Annual Financial Report

GCP STUDENT LIVING PLC

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2015

GCP Student Living plc, (the "Group" or the "Company"), which was the first student accommodation real estate investment trust ("REIT") in the UK, today announces its results for the financial year ended 30 June 2015.

The full annual report and financial statements can be accessed via the Company's website at www.gcpuk.com/gcp-student-living-plc or by contacting the Company Secretary by telephone on 01392 477500.

AT A GLANCE

	2015	2014
Revenue for the year	£11.5m	£9.1m
Net operating margin	78%	82%
Rental growth	3.6%	3.3%
Total shareholder return for the year	26%	11.5%
Dividends for the year	5.60p	5.47p*
EPRA NAV per ordinary share	125.51p	102.64p
Share price per ordinary share	129.25p	107.75p
Value of investments	£177.2m	£151.6m
Loan-to-value	22.6%	26.7%

*Twelve month equivalent to 30 June 2014.

HIGHLIGHTS FOR THE YEAR

* The Company delivered a strong set of results generating total revenue for the year of £11.5 million.
* The Company successfully raised £120 million through a substantially oversubscribed open offer, placing and offer for subscription of C shares.
* Total shareholder returns for the year of 26%, considerably in excess of the Company's target return of 8-10%.
* The Company's properties continue to benefit from the supply/demand imbalance for high-quality, modern student facilities in London, with all properties fully occupied and rental growth of 3.6% for the 2014/15 academic year.
* Dividends of 5.60 pence per share paid or declared in the period in line with target.
* EPS of 28.5 pence and EPRA EPS of 5.1 pence.
* EPRA NAV per ordinary share of 125.51 pence and EPRA NNNAV per ordinary share of 125.31 pence at 30 June 2015.
* Broad student mix with students from 71 countries studying at 41 HEIs.
* High-quality portfolio of three modern, purpose-built properties with c.1,000 beds located in and around London with a 16.9% valuation uplift to £177.2 million over the year.
* Net debt-to-property value ratio at 30 June 2015 of 22.6%.
* Post year-end, the Company acquired Scape Surrey, The Pad 2 (located adjacent to RHUL) and Scape Shoreditch, increasing the number of modern, purpose-built student beds in the Group's portfolio from c.1,000 to c.1,800.

Robert Peto, Chairman, commented:

"I am pleased to report a year of strong performance and growth. The Company has paid dividends of 5.60 pence per share in respect of the year and delivered a total shareholder return of 26%, considerably in excess of its annualised target of 8-10%.

"The Company's third capital raise of £120 million in June 2015 was an outstanding success with a substantially oversubscribed issue of C shares. This was a pleasing endorsement of our success in delivering the Company's investment objectives and it has enabled the Company to add three further assets to its investment portfolio.

The outlook for the Company remains positive for the forthcoming academic year

and years ahead."

For more information:

Gravis Capital Partners LLP		
Tom Ward	tom.ward@gcpuk.com	020 7518 1496
Nick Barker	nick.barker@gcpuk.com	020 3142 7869
Cenkos Securities plc		
Dion Di Miceli	ddimiceli@cenkos.com	020 7397 1921
Tom Scrivens	tscrivens@cenkos.com	020 7397 1915
Buchanan		
Charles Ryland	charlesr@buchanan.uk.com	020 7466 5000
Vicky Watkins	victoriaw@buchanan.uk.com	

ABOUT US
GCP Student Living plc was the first real estate investment trust in the UK focused on student residential assets. The Company invests in modern, purpose-built, private student residential accommodation and teaching facilities located primarily in and around London.

Our primary objective is to provide shareholders with attractive total returns in the longer term through the potential for modest capital appreciation and regular, sustainable, long-term dividends with RPI inflation-linked income characteristics.

The Company invests in properties located primarily in and around London where the Investment Manager believes the Company is likely to benefit from supply and demand imbalances and a growing number of international students.

The Company is a closed-ended investment company incorporated in England and Wales, and its shares trade on the SFM.

INVESTMENT OBJECTIVES
The Company invests in UK student accommodation to meet the following key objectives:

Dividend income
To provide shareholders with regular, sustainable, long-term dividends, with RPI inflation-linked characteristics.

The Company has paid or declared a total of 5.60 pence per ordinary share in the year, increasing the Company's dividend on an annualised basis.

Key performance highlights

Dividends paid/declared in the year	5.60p
Annualised dividend growth	2.4%

Capital appreciation
To provide modest capital appreciation over the long term.

The valuation of the Company's property portfolio has increased by 16.9% over the year driven by a combination of yield compression and increasing rental rates.

Key performance highlights

Capital appreciation	16.9%
External valuation of investments	£177.2m

Portfolio quality
Focus on high-quality, modern, purpose-built, private student residential accommodation and teaching facilities for students studying at leading academic institutions primarily in and around London.

At 30 June 2015, the Company's property portfolio comprised three high-specification, modern, purpose-built student residential accommodation buildings in and around London.

