**Trade and other payables**

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

**Operating lease commitments**

Operating lease commitments payments are recognised as an expense in the statement of Comprehensive income on a straight-line basis over the lease term.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

**3. Operating profit**

	2017	Period ended 30 June 2016
	£'000	£'000
Operating profit is stated after charging the following:		
Fees payable to the company's auditor for the audit of the company's consolidated accounts	1	1
Fees payable to the company's auditor for the audit of the subsidiaries accounts	38	27
<b>Included in administrative expenses:</b>		
Employee benefits expense	253	218
Depreciation of property, plant and equipment (note 9)	545	388

Fees payable to KPMG LLP and its associates for non-audit services to the company during the year were £nil.

Campus Living Villages (Goldsmiths) Holdco Limited did not employ any staff during the current year or the previous period. All staff were provided to the company by Campus Living Villages UK Limited under an Operator Agreement. The directors of the company received no remuneration for their services to the company.

**4. Revenue**

	2017	Period ended 30 June 2016
	£'000	£'000
Accommodation related	1,999	1,915
Total revenue	<u>1,999</u>	<u>1,915</u>

**5. Finance costs**

	2017	Period ended 30 June 2016
	£'000	£'000
<b>Finance costs:</b>		
Interest on loan notes payable	1,160	656
Interest on subordinated debt	1,000	571
Total finance costs	<u>2,160</u>	<u>1,227</u>

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

**6. Income tax expense**

	2017 £'000	Period ended 30 June 2016 £'000
Current tax:		
UK Corporation tax on losses for the period	(70)	70
Current year	-	-
<b>Taxation charge</b>	<u>(70)</u>	<u>70</u>

The tax assessed for the period differs from the standard rate applying in the UK of 19.75%. The differences are explained below:

**Components of corporation tax expense**

	2017 £'000	Period ended 30 June 2016 £'000
Loss on ordinary activities before tax	(1,975)	(493)
Tax on ordinary activities at the UK tax rate of 19.75% (2016: 20% )	(390)	(95)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	320	165
<b>Total tax charge for the period</b>	<u>(70)</u>	<u>70</u>

Reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future tax charge accordingly.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

**7. Investments in subsidiary undertakings – Parent Company**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cost and net book value</b>		
Opening balance	50	-
Additions in the period	-	50
At 30 June	<u>50</u>	<u>50</u>

The parent company has investments in the ordinary share capital of following subsidiary undertakings.

	<b>% holding</b>
Campus Living Villages (Goldsmiths) Issuer Plc	100
Campus Living Villages (Goldsmiths) UK Limited	100

The subsidiary companies are registered in England and have their registered office at:  
 6<sup>th</sup> Floor, One London Wall, London, England, United Kingdom EC2Y 5EB

The principal activity of Campus Living Villages (Goldsmiths) Issuer Plc is the management of debt securities listed on the Irish Stock Exchange.

The principal activity of Campus Living Villages (Goldsmiths) UK Limited is the provision of student accommodation.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

**8. Subordinated debt – Parent company**

The sub-ordinated debt of £11,156,810 (2016: £6,112,000) is owed by the subsidiary company, Campus Living Villages (Goldsmiths) UK Ltd, and accrues interest at 12% per annum. It is repayable on demand but is not expected to be received within 12 months of the balance sheet date.

**9. Fixed assets - Group**

	Property, plant and equipment £'000	Work in Progress £'000	Furniture and fittings £'000	Total £'000
<b>Cost</b>				
At 27 July 2016	24,294	1,394	34	25,722
Additions	237	13,499	81	13,817
At 30 June 2017	24,531	14,893	115	39,539
<b>Accumulated depreciation</b>				
At 1 July 2016	(379)	-	(9)	(388)
Charge for period	(528)	-	(17)	(545)
At 30 June 2017	(907)	-	(26)	(933)
<b>Net book value</b>				
At 30 June 2016	23,915	1,394	25	25,334
At 30 June 2017	23,624	14,893	89	38,606

**10. Debtors - Group**

	2017 £'000	2016 £'000
Receivable from trade customers	596	552
Other receivables	670	55
	<u>1,266</u>	<u>607</u>

