REGISTERED NUMBER: 119104

Report of the Directors and

Audited Consolidated Financial Statements for the Year Ended 30 June 2021

for

Campus Living Villages (Goldsmiths)
Holdco Limited

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

Company Information
for the Year Ended 30 June 2021

DIRECTORS:	S T McKeown G N Shweiry L M Mclean P J Hicken
REGISTERED OFFICE:	11 Bath Street St Hellier Jersey JE2 4ST
INDEPENDENT AUDITOR:	Crowe UK LLP The Lexicon Mount Street Manchester M2 5NT
BANKERS:	U.S Bank Global Corporate Trust Services 5th Floor 125 Old Broad Street London EC2N 1AR Barclays Bank Level 25 1 Church Place London E13 5HP

Report of the Directors
for the Year Ended 30 June 2021

The directors present their annual report together with the audited financial statements of the Group and parent company for the year to 30 June 2021.

REVIEW OF THE BUSINESS
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 23 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 100% owned subsidiary asset operating company, Campus Living Villages (Goldsmiths) UK Ltd ("CLV Goldsmiths"), totalling 389 beds. Refurbishment work was completed during 2019 which saw the total number bed increase to 469.

RESULTS
The results of the Group for the period are shown in the consolidated statement of profit and loss and other comprehensive income. Loss before tax was £1,719,000 (30 June 2020: £1,594,000).

KEY PERFORMANCE INDICATORS

The directors use the following principal measures of overall performance:

	2021	2020
Net cash from operations	£648,000	£648,000
EBITDA*	£2,181,000	£2,508,000
Occupancy**	100%	100%

*Earnings before interest, taxation, depreciation, and amortisation for the year.
** This relates to academic financial occupancy and does include summer revenue.

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 company'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. These risks are mitigated by the high credit quality of debtor balances receivable, these being due from other group companies, and from the support of Goldsmiths, University of London.

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.

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, which the group is impacted by via its associated entities. 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 group are neither past due nor impaired.

Cash flow interest rate risk
Interest rates are monitored regularly by management and forward looking sensitivity analysis is performed.

Liquidity risk
Cash flow forecasts are utilised to manage liquidity risk. Capital expenditure is funded by cash generated from operations and ad hoc 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.

Market risk
Changes in Government policy (such as Higher Education funding and immigration) and Brexit have negatively affected EU student numbers. This risks is mitigated by ongoing monitoring of changes and their implications to international students studying in UK. Despite a reduction in new EU students, Universities expect to see an increase in Non-EU student with the weakening of the pound expected to continue.

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

There remains a risk that student numbers and demand for student accommodation could be impacted by a another wave of Covid-19 in the Winter of 2021. However, with the roll out of the vaccine programmer now being completed, and the anticipation of a booster jab in the coming months, there is increased optimism of a return to normality for the full 2021/22 academic year. Occupancy is expected to be at 100% for the start of term 1.

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

DIVIDENDS
The directors have not recommended payment of a dividend for the current year (30 June 2020: £nil).

FUTURE DEVELOPMENTS
The results in the first term of the 2021/2022 academic year reflect a recovery from the disruption caused by Covid-19. Occupancy levels are expected to be 100%.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 July 2020 to the date of this report.

S T McKeown
G N Shweiry
R Moyle (resigned 31 March 2021)
L M McLean
J K Chadwick (resigned 31 May 2021)
P J Hicken (appointed 31 May 2021)

FINANCIAL INSTRUMENTS
The financial risk management and objectives policy is set out within the notes to the financial statements.

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

GOING CONCERN
See basis of preparation wording in accounting policies section.

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

ON BEHALF OF THE BOARD:

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S T McKeown - Director

Date: 29 October 2021

11 Bath Street
St Hellier
Jersey
JE2 4ST

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

The directors are responsible for preparing the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent Company financial statements for each financial year. Under that the law and as permitted by the International Stock Exchange the directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs as adopted by the EU) and applicable law and they have elected to prepare the parent Company financial statements on the same basis.

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 Group and parent Company and of their profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies (Jersey) Law 1991. 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 Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing the Directors' Report that complies with that law and those regulations.