Key performance highlights

Occupancy for 2014/15 academic year	100%
Number of HEIs	41

CHAIRMAN'S STATEMENT

Introduction

On behalf of the Board, I am pleased to report a year of strong performance and growth. The Company has paid dividends of 5.60 pence per share in respect of the year and delivered a total shareholder return of 26%, considerably in excess of its annualised target of 8-10%. The Company has seen progress against its key performance indicators as a result of strong trading performance and

owning and operating all assets in the portfolio for a full twelve-month period.

In June 2015, the Company raised £120 million by way of an open offer, placing and offer for subscription of C shares. The issue was substantially oversubscribed and was scaled back accordingly, a clear reflection of the continued shareholder confidence in the Company's investment strategy. This was a pleasing endorsement of our success in delivering the Company's investment objectives and has enabled the Company to add three further assets to its investment portfolio.

Portfolio

The Company's property portfolio has operated at full occupancy for the 2014/15 academic year, generating £11.5 million of rental income in the year to 30 June 2015. The Company saw rental growth of 3.6% for 2014/15 and has seen a further 4.5% increase for the 2015/16 academic year.

The external market valuation of the Company's property portfolio was £177.2 million at 30 June 2015. This represents a valuation uplift of £30.7 million or 21% over the aggregate acquisition price (excluding acquisition costs). The valuation increase has been driven by a combination of rising rental rates and a reduction in yield across the portfolio reflecting tightening of yields in the wider student accommodation market.

In September 2015, post year end, the proceeds of the C share issue were used to finance the acquisition of Scape Surrey, The Pad 2 (located adjacent to RHUL) and Scape Shoreditch, almost doubling the number of student beds in the Group's portfolio from c.1,000 to c.1,800 for the 2015/16 academic year.

Financial results

High occupancy, strong rental growth and capital uplifts have contributed to generating operating profit before valuation gains of £9.0 million and total profit including valuation gains of £31.3 million for the financial year to 30 June 2015. The Company's basic EPS for the year was 28.5 pence and EPRA EPS was 5.1 pence. Total net assets have increased from £112.9 million to £137.7 million, increasing EPRA NAV per ordinary share by 22.87 pence to 125.51 pence at 30 June 2015.

Dividends

The Company paid dividends in respect of the financial year ended 30 June 2015 of 5.60 pence per ordinary share. The dividends were paid as 3.70 pence per ordinary share as a REIT property income distribution in respect of the Group's tax exempt property rental business and 1.90 pence per ordinary share as an ordinary UK dividend.

The Board

We are delighted to welcome Marlene Wood to the Board. Mrs Wood was appointed as a non-executive Director of the Company on 23 March 2015 and was appointed as Chair of the audit committee with effect from 21 July 2015. Mrs Wood, a chartered accountant, has a broad range of experience in both the private and public sectors and is currently a non-executive director of Scottish Funding Council, One Parent Families Scotland and Edinburgh Printmakers.

Management

The Board also welcomes Nicholas Barker, who recently joined the Company's Investment Manager. Mr Barker was previously Head of Alternative Real Estate at Schroder Real Estate Investment Management Limited, where he worked for eight years. Mr Barker will work alongside Tom Ward assuming co-lead responsibility for the provision of investment advice to the Company.

Investment policy

In May 2015, the Company, by way of shareholder resolution, modified its investment objective and policy in order to permit investment in development and forward-funded projects which have received planning permission for student accommodation, where such investment is consistent with the objective of providing shareholders with regular, sustainable dividends.

Debt refinancing

Post year-end, the Company successfully secured additional finance to fund the acquisition of Scape Shoreditch and refinance its existing senior debt facility. The facility reduces any short-term refinancing risk whilst locking in low rates for the long term, thereby providing the Company with greater financial security in the forthcoming years.

Outlook

The student accommodation sector has seen unprecedented transaction volumes, with c.£4.6 billion of assets traded in the first six months of 2015. The expectation is for a similar trend to persist throughout 2015/16 as prime yields continue to tighten across the market, fuelled by a combination of historically low interest rates and an increasing number and range of investors seeking exposure to the sector.

With student numbers at an all-time high, the ongoing supply and demand imbalance for purpose-built, modern student residential accommodation in and around London is expected to continue for the 2015/16 academic year and future years. The removal of the student cap for 2015/16 on the number of places that

can be offered to UK students has led to a record number of acceptances, a 3% rise on the prior academic year.

On the supply side, the Directors (as advised by the Investment Manager) do not expect to see substantial volumes of new accommodation arising in the Company's core markets in the near term, as planning reforms and inflated land values make it ever more difficult to bring on stream new developments and limit the entry of new operators into the market.

With the acquisition of three further high-quality student accommodation assets post year end, providing increased diversification and excellent rental growth prospects, in addition to the refinancing of the Company's debt on more favourable terms, the outlook for the Company remains positive for the forthcoming academic year and years ahead.