Amounts receivable from trade customers are non-interest bearing and are generally on 30 - 90 day terms. Of the amounts outstanding at 30 June 2017, 90.7% (2016: 81.1%) were neither impaired nor past due, 9.3% (2016: 18.9%) was overdue with £5,575 (2016: £nil) being impaired. The credit quality of the receivables is supported by assurances from Goldsmiths University that the debt will be received from the students.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

**11. Cash and cash equivalents - Group**

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following at 30 June:

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Restricted cash	9,881	10,684
Cash at bank	503	1,069
<b>Total cash</b>	<b><u>10,384</u></b>	<b><u>11,753</u></b>

The restricted cash is not available for distribution as it is held in reserve accounts for future construction, contingencies and planned preventive maintenance.

**12. Trade and other payables - Group**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Payable to trade suppliers	94	364
Other payables	499	203
Accrued interest	850	375
	<b><u>1,443</u></b>	<b><u>942</u></b>

**13. Loan notes payable – Group**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
<b>Current</b>		
£25,200,000 Secured Indexed Rate Amortising Notes due July 2064	345	176
£25,200,000 Secured Fixed Rate Amortising Notes due July 2064	355	176
<b>Notes payable</b>	<b><u>700</u></b>	<b><u>352</u></b>
<b>Non-current</b>		
£25,200,000 Secured Indexed Rate Amortising Notes due July 2064	19,532	15,365
£25,200,000 Secured Fixed Rate Amortising Notes due July 2064	19,837	15,364
<b>Creditors: amounts falling due after more than one year</b>	<b><u>39,369</u></b>	<b><u>30,729</u></b>

Interest is charged on the Indexed Rate Notes at 0.809% per annum plus RPI and on the Fixed Rate Notes at 4.224% per annum.

The secured amortising notes are secured on certain assets of the group, including its receivables.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

**13. Loan notes payable (continued)**

The Indexed Rate Notes and Fixed Rate Notes (together "the Notes") are payable by Campus Living Villages (Goldsmiths) Issuer Plc., under a Loan Agreement, dated 21 September 2015. The Notes are to be drawn in two tranches, the Original Facility, drawn at the date of agreement of £15.6 million for both the Indexed Rate Notes and Fixed Rate Notes, and the Further Facility of £9.6 million for both the Indexed Rate Notes and Fixed Rate Notes, to be made available up to three years from the date of the agreement. No commitment fees are payable under the Further Facility.

**14. Financial Instruments**

**Fair Values**

	2017 £'000	2017 £'000	2016 £'000	2016 £'000
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Assets:</b>				
Debtors	1,266	1,266	982	982
Cash and cash equivalents	10,384	10,384	11,753	11,753
<b>Financial liabilities</b>				
Trade and other payables	1,360	1,360	942	942
Secured rate notes - carrying amount	39,369	39,369	31,081	31,081
Related party borrowings	11,270	11,270	6,139	6,139

**Total financial liabilities**

The fair value of non-derivative financial assets and liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

The directors do not believe there is any interest rate risk as the financial liability represents Secured Amortising Notes at a fixed base rate of interest. There are no hedging instruments. The risk management policy of the company has been set out in note 16.



**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

**15. Related party borrowings**

	<b>2017</b>	<b>2016</b>
<b>Group</b>	<b>£'000</b>	<b>£'000</b>
<b>Payable to related parties</b>		
Sub-ordinated debt	10,187	5,793
Interest accrued in period	1,000	596
Repayment of Interest to related parties	-	(250)
	<u>11,187</u>	<u>6,139</u>
	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
<b>Company</b>		
<b>Payable to related parties</b>		
Sub-ordinated debt	10,187	5,793
Interest accrued in period	1,000	596
Repayment of Interest to related parties	-	(250)
	<u>11,187</u>	<u>6,139</u>

**16. Financial risk management objectives and policies**

The Group's activities expose it to a variety of financial risks, which include credit risk, cash flow interest rate risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on financial performance. The financial instruments held by the entity are detailed in note 14.