Opinion

We have audited the financial statements of Campus Living Villages (Goldsmiths) Holdco Limited (the "Parent Company") and its subsidiaries (the "Group") for the year ended 30 June 2021 which comprise:

- the Group consolidated statement of comprehensive income for the year ended 30 June 2021;
- the Group and parent company balance sheets as at 30 June 2021;
- the Group consolidated cashflow statement for the year then ended;
- the Group and parent company statements of changes in equity for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group and Parent Company financial statements is applicable law and International Financial Reporting Standards as adopted by the EU.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2021 and of the Group's profit for the period then ended;
- the Group and Parent financial statements have been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006;
- the financial statements 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and Company's ability to continue to adopt the going concern basis of accounting included obtaining and reviewing management's assessment of going concern. This involved gaining an understanding of management's basis for the identification of events or conditions that may cast a significant doubt on the ability of the Group to continue as a going concern, and whether a material uncertainty related to going concern exists.

Furthermore, we performed specific audit procedures around going concern; whereby we obtained and reviewed actual financial results against budgeted results, assessed the reasonableness of budgets and forecasts for successive financial years, evaluated the feasibility of management's plans in respect of going concern as well as considered whether new facts or information have become available since management made their assessment.

We also considered explicitly whether there was any evidence of management bias in the preparation of the going concern assessment. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

Group materiality	£910,000
Group performance materiality	£682,500
Parent Company materiality	£250,000
Parent Company performance materiality	£187,500
Basis for Group materiality	2% of total assets
Basis for Parent Company materiality	Based on net assets and restricted to 75% of Group materiality
Rationale for the benchmark adopted	We consider total assets to be the most appropriate benchmark given due to the significant value attributed to the student accommodation held by the business.

We agreed with to report to the Directors all individual audit differences identified during the course of our audit in excess of £45,000. We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

Overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level.

Of the Group's 3 components, we subjected all 3 to full scope audits for Group purposes.   The components within scope of our work accounted for 100% (2020: 100%) of total Group revenue, 100% (2020: 100%) of Group profit before tax and 100% (2020: 100%) of total Group assets. Audits of the components were performed at a materiality level calculated by reference to a proportion of Group materiality appropriate to the relative scale of the business concerned.

The group audit team conducted the audit of all components of the business and no component auditors were used during the audit process.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Key audit matter	***How the scope of our audit addressed the key audit matter***
Carrying value of investment property (£41.9 million; 2020: £42.5 million) Refer to page 23 (accounting policy) and note 10 on page 31 (financial disclosures). The identification of indicators of impairment and the preparation of the estimate of the recoverable amount of an asset or cash-generating unit involves subjective judgements and uncertainties, which requires consideration because of the inherent uncertainty involved in forecasting and discounting future cash flows. The effect of these matters is that, as part of our risk assessment, we determined that the carrying value of investment property had a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount.	Our procedures included: We carried out a detailed assessment for indicators of impairment, which consisted of considering the net asset value (NAV) report and discussions with management. We have also reviewed the latest available accounts Goldsmiths, University of London to confirm its ability to fund future income of the entity should it be required to do so and confirm any indicators of impairment. As part of the consideration of the NAV report as noted above, we assessed the basis of preparation of the Group's, and challenged the inputs to the model used within it (including the growth rate, discount rate, and forecast cash flows) by reference to budgets prepared by directors and by comparison to externally available rates. We also assessed the competency and objectivity of Group's experts engaged to produce the valuation for the Group. We obtained the most recent external property valuations (separate to the 'net asset valuation' report) of the property, and assessed these using of our knowledge of the student property sector.
Parent Company- recoverability of amounts due from group undertakings (£14.7million; 2020: £13.1 million) Refer to page 24 (accounting policy) and note 12 on page 33 (financial disclosures). The carrying amount of the intra-group debtor balance represents 99% (2020: 99%) of the parent Company's total assets. Their recoverability is not at a high risk of significant misstatement or subject to significant judgement. However, due to their materiality in the context of the parent Company financial statements, this is considered to be the area that had the greatest effect on our overall parent Company audit.	We assessed 100% of Group debtors to identify, with reference to the relevant debtors' historic and expected future cash flows, the ability of the debtors to fund the repayment of the receivable as it falls due. Part of this consideration included consideration of the value of the investment property held by the subsidiary and the future cashflows which could be generated from this to ultimately repay the amounts due.

Other information

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

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies (Jersey) Law 1991

In our opinion based on the work undertaken in the course of our audit

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors’ report.