Robert Peto
Chairman
30 September 2015

STRATEGIC REPORT

The strategic report has been prepared in accordance with section 414A of the Companies Act 2006 (the "Act"). Its purpose is to inform members of the Company and help them assess how the Directors have performed their legal duty under section 172 of the Act to promote the success of the Company and Group.

STRATEGIC OVERVIEW

The Company's investment objective is to provide shareholders with attractive total returns in the longer term through the potential for modest capital appreciation and regular, sustainable, long-term dividends with RPI inflation-linked income characteristics.

Investment policy

The Company intends to meet its investment objective through owning, leasing and licensing student residential accommodation and teaching facilities to a diversified portfolio of direct let tenants and HEIs. The Company will mostly invest in modern, purpose-built, private student residential accommodation and teaching facilities located primarily in and around London where the Investment Manager believes the Company is likely to benefit from supply and demand imbalances for student residential accommodation. The Company may also invest in development and forward-funded projects which are consistent with the objective of providing shareholders with regular, sustainable dividends and have received planning permission for student accommodation, subject to the Board being satisfied as to the reputation, track record and financial strength of the relevant developer and building contractor.

Rental income will predominantly derive from a mix of contractual arrangements including direct leases and/or licences to students (''direct let agreements''), leases and/or licences to students guaranteed by HEIs and/or leases and/or licences directly to HEIs. The Company may enter into soft nominations agreements (pari passu marketing arrangements with HEIs to place their students in private accommodation) or hard nominations agreements (longer-term marketing arrangements with HEIs of between two and 30 years in duration). Where the Company invests in properties which contain commercial or retail space it may derive further income through leases of such space. Where the Company invests in development and forward-funded projects, development costs will typically be paid in stages through construction, with a final payment at completion.

The Company intends to focus primarily on accommodation and teaching facilities for students studying at Russell Group universities and other leading academic institutions, regional universities with satellite teaching facilities in and around London and at specialist colleges.

The Company may invest directly or through holdings in special purpose vehicles and its assets may be held through limited partnerships, trusts or other vehicles with third party co-investors.

Borrowing and gearing policy

The Company may seek to use gearing to enhance returns over the long term. The level of gearing will be governed by careful consideration of the cost of borrowing and the Company may seek to use hedging or otherwise seek to mitigate the risk of interest rate increases. Gearing, represented by borrowings as a percentage of gross assets, will not exceed 55% at the time of investment. It is the Directors' current intention to target gearing of less than 30% of gross assets in the long term and to comply with the REIT condition relating to the ratio between the Group's 'property profits' and 'property finance costs'.

Use of derivatives

The Company may invest through derivatives for efficient portfolio management. In particular, the Company may engage in interest rate hedging or otherwise seek to mitigate the risk of interest rate increases as part of the Company's efficient portfolio management.

Investment restrictions

The Company invests and manages its assets with the objective of spreading risk through the following investment restrictions:

* the Company will derive its rental income from a portfolio of not less than 500 studios;
* at least 90% by value of the properties directly or indirectly owned by the Company shall be in the form of freehold or long leasehold (over 60 years remaining at the time of acquisition) properties or the equivalent;
* the Company will not (i) invest more than 20% of its gross assets in undeveloped land; and (ii) commit more than 15% of its gross assets to forward-funded projects in respect of such undeveloped land, such commitment to be determined on the basis of the net construction funding requirements (and associated advisory costs) of such projects at the time of commitment up to their completion, in both cases as measured at the time of investment;
* the Company will not invest in completed assets which are not income generative at, or shortly following, the time of acquisition; and
* the Company will not invest in closed-ended investment companies.

The Directors currently intend, at all times, to conduct the affairs of the Company so as to enable it to qualify as the principal company of a REIT for the purposes of Part 12 of the CTA (and the regulations made thereunder).

In the event of a breach of the investment guidelines and restrictions set out above, the Investment Manager shall inform the Directors upon becoming aware of the same and, if the Directors consider the breach to be material, notification will be made to a Regulatory Information Service.

No material change will be made to the investment policy without the approval of shareholders by ordinary resolution.

Business and status of the Company

The Company is registered as a public limited company and is an investment company within the terms of section 833 of the Companies Act 2006. The Company is a REIT for the purposes of Part 12 of the CTA. Notification has been submitted to, and acknowledged by, HMRC for the Company to enter the UK REIT regime. The Company will be treated as a REIT so long as it continues to meet the REIT conditions in relation to any accounting period.

The Company was incorporated on 26 February 2013. The Company's shares were admitted to trading on the SFM and were listed on the Official List of the CISEA on 20 May 2013. The shares were delisted from the CISEA on 10 October 2014.

The Company's performance, along with the important events that have occurred during the period under review, the key factors influencing the financial statements and the principal risks and uncertainties for the financial period are set out below.

UK STUDENT ACCOMMODATION MARKET

Overview

The higher education market is one of the UK's largest and most successful exports. Our universities have a long history of excellence and innovation, and a global reputation for quality. In the most recent study, the market contributed an estimated £17.5 billion to the UK economy, with the OECD concluding that Britain is the first country in Europe to have achieved a sustainable system for financing higher education.