**Credit risk**

Credit risk arises from cash and cash equivalents, deposits with major banks and financial institutions as well as credit exposure to students and universities, including outstanding receivables and committed transactions. Credit granted to customers is monitored regularly and past due receivables are followed up with customers. Student deposits are used as security and applied against outstanding amounts. Only banks and financial institutions with high credit ratings are used to deposit funds.

The financial assets of the company are neither past due nor impaired apart from trade debtors against which there is a reserve for doubtful or past due debt.

**Cash flow interest rate risk**

All interest is added to the principal so there is no cash flow interest rate risk.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

**16. Financial risk management objectives and policies (continued)**

**Liquidity risk**

Cash flow forecasts are utilised to manage liquidity risk. Capital expenditure is funded through borrowings and cash calls from investors. Repayments of borrowings are funded through cash generated from operations, refinancing and cash calls from investors where required. The forecasted payments of interest and principal to investors for the company's contractual liabilities are:

**Company**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Interest bearing loans and borrowings	11,187	6,139
Less: Cash and short term deposits	-	-
Net debt	11,187	6,139
Total issued capital and accumulated deficit	20	23
Capital and net debt	11,207	6,162

**Group**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Payments within one year	2,412	3,416
Payments within two to five years	10,425	7,234
Payments after five years	160,991	106,134
<b>Total payments</b>	<b>173,828</b>	<b>116,784</b>

**Capital management**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Interest bearing loans and borrowings	50,639	36,868
Less: Cash and short term deposits	(10,384)	(11,753)
Net debt	40,255	25,115
Total issued capital and accumulated deficit	2,443	538
Capital and net debt	42,698	25,653

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

**17. Issued share capital**

**Authorised share capital**

	<b>Number</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
A shares (voting) at £1 per share	50,000	50	50
B shares (non-voting) at £nil per share	100	-	-

	<b>Number</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
<b>Issued and fully paid</b>			
Ordinary share capital – A shares	25,000	25	25
Ordinary share capital – B shares	100	-	-

All issued share capital is classified as equity.

CLV Goldsmiths Investments holds 25,001 A shares (of which 12,500 are fully paid) and 10 B shares (all nil paid) and Arlington holds 24,999 A shares (of which 12,500 are fully paid) and 90 B shares (all nil paid).

All issued share capital counts as equity.

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

**18. Contingencies**

The directors have not identified any contingencies at 30 June 2017.

**19. Capital commitments – Group**

There are the following capital commitments at 30 June 2017:

	<b>2017 £'000</b>	<b>2016 £'000</b>
Payments within one year	8,478	5,815
Payments within two to five years	-	2,513
Payments after five years	-	-
<b>Total payments</b>	<b>8,478</b>	<b>8,328</b>

There are no capital commitments for the company as at 30 June 2017.

**20. Ultimate controlling parties**

Campus Living Villages (Goldsmiths) Holdco Limited is a joint venture between Campus Living Villages (Goldsmiths) Investments UK Limited and Arlington Student Holdings (No 2) Limited.

CLV Goldsmiths Holdco owns 100% of Campus Living Villages (Goldsmiths) Issuer Plc which began trading on 21 September 2015 for the purposes of issuing listed debt securities on the Irish Stock Exchange. The funds raised from the issuance of these securities was used to purchase the long leasehold interest in student accommodation properties held by CLV Goldsmiths Holdco's other 100% owned subsidiary asset operating company, Campus Living Villages (Goldsmiths) UK Limited.

**Campus Living Villages (Goldsmiths) Holdco Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 June 2017**

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**21. Related parties**

The following companies are related parties: -

	<b>Group</b>		<b>Company</b>	
	<b>Balance</b>	<b>Transactions</b>	<b>Balance</b>	<b>Transactions</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Arlington Student Holdings (No1) Limited	-	-	-	-
Arlington Student Holdings (No 2) Limited	(10,067)	(4,452)	(10,067)	(4,452)
Campus Living Villages (Goldsmiths) Issuer Plc	-	-	11,156	5,045
Campus Living Villages (Goldsmiths) UK Limited	-	-	(1,120)	(506)
Campus Living Villages UK Limited	-	(253)	-	-