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

Responsibilities of the directors for the financial statements

As explained more fully in the directors’ responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group’s 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 the directors 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 for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the Group and Parent Company operates. We also considered and obtained an understanding of the legal and regulatory framework which we considered in this context were the Companies (Jersey) Law 1991 and Jersey taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and misstatement of income. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, review of the posting of journals. We also reviewed and challenged accounting estimates and assumptions used by management for the recoverability of amounts due from group undertakings to the Parent Company and the considerations around indicators of impairment of the Student Accommodation to verify that the calculations and models were reasonable and free of biases.

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

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

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with 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.

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Michael Jayson (Senior Statutory Auditor)
for and on behalf of
Crowe UK LLP
Statutory Auditor
Manchester

Date: 29 October 2021

Consolidated Statement of Profit or Loss for the Year Ended 30 June 2021

	Notes	2021 £'000	2020 £'000
CONTINUING OPERATIONS			
Revenue	3	3,736	4,077
Administrative expenses		(2,266)	(2,882)
OPERATING PROFIT		1,407	1,195
Finance costs	5	(3,126)	(2,790)
LOSS BEFORE INCOME TAX	6	(1,719)	(1,595)
Income tax	7	(73)	11
LOSS FOR THE YEAR		(1,792)	(1,584)
Loss attributable to:			
Owners of the parent		(1,792)	(1,584)

All operations are continuing.

The notes on pages 19 to 39 form part of these financial statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2021

	2021 £'000	2020 £'000
LOSS FOR THE YEAR	(1,792)	(1,584)
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(1,792)	(1,584)
Total comprehensive income attributable to:		
Owners of the parent	(1,792)	(1,584)

The notes on pages 19 to 39 form part of these financial statements

Consolidated Statement of Financial Position
30 June 2021

	Notes	2021 £'000	2020 £'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9	412	481
Investment property	10	41,921	42,497
Investments	11	-	-
Trade and other receivables	12	25	25
		42,358	43,003
CURRENT ASSETS			
Trade and other receivables	12	613	653
Tax receivable		-	38
Cash and cash equivalents	13	2,634	2,018
		3,247	2,709
TOTAL ASSETS		45,605	45,712
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	14	50	50
Retained earnings	15	(10,337)	(8,545)
TOTAL EQUITY		(10,287)	(8,495)
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	16	13,199	11,778
Financial liabilities - borrowings			
Interest bearing loans and borrowings	17	39,448	39,443
		52,647	51,220
CURRENT LIABILITIES			
Trade and other payables	16	2,647	2,464
Tax payable		32	-
Financial liabilities - borrowings			
Interest bearing loans and borrowings	17	566	523
		3,245	2,987
TOTAL LIABILITIES		55,892	54,207
TOTAL EQUITY AND LIABILITIES		45,605	45,712

The financial statements were approved by the Board of Directors on 29 October 2021 and were signed on its behalf by:

S T McKeown - Director

The notes on pages 19 to 39 form part of these financial statements

Campus Living Villages (Goldsmiths)
Holdco Limited

Company Statement of Financial Position
30 June 2021

	Notes	2021 £'000	2020 £'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9	-	-
Investment property	10	-	-
Investments	11	50	50
Trade and other receivables	12	14,690	13,112
		14,740	13,162
CURRENT ASSETS			
Trade and other receivables	12	5	5
		5	5
TOTAL ASSETS		14,745	13,167
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	14	50	50
Retained earnings	15	24	24
TOTAL EQUITY		74	74
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	16	13,199	11,778
CURRENT LIABILITIES			
Trade and other payables	16	1,472	1,315
TOTAL LIABILITIES		14,761	13,093
TOTAL EQUITY AND LIABILITIES		14,745	13,167

The financial statements were approved by the Board of Directors on 29 October 2021 and were signed on its behalf by:

S T McKeown - Director

The notes on pages 19 to 39 form part of these financial statements

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

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 July 2019	50	(6,961)	(6,911)
Changes in equity			
Total comprehensive loss	-	(1,584)	(1,584)
Balance at 30 June 2020	50	(8,545)	(8,495)
Changes in equity			
Total comprehensive loss	-	(1,792)	(1,792)
Balance at 30 June 2021	50	(10,357)	(10,287)