Over the past three decades, the number of students engaged in higher education outside their home country has risen dramatically, reflecting the expansion of higher education systems worldwide and the globalisation of economies and societies. During the period 2000-12, the number of international students worldwide more than doubled, with c.4.5 million students engaged in higher education, an average annual growth rate of almost 7%.

In the 2013/14 academic year, there were c.435,000 international students studying at UK publicly-funded HEIs, making the UK the second most popular destination for international students behind the United States, with a 13% share of the market for international students.

The international education sector is likely to continue to grow, partly due to demographic change, with the total global population forecast to increase from c.6.9 billion in 2010 to over c.7.6 billion in 2020, and partly due to the increase in wealth and size of the middle classes in emerging economies. In the light of this, the Directors (as advised by the Investment Manager) expect that the rise in international student numbers will continue to increase in line with the OECD predictions on global student mobility, from c.4.5 million international students in 2012 to c.8 million international students by 2025.

HEI acceptance rates

The 2014/15 academic cycle saw the highest ever intake of undergraduates entering UK higher education with c.512,000 accepting places at UK HEIs, this in spite of the continuing fall in the 18-year old population. However, there were an additional c.181,000 students who applied but were unable to find places, demonstrating over-demand.

This trend has continued for the forthcoming 2015/16 academic year. On 24 September 2015 UCAS published the acceptances statistics for UK and international students for the majority of HEI courses. The data showed an increase of 3% in acceptances compared to the 2014/15 academic year (at the equivalent point in the 2014/15 cycle).

The acceptance statistics continue to show for the fifth straight year that the primary driver of this growth is coming from international students where the acceptance rate has increased by 14% for EU and 3% for non-EU students compared to the prior year.

It is expected that the long-term impact of higher domestic tuition fees will increase the competitiveness of the best HEIs in the country, particularly the Russell Group, as domestic students become more selective over where they will study as they take on higher levels of debt. London has five of the 24 Russell Group Universities in the UK and two of the top ten universities in the world for the 2014/15 academic year.

Student accommodation - the importance of design and quality

Purpose-built student accommodation has evolved as a product over the past 15 years. Over this period, and in particular, following the introduction of tuition fees, students have become consumers in their own right and are making their investment decisions for their higher education not just on course price, but also on a mix of quality of the academia and the quality and location of accommodation.

Increasingly, students are demanding high-quality living space with clever design, quality materials, social areas in the buildings which provide opportunities for social groups to form and bond centred around work spaces, play space with games, TV areas and communal kitchens. Likewise, they are demanding services that create wider social interaction such as talks, events, workshops and tie-ins with local businesses and educational establishments.

This is particularly the case for international students who tend to demand a higher standard of accommodation than domestic students and who have a requirement for greater social interaction.

Student accommodation - supply/demand imbalance

There is a fundamental supply/demand imbalance in the UK student accommodation sector which is responsible for the stability and the strong rental and capital returns produced in this financial year.

The UK has seen a rising tide of student numbers since the early 1990s, with the student population more than doubling over this period. Domestic student applications have increased year-on-year despite an ageing population and international student numbers continue to grow at a disproportionate rate, as evidenced by the increase in international student acceptance rates for the 2015/16 academic year.

There is a structural shortfall of purpose-built student accommodation in most of the UK. The supply of private student accommodation has failed to keep pace with the increasing demand owing to the following:

* the residential property market has recovered over the past few years, increasing land values as well as increasing the pressure on the private residential sector to house tenants other than students who are willing to pay higher rent levels;
* the private rented sector has become subject to greater local authority and government legislation for houses in multiple occupancy; and
* universities are not developing new accommodation as they are becoming more focused on their core competency of investing in education.

The London market

London has more world-class universities than any other city in the world. International students are attracted to London for a number of reasons, including the reputation of London's universities, the quality of education and London's status as a social and cultural centre.

The Company is focused on the London student accommodation market because this is where the supply/demand imbalance is at its greatest. London has a number of important demand dynamics that separate it from the wider UK student housing market:

* London has the largest number of students of any city in the UK, with over 400,000 students being educated at HEIs in the capital;
* London has the largest number of international students of any city in the world with c.107,000 students in 2013/14 from over 190 countries;
* London is home to some of the leading HEIs in the world which attract a significant number of international students;
* London is one of the most popular cities in the world to visit with an estimated 18.7 million international visitors in 2014; and
* London universities are only able to supply accommodation to c.30% of first year and international students.

On the supply side the main constraints are as follows:

* availability of well-located sites is at its lowest and land prices have experienced significant inflation driven by residential development; and
* the introduction of the community infrastructure levy in some boroughs has eliminated the commercial viability of many student schemes.

The acute supply/demand imbalance is more pronounced in London than in any other major UK city. In 2014, there were over 250,000 domestic first year undergraduates, international students and postgraduates studying in the capital with only 60,000 purpose-built student accommodation beds in halls of residence available in aggregate from both the university and private sectors, indicating a structural supply shortfall of c.170,000 beds. It is this

shortfall that underpins the strong performance of the asset class in the capital.