The notes on pages 19 to 39 form part of these financial statements

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

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 July 2019	50	133	183
Changes in equity			
Total comprehensive loss	-	(109)	(109)
Balance at 30 June 2020	50	24	74
Changes in equity			
Total comprehensive profit	-	-	-
Balance at 30 June 2021	50	24	74

The notes on pages 19 to 39 form part of these financial statements

Consolidated Statement of Cash Flows for the Year Ended 30 June 2021

	Note	2021 £'000	2020 £'000
Cash flows from operating activities			
Cash generated from operations	25	2,197	1,891
Tax paid		3	60
Net cash from operating activities		2,220	1,951
Cash flows from investing activities			
Purchase of tangible fixed assets		(81)	(243)
Purchase of investment property		(33)	-
Net cash from investing activities		(114)	(243)
Cash flows from financing activities			
Repayment of external borrowings		(521)	(484)
Interest paid		(970)	(980)
Repayment of related party borrowings		-	(782)
Net cash from financing activities		(1,491)	(2,246)
Increase/(decrease) in cash and cash equivalents		616	(538)
Cash and cash equivalents at beginning of year	26	2,018	2,556
Cash and cash equivalents at end of year	26	2,634	2,018

The notes on pages 19 to 39 form part of these financial statements

Campus Living Villages (Goldsmiths)
Holdco Limited

Company Statement of Cash Flows
for the Year Ended 30 June 2021

	Note	2021 £'000	2020 £'000
Cash flows from operating activities			
Cash generated from operations	24	-	(109)
Cash flows from financing activities			
Change in loan notes		(1,578)	(1,318)
Change in related party loans		1,578	1,427
Net cash from financing activities		-	109
Increase in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of year	25	-	-
Cash and cash equivalents at end of year	25	-	-

The notes on pages 19 to 39 form part of these financial statements

1. **STATUTORY INFORMATION**

Campus Living Villages (Goldsmiths) Holdco Limited is a private company, limited by shares, registered in Jersey. The company's registered number and registered office address can be found on the General Information page.

2. **ACCOUNTING POLICIES**

Basis of preparation
These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and IFRIC interpretations and with those parts of the Companies (Jersey) Law 1991 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

Basis of consolidation

Subsidiaries
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Transaction eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the company'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.

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2. **ACCOUNTING POLICIES - continued**

New standards, amendments to standards or interpretations
At the date of authorisation of these financial statements, the following standards and interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted in the EU):

Standard or interpretation	**Content**	**Applicable for financial years beginning on or after**
Classification of liabilities as current or non-current	Amendments to IAS 1	TBC*
Disclosure of Accounting Policies	Amendments to IAS 1 and IFRS Practice Statement	TBC*
Definition of Accounting Estimate	Amendments to IAS 8	TBC*
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Amendments to IFRS 10 and IAS 28	TBC*

*Effective date to be confirmed

Going concern
Notwithstanding consolidated net current liabilities of £0.6m and Company only net current liabilities of £1.5m as at 30 June 2021 (primarily due to loans from the investor Campus Living Villages (Goldsmiths) Investments UK Limited of £1.5m that are repayable on demand), the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Group is reliant on the performance of the trading entity Campus Living Villages (Goldsmiths) UK Limited.

The principal activity of Campus Living Villages (Goldsmiths) UK Limited is to provide accommodation to students through owned facilities and is cash generative and performing well. The Directors have prepared cash flow forecasts for a period of 34 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides and the anticipated impact of COVID-19 on the operations and its financial resources, Campus Living Villages (Goldsmiths) UK Limited will have sufficient funds to meet its liabilities as they fall due for that period.

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

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

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2. **ACCOUNTING POLICIES – continued**

Revenue recognition
Revenue from student accommodation rental is recognised over time on a straight line basis over the term of the rental contract, 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 tax.

The company applied IFRS 15 using the cumulative effect method for the year ended 30 June 2020.

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

Income tax expense
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.

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's accounting policy is to use 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.

Investment property is systematically tested for impairment at each balance sheet date.

Tangible 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 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.

 continued...

2. **ACCOUNTING POLICIES - continued**

Financial instruments

(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.

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.

continued...

2. **ACCOUNTING POLICIES - continued**

(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.

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).

continued...

2. **ACCOUNTING POLICIES - continued**

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

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

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.

 continued...

2. **ACCOUNTING POLICIES – continued**

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

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

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

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

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

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.