REVIEW OF THE FINANCIAL YEAR

Financial results

The Company produced a strong set of annual results with £11.5 million of rental income generated from the Company's investment portfolio. The Company is operating a net operating margin of 78% for the period to 30 June 2015. The Board anticipates that as additional properties are acquired over the course of 2015, further economies of scale in asset and facilities management will be achieved across the Company's portfolio.

Total administration expenses of £2.0 million comprise fund running costs, including the Investment Manager's fee and other service provider costs in the period. Total gains on investment properties through revaluation of the Company's investment portfolio stood at £25.7 million as at 30 June 2015, generating operating profit of £32.6 million. Finance costs of £1.3 million, comprising loan and swap interest associated with the Company's financing arrangements, resulted in total profit before tax for the year of £31.3 million.

At 30 June 2015 the Company's basic and dilutive earnings per ordinary share were 28.5 pence per share respectively.

Financial performance

Income statement

	For the year ended 30 June 2015	
	Ordinary shares	C shares
	£'000	£'000
Rental income	11,505	
Operating expense	(2,529)	-
Gross profit (net operating income)	8,976	-
Net operating margin	78%	-
Administration expenses	(2,001)	(2,578)
Gains on investment properties	25,660	-
Operating profit	32,635	(2,578)
Finance costs	(1,336)	-
Profit/(loss) before tax for the year	31,299	(2,578)

Dividends

In order to maintain its REIT status, the Group is required to meet a minimum distribution test for each accounting period for which it is a REIT. This test requires the Company to distribute at least 90% of the income profits of the property rental business for each accounting period, as adjusted for tax purposes. In respect of the financial year ended 30 June 2015, the Company paid dividends of 5.60 pence per share.

The dividends were paid as 3.70 pence per ordinary share as a REIT property income distribution in respect of the Group's tax exempt property rental business and 1.90 pence per ordinary share as an ordinary UK dividend. The Company fulfilled all of its obligations under the UK REIT regime and is in full compliance with the REIT requirements at 30 June 2015.

C share issue

In June 2015 the Company raised £120 million by way of an open offer, placing and offer for subscription of C shares. The issue was substantially oversubscribed and was scaled back accordingly. Post year end, the proceeds of the issue were used to finance the acquisition by the Company of Scape Surrey, The Pad 2 (located adjacent to Royal Holloway, University of London) and Scape Shoreditch for the 2015/16 academic year, increasing the number of modern studios and beds in the Group's portfolio to c.1,800.

Cash flow generation

The Company held cash and cash equivalents of £107.2 million at the end of the financial year. A total of £6.4 million of operating cash flows were generated in relation to the Company's student accommodation portfolio. Total capital raised in the year amounted to £120 million, which was used to fund the acquisition of three assets post year-end. The remaining cash flows relate to the cost of servicing the Company's debt facility in addition to payment of dividends, resulting in a net increase in cash and cash equivalents at the year end.

Debt financing

Post year end, the Company successfully secured additional finance to fund the acquisition of Scape Shoreditch and refinance its existing senior debt facility in September 2015. The new facility is a £130 million fixed rate loan with a term of nine years financed by Pricoa Mortgage Capital at a rate of 3.07%. The facility reduces any short-term refinancing risk whilst locking in historically low rates for the long term, thereby providing the Company with greater financial security in the forthcoming years.

Banking covenants

The Company's debt facility includes loan-to-value and interest cover covenants that are measured at a Group level. The Company has maintained significant headroom against all measures throughout the financial period and was in full compliance with all loan covenants at 30 June 2015.

Asset performance

The Company has experienced 3.6% year-on-year rental growth for the 2014/15 academic year and yield compression of c.70 bps across the portfolio. The valuation of the Company's property portfolio has increased by £30.7 million or 21% since the Company's IPO or its acquisition of assets.

The portfolio has been 100% occupied for the 2014/15 academic year, all on 51 week tenancies. As at the date of this report, Scape East, Scape Greenwich and The Pad had achieved full occupancy for the forthcoming 2015/16 academic year.

Net assets

Net assets attributable to equity holders at 30 June 2015 were £137.7 million, up from £112.9 million at 30 June 2014. The increase in net assets since the prior year-end is primarily driven by increases in the valuation of the Company's property portfolio.

At 30 June 2015, there were 109,910,428 ordinary shares and 120,000,000 C shares in issue, giving an EPRA NAV per ordinary share of 125.51 pence and an EPRA NAV of 97.85 pence per C share. The EPRA NAV per ordinary share excludes the fair value mark-to-market valuation of the Company's financial derivative instrument, which at 30 June 2015, was used to manage adverse effects of interest rate movements on the Company's debt facility.

Accordingly, taking into account the fair value mark-to-market valuation of this financial derivative instrument based on current swap rates, the EPRA NAV at 30 June 2015, adjusted to reflect the cost of fixed rate debt (EPRA NNNAV), was 125.31 pence per ordinary share.

Financial performance

Net assets

	As at 30 June 2015	
	Ordinary shares	C shares
	£'000	£'000
Assets		
Property	177,220	-
Receivables	2,796	16,195
Cash and cash equivalents	2,487	103,805
Total assets	182,503	120,000
Liabilities		
Financial liabilities at fair value	-	-
Payables	(2,763)	(2,578)
Deferred income	(2,442)	-
Senior loan	(39,569)	-
Total liabilities	(44,774)	(2,578)
Net assets	137,729	117,422
Number of shares	109,910,428	120,000,000
EPRA NAV per share	125.51p	97.85p
EPRA NNNAV per share	125.31p	97.85p

Net asset value and share price performance

The Company's ordinary shares have traded at a premium to the latest published prevailing NAV since IPO, with an average premium over the financial year of 5%. The Company's share price hit an all-time high of 129.25 pence per ordinary share on 30 June 2015.

EPRA NAV has increased from 102.64 pence as at 30 June 2014 to 125.51 pence per ordinary share, a 22.3% increase year-on-year. Dividends of 5.60 pence per

ordinary share were paid or declared to shareholders. At the Group level, the annualised total return to 30 June 2015 was 26%, which exceeds the annualised target return of 8-10%.

COMPANY PERFORMANCE

Key performance indicators

	2015	2014
Total shareholder return for the year	26%	11.5%
EPRA NAV per ordinary share	125.51p	102.64p
Basic earnings per ordinary share	28.5p	10.5p
Loan-to-value	22.6%	26.7%
Dividends for the year	5.60p	5.47p*
Rental growth	3.6%	3.3%

* Twelve month equivalent to 30 June 2014.

PROPERTY PORTFOLIO

Quality, design and brand

The Company's property portfolio is made up of high-quality, modern, purpose-built student accommodation focusing on international students, postgraduates and domestic students alike. The living experience forms a mainstay of each student's university life and the Company has put the quality, design, experience and performance of its assets at the heart of its operational strategy. This is achieved through the Company's investment selection and its choice of Asset Managers.

Scape is the Asset Manager for Scape East and Scape Greenwich. The vision of the Scape brand was to create a new kind of student accommodation; one that was affordable but with modern design. By enlisting the help of leading interior designers and top architects, Scape continues to ensure that high standards of quality finishes and service are met. Years of hard work and listening to student feedback has resulted in some of the best student accommodation in London.

Alongside the striking design features, the properties also offer ample common space for students to socialise and study. High-speed internet and wi-fi are available throughout each location. Scape responds proactively to student feedback, which has resulted in the provision of extra facilities and amenities, such as additional private rooms for group study, recreational areas and a gym.

The Pad, located in Egham, provided the first private, purpose-built student accommodation in the local vicinity for RHUL's students. CRM is the Asset Manager for The Pad. The property provides high quality studios and en-suite accommodation to meet the needs of the growing international and postgraduate student population at RHUL. Approximately 90% of the residents of The Pad are international students, who are attracted by the large spacious rooms, high specification fixtures and fittings and sociable communal areas spread across the building and the leafy courtyard areas.

Scape East

Scape East is a private student residence, completed in June 2012 under the Scape brand, which seeks to provide affordable and aspirational hotel-style student accommodation in private, purpose, high specification buildings.

Scape East is located in Mile End, directly opposite QMUL, which is a Russell Group HEI and one of London's leading universities with c.17,000 students. Approximately 75% of all Scape East's direct let students study at QMUL. The impressive building encompasses a double height entrance and floor-to-ceiling glazed reception.

Spiral staircases and an open atrium at Scape East create a spacious and welcoming entrance. Copper and bronze is a recurring theme, from the illuminated canopy on top of the building to the cladding surrounds. The green roof space attracts insects and birds and the ground water provides heat for the 25,000 sq ft of educational space and the communal areas.

Residents have access to a private courtyard garden, free gym, TV and games lounge, communal kitchen, study areas and two on-site restaurants. Most of the studios at Scape East are the exclusively designed "Scape Studio", which feature integrated storage and work space, fully-fitted kitchenette, breakfast bar and en-suite shower room. The concept of modern student accommodation came from the Scape partners who enlisted leading interior designer Ab Rogers and design studio Praline to bring their vision to life.

The result has yielded a superior alternative to traditional student housing, where striking design goes hand-in-hand with competitive prices and excellent London locations.

Additional rental income is generated through a 30-year FRI lease with annual RPI uplifts of teaching facilities. This has generated 6.5% of total revenues for Scape East for the 2014/15 academic year.

As at 30 June 2015, Scape East was occupied by students from 22 different HEIs and of 59 different nationalities, with c.83% of tenants coming from outside the UK.

Scape Greenwich

Scape Greenwich is a private student residence which was completed in September 2013 on the Greenwich Peninsula. Designed by award-winning architects, AHMM, it comprises 280 studios and approximately 10,000 sq ft of communal facilities, kitchens, study areas and breakout rooms.