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

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3. REVENUE

Turnover

	2021	2020
	£'000	£'000
Student accommodation related	3,734	3,817
Summer stay accommodation related	2	260
	3,736	4,077

All accommodation related turnover is UK based.

All revenue is deemed to be within one segment, being that of the student accommodation sector.

4. EMPLOYEES AND DIRECTORS

All staff costs are incurred by a related party, Campus Living Villages UK Limited. These costs are then recharged to the group.

No fees or other emoluments were paid to directors during the current or prior period in respect of their services to the group. The directors are paid by Campus Living Villages UK Limited.

5. FINANCE COSTS

	2021	2020
	£'000	£'000
Related party interest expense	970	980
Indexation charge	552	357
Subordinated debt interest expense	1,578	1,427
Amortisation	26	26
	3,126	2,790

6. OPERATING PROFIT

Operating profit is stated after charging the following:

	2021	2020
	£'000	£'000
Included in administrative expenses:		
Audit fees: Company	13	11
Audit fees: Group	29	26
Staff costs (recharged from CLV UK Limited)	550	551
Depreciation	759	1,288
Amortisation	26	26

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

continued...

7. **INCOME TAX**

Analysis of tax expense

	2021 £'000	2020 £'000
Current tax:		
Tax	73	(11)
Total tax expense in consolidated statement of profit or loss	73	(11)

	2021 £'000	2020 £'000
Loss on ordinary activities before taxation	(1,719)	(1,595)
Tax at the UK tax rate of 19% (30 June 2020: 19%)	(327)	(303)
Effects of:		
Expenses not deductible for tax purposes	374	378
Recognition of previously unrecognised tax losses	-	(73)
Adjustments to prior periods	26	(13)
Total taxation charge	73	(11)

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

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

8. **PROFIT OF PARENT COMPANY**

As permitted by Companies (Jersey) Law 1991, the income statement of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £nil (30 June 2020: profit of £109,000).

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9. **PROPERTY, PLANT AND EQUIPMENT**

Group

	Fixtures and fittings £'000
COST	
At 1 July 2020	689
Additions	81
At 30 June 2021	770
DEPRECIATION	
At 1 July 2020	208
Charge for year	150
At 30 June 2021	358
NET BOOK VALUE	
At 30 June 2021	412
At 30 June 2020	481

	Fixtures and fittings £'000
COST	
At 1 July 2019	446
Additions	243
At 30 June 2020	689
DEPRECIATION	
At 1 July 2019	105
Charge for year	103
At 30 June 2020	208
NET BOOK VALUE	
At 30 June 2020	481
At 30 June 2019	341

continued...

10. INVESTMENT PROPERTY

	Total
COST	£'000
At 1 July 2020	46,632
Additions	33
At 30 June 2021	46,665
DEPRECIATION	
At 1 July 2020	4,135
Charge for the year	609
At 30 June 2021	4,744
NET BOOK VALUE	
At 30 June 2021	41,921
At 30 June 2020	42,497

Management deem the fair value of the investment property to be £64,500,000. This valuation is based on a discounted cash flow model.

	Total
COST	£'000
At 1 July 2019	46,632
Additions	-
At 30 June 2020	46,632
DEPRECIATION	
At 1 July 2019	2,950
Charge for the year	1,185
At 30 June 2020	4,135
NET BOOK VALUE	
At 30 June 2020	42,497
At 30 June 2019	43,682

continued...

11. INVESTMENTS

Company

	Shares in group undertakings £'000
COST	
At 1 July 2020 and 30 June 2021	50
NET BOOK VALUE	
At 30 June 2021	50
At 30 June 2020	50

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

Entity	Holding	Country of incorporation	Registered address
Campus Living (Goldsmiths) Issuer Plc	100%	England	7th Floor Digital World Centre,1 Lowry Plaza, Salford Quays, Manchester, M50 3UB
Campus Living (Goldsmiths) UK Limited	100%	England	7th Floor Digital World Centre,1 Lowry Plaza, Salford Quays, Manchester, M50 3UB

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.

The group has no investments.

12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Current:				
Trade debtors	13	134	-	-
Other debtors	600	484	-	-
Amounts owed by group undertakings	-	35	5	5
	613	653	5	5

continued...