Scape Greenwich is situated in a prime London student residential location within 30 minutes of c.75% of London's HEIs and in close proximity to Ravensbourne College (with c.1,600 students), a leading specialist digital media HEI, and to the University of Greenwich (with c.26,000 students). Scape Greenwich is a stunning white concrete building with an expansive glazed reception and versatile communal dining, theatre and lounge.

Students also enjoy large shared balconies and linked atria study spaces. Big picture windows provide bright, natural light as they extend across the building. The bright white exterior is offset by the colourful hues that cover the corridors.

Scape Greenwich boasts a campus feel with shared study spaces, striking communal areas, designer student studio apartments and an ideal location in London. All student rooms come with a fully-equipped kitchenette, a comfortable double bed with built-in storage, en-suite shower room and large windows. Communal balconies on alternate floors afford stunning views of Canary Wharf, the City and local parks.

As at 30 June 2015, Scape Greenwich was occupied by students from 26 different HEIs and of 42 different nationalities, with c.35% tenants coming from outside the UK.

The Pad

The Pad is a private student residence which was completed in September 2013 under the CRM Students brand and is located adjacent to RHUL, in Egham.

RHUL is ranked in 5th place in the world (1st in the UK) in the Times Higher Education World University Rankings category of 'International Outlook'. This category looks at diversity on campus and to what degree academics collaborate with international colleagues on research projects, recognising it as a global university. It is home to more than 9,000 students from over 100 countries, with c.20% from outside the EU.

The building is a modern, purpose-built student accommodation block offering 116 rooms comprising of 15 studios and 101 en-suite rooms. The studios comprise fully-furnished rooms with kitchenette and appliances provided and en-suite shower room. En-suites in the main building are typically 3-6 bedrooms, share a large fully-fitted kitchen and living area and include fully-furnished study bedrooms with en-suite shower rooms.

The property opens out onto a large leafy courtyard area with patios, outdoor seating and gardens for students to breakout in the summer months.

The Pad is the only purpose-built private student accommodation within five miles of RHUL.

As at 30 June 2015, The Pad was occupied exclusively by students from RHUL, comprising of 26 different nationalities, with c.78% of tenants coming from outside the UK.

Post Year-End Acquisitions

The Company acquired three modern, purpose-built student accommodation assets, doubling the size of its property portfolio. The acquisitions were financed by a combination of the proceeds of the C share issue and the additional funds drawn upon refinancing of the Company's debt facility.

Scape Surrey and The Pad 2 were both acquired by way of forward purchase agreements, enabling the Company to lock in a purchase price based on the yield at the time of signing the agreement. Since signing, yields have compressed which has translated into an attractive acquisition price for shareholders on both assets. Scape Shoreditch was acquired by way of a corporate acquisition and was negotiated with the vendor in an off-market transaction.

The Company continues to benefit from the Investment Manager's ability to identify and negotiate attractive off-market deals through its relationships with property developers, offering good value to shareholders.

Scape Surrey

Scape Surrey is located in Guildford within 100 metres of the south gate to The University of Surrey, close proximity to the University of Law and the Academy of Contemporary Music and five minutes to Guildford train station and town centre. The building comprises 141 bedrooms (c.40% en-suite bedrooms and c.60 % studios) and c.2,000 sq ft of communal space including games room, private study area and cinema room.

Scape Shoreditch

Scape Shoreditch is located in a prime London location in Shoreditch, within a two minute walk of Old Street underground station. The property is within a 15

minute walk to The City University (c.18,000 students) and CASS Business School.

The building comprises 541 studio bedrooms and c.10,000 sq ft of communal areas including a gym, dance studio, study lounge, games room, cinema, communal kitchen, sun terrace and BBQ terrace. The building also includes c.49,000 sq ft of commercial facilities. An agreement for lease has been entered into for a 15-year fully repairing and insuring lease which it is expected will generate approximately 25% of total revenues for Scape Shoreditch after expiry of the tenant's incentives.

The Pad 2

The Pad 2 is located adjacent to RHUL in Surrey. The building comprises 104 studios and associated communal areas, study spaces and lounge facilities. The building will be joined to The Pad phase 1 and will share a reception, common grounds and parking spaces.

CORPORATE, SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

The Company's aim is to operate a fully sustainable business model with a low carbon footprint.

Sustainability

The Company's environmental sustainability measures include the use of highly-efficient combined heat and power systems, ground source heat pumps and intelligent interior heating and lighting to minimise GHG emissions. The Company's property portfolio incorporates green roof space, rainwater harvesting and sustainable waste management, including diverting waste from landfill to generate renewable electricity via the waste management process. In the year to 30 June 2015, the Asset Manager converted c.80% of property waste from Scape East and Scape Greenwich into renewable energy, with the remaining c.20% into national recycling schemes.

Environmental impact

The Company is committed to being both socially and environmentally responsible and recognises the impact the Company has on the environment. The Company has delegated the day-to-day asset and facilities management to the Asset Managers, who are responsible for the provision of energy supplies, including the procurement of renewable energy, managing the Company's waste schemes and raising general awareness of environmental impact and waste reduction amongst the Group's employees and residents.

Details of the Company's GHG emissions are given in the Directors' report in the full annual report.

Diversity and equality

The Company is committed to achieving a working environment which provides equality of opportunity and freedom from unlawful discrimination on the grounds of race, sex, pregnancy and maternity, marital or civil partnership status, gender reassignment, disability, religion or beliefs, age or sexual orientation. The Company's policy aims to remove unfair and discriminatory practices and to encourage full contribution from its diverse community. The Company is committed to opposing actively all forms of discrimination and values diversity amongst its workforce.

Further information on the Company's diversity policy is included in the corporate governance statement in the full annual report.

Social and community

The Company is committed to being socially responsible and the Directors consider community involvement to be an important part of that responsibility. The Company is indirectly involved with a number of social and local community initiatives via the Asset Managers, such as local employment schemes and initiatives to give back to the local area via student bursaries, sponsorship and local events.

Human rights

The Company respects human rights and aims to provide assurance to internal and external stakeholders that it will carry out its affairs in accordance with the principles of the Universal Declaration of Human Rights. No human rights concerns have arisen within the Company's operations or its supply chain during the year ended 30 June 2015.

Employees

Scape has overall responsibility for the supervision and provision of asset management services through oversight and management of the employees of GCP Operations, a subsidiary of the Company, and has responsibility for the procurement and supervision of the facilities management services in connection with Scape East, Scape Greenwich (and Scape Surrey and Scape Shoreditch) on behalf of the Company.

Gender breakdown

The gender breakdown of the Group's Directors, senior management and employees as at 30 June 2015 is detailed below.

	Male	Female

Directors	3 (2014: 3)	1 (2014: 0)
Senior management	2 (2014: 1)	2 (2014: 1)
Employees	33 (2014: 28)	14 (2014: 13)

RISK MANAGEMENT

Role of the Board

The Directors have overall responsibility for risk management and internal control within the Group. The Directors recognise that risk is inherent in the operation of the Group and that effective risk management is key to the success of the organisation. The Directors have delegated responsibility for the assurance of the risk management process and the review of mitigating controls to the audit committee.

The Directors, when setting the risk management strategy, also determine the nature and extent of the significant risks and its risk appetite in implementing this strategy. A formal risk identification and assessment process has been in place since IPO, resulting in a risk framework document which summarises the key risks and their mitigants.

The Directors undertake a formal risk review with the assistance of the audit committee at least twice a year in order to assess the effectiveness of the Group's risk management and internal control systems. During the course of such review, the Directors have not identified, nor been advised of any failings or weaknesses which it has determined to be of a material nature. The principal risks and uncertainties the Group faces are set out below.

Principal risks and uncertainties

The principal financial risks, the Company's policies for managing these risks and the policy and practice with regard to financial instruments are summarised in note 27 to the financial statements.

The Directors have also identified the following additional risks and uncertainties:

Investment strategy

Investment objective

There can be no guarantee that the investment objective of the Company will be achieved. The Company's investment objective is to provide shareholders with attractive total returns in the longer term through the potential for modest capital appreciation and regular, sustainable, long-term dividends with RPI inflation-linked income characteristics.

How the risk is managed

The Company has already acquired three assets which meet the investment strategy with a further three assets acquired post year-end. The Investment Manager and Asset Managers have significant experience in the sector which should provide the Company with access to assets to continue to meet its investment strategy going forward.

Execution

Availability of suitable investments

There can be no assurance that the Investment Manager will be successful in sourcing suitable investments or that the Company will make any further investments in property assets. The availability of such future investment opportunities will depend upon a number of factors including, but not limited to, the availability of suitable assets for acquisition within the Company's investment objective and policy, conditions in the UK student accommodation sector and the ability of the Company to access appropriate funding.

How the risk is managed

The Investment Manager has significant relationships and experience in the sector which provides the Group with access to an investment pipeline. The Company has a high-quality broad shareholder base and an accordion debt facility which minimises capital raising risk.

Due diligence

Prior to entering into an agreement to acquire any property, the Investment Manager will perform due diligence, on behalf of the Company, on the proposed investment. To the extent that the Investment Manager underestimates or fails to identify risks and liabilities associated with the investment in question, the Company may be subject to defects in title, to environmental, structural or operational defects requiring remediation, or may be unable to obtain necessary permits which may materially and adversely impact the net asset value and the earnings of the Company.

How the risk is managed

In addition to the due diligence carried out by the Investment Manager, third party technical, insurance and legal experts are engaged to advise on specific risks to an acquisition, whether it be structured via a property owning vehicle or a direct property acquisition.

Portfolio

General property and investment market conditions

The Company's performance depends to a significant extent on property values in the UK. An overall downturn in the UK property market and the availability of credit to the UK property sector may have a materially adverse effect upon the value of the property owned by the Group and ultimately upon the net asset value and the ability of the Company to generate revenues.

How the risk is managed

The Investment Manager continuously