12. **TRADE AND OTHER RECEIVABLES - continued**

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Non-current:				
Amounts owed by group undertakings	-	-	14,665	13,087
Called up share capital not paid	25	25	25	25
	25	25	14,690	13,112
Aggregate amounts 13,117	639	678	14,695	13,117

Amounts owed by group undertakings is receivable from Campus Living Villages (Goldsmiths) UK Ltd, and accrues interest at 12% per annum. It is repayable on demand of the agreement.

Amounts receivable from trade customers are non-interest bearing and are generally on 0 - 30 day terms.

13. **CASH AND CASH EQUIVALENTS**

	30 June 2021	30 June 2020
	£'000	£'000
Cash	108	329
Restricted cash	2,526	1,689
	2,634	2,018

Conditions attached to the secured rate notes, require the Company to hold cash to protect against default, which increases periodically over the life of the lease to a maximum of 15 months after 31 January 2046. As this cash cannot be used for the wider purposes of the Company it is classified as restricted cash in the balance sheet.

In addition there is further restricted cash which is not available for distribution as it is held in reserve accounts for future construction, contingencies and planned preventive maintenance.

The company does not hold any cash or cash equivalents.

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14. CALLED UP SHARE CAPITAL

Authorised share capital	Number	2021 £'000	2020 £'000
A shares (voting) at £1 per share	50,000	50	50
B shares (non-voting) at £nil per share	100	-	-

Issued and fully paid	Number	2021 £'000	2020 £'000
A shares (voting) at £1 per share	25,000	25	25
B shares (non-voting) at £nil per share	-	-	-

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.

15. RESERVES

Group

	Retained earnings £'000
At 1 July 2020	(8,545)
Loss for the year	(1,792)
At 30 June 2021	(10,337)

Company

	Retained earnings £'000
At 1 July 2020	24
Profit for the year	(-)
At 30 June 2021	-

continued...

16. **TRADE AND OTHER PAYABLES**

	Group		**Company**	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Current:				
Trade creditors	13	45	-	-
Loans owed to group undertakings	1,467	1,309	1,467	1,309
Other creditors	757	596	-	-
Other interest accruals	403	407	-	-
Amounts payable to related parties	7	107	5	6
	2,647	2,464	1,472	1,315
Non-current:				
Amounts owed to related parties	13,199	11,778	13,199	11,778
	13,199	11,778	13,199	11,778
Aggregate amounts	15,846	14,242	14,671	13,093

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17. FINANCIAL LIABILITIES - BORROWINGS

	2021 £'000	2020 £'000
Current:		
£25,200,000 Secured Indexed Rate Amortising Notes due July 2064	302	245
£25,200,000 Secured Fixed Rate Amortising Notes due July 2064	264	278
Payable within one year	566	523
Non-current:		
£25,200,000 Secured Indexed Rate Amortising Notes due July 2064	21,755	21,551
£25,200,000 Secured Fixed Rate Amortising Notes due July 2064	18,536	18,753
Borrowing costs	(843)	(862)
Payable greater than one year	39,448	39,442

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 company, including its receivables.

The Indexed Rate Notes and Fixed Rate Notes (together "the Notes") are payable to the company's related entity, Campus Living Villages (Goldsmiths) UK Limited, 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. The further facility option has now expired.

	2021 £'000	2020 £'000
Loans and other borrowings - changes in liabilities from financing activities:		
Balance at 1 July	39,965	40,073
Repayment of borrowings	(522)	(484)
Total changes from financing cash flows	(522)	(484)
Other changes:		
Interest charged	970	980
Interest paid	(970)	(980)
Indexation	552	357
Amortisation of borrowing costs	19	19
Total other changes	571	376
Balance at 30 June	40,014	39,965

continued...

18. **FINANCIAL INSTRUMENTS**

Fair values

	Carrying amount 2021	Fair value 2021	Carrying amount 2020	Fair value 2020
	£'000	£'000	£'000	£'000
Financial assets held at amortised cost				
Held to maturity financial assets:				
Trade and other receivables	613	613	653	653
Cash and cash equivalents	2,634	2,634	2,018	2,018
Total loans and receivables	3,247	3,247	2,671	2,671
Financial liabilities measured at amortised cost				
Trade and other payables	1,180	1,180	1,155	1,155
Secured rate notes - carrying amount	40,014	40,014	39,965	39,965
Related party borrowings	14,665	14,665	13,087	13,087
Total liabilities	55,859	55,859	54,207	54,207

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.

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19. 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 Group's objectives to managing capital are:

- Safeguard the ability to continue as a going concern
- Maintain an optimal capital structure to reduce the cost of capital
- Adjust distributions where cash is required for working capital requirements

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
At 30 June 2021, if RPI at that date had been 10 basis points lower with all other variables held constant, post-tax profit for the year would have been £22,000, higher, arising as a result of a lower RPI uplift on indexed borrowings. If RPI had been 10 basis points higher, with all other variables held constant, post-tax profit would have been £22,000 lower, arising as a result of a higher RPI uplift on indexed borrowings.

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:

Group only	2021 Principal £'000	2021 Interest £'000	2021 Total £'000
Payments within one year	2,033	1,726	3,758
Payments within two to five years	2,320	6,766	9,086
Payments after five years	50,327	32,583	82,910
	54,680	41,075	95,754

	2020 Principal £'000	2020 Interest £'000	2020 Total £'000
Payments within one year	1,832	1,749	3,581
Payments within two to five years	2,338	6,801	9,139
Payments after five years	48,882	34,713	83,595
	53,052	43,263	96,315

continued...

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - continued

Capital management

Group	2021 £'000	2020 £'000
Interest bearing loans and borrowings	54,679	53,052
Less: Cash and short term deposits	(2,634)	(2,018)
Net debt	52,046	51,034
Total issued capital and accumulated deficit	10,287	8,545
Capital and net debt	62,333	59,579

Company	2021 £'000	2020 £'000
Interest bearing loans and borrowings	14,665	13,087
Net debt	14,665	13,087
Total issued capital and accumulated profits	(74)	(74)
Capital and net debt	14,591	13,013

20. CONTINGENT LIABILITIES

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

21. CAPITAL COMMITMENTS

There were no capital commitments in place at 30 June 2021 (30 June 2020: £nil).

22. RELATED PARTY DISCLOSURES

The following companies are related parties:

30 June 2021		Group		Company
	Balance £'000	Transactions £'000	Balance £'000	Transactions £'000
Loans:				
Arlington Student Holdings (No2) Ltd	(13,199)	(1,420)	(13,199)	(1,420)
Campus Living Villages (Goldsmiths) UK Ltd	14,665	1,578	14,665	1,578
Campus Living Villages (Goldsmiths) Investments UK Ltd	(1,467)	(158)	(1,467)	(158)
Other:				
Campus Living Villages (Goldsmiths) UK Ltd	-	-	(2)	(2)
Arlington Student Holdings (No3) Limited	-	1	-	-
Campus Living Villages UK Ltd	(7)	(614)	-	-

30 June 2020		Group		Company
	Balance £'000	Transactions £'000	Balance £'000	Transactions £'000
Loans:				
Arlington Student Holdings (No2) Ltd	(11,778)	(620)	(11,778)	(621)
Campus Living Villages (Goldsmiths) UK Ltd	13,087	677	13,087	677
Campus Living Villages (Goldsmiths) Investments UK Ltd	(1,309)	(57)	(1,309)	(57)
Other:				
Campus Living Villages (Goldsmiths) UK Ltd	-	-	(2)	(2)
Arlington Student Holdings (No3) Limited	(1)	(1)	-	-
Campus Living Villages UK Ltd	(71)	(600)	-	-

23. ULTIMATE CONTROLLING PARTY

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.

The ultimate controlling party is Arlington Student Holdings (No 2) Limited, a company domiciled in Cayman Islands. The Group’s results are not consolidated anywhere else.

24. RECONCILIATION OF LOSS/PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

Group

	2021	2020
	£'000	£'000
Loss before income tax	(1,719)	(1,595)
Depreciation charges	759	1,288
Income tax recovered/(charged)	(73)	11
Finance costs	3,098	2,789
	2,065	2,493
Decrease in trade and other receivables	70	(127)
Increase in trade and other payables	62	(475)
Cash generated from operations	2,197	1,891

Company

	2021	2020
	£'000	£'000
Profit before income tax	-	(109)
Cash generated from operations	-	(109)

25. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statements of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

	Group		Company	
Year ended 30 June 2021				
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Cash and cash equivalents	2,634	2,018	-	-
Year ended 30 June 2020				
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Cash and cash equivalents	2,018	2,556	-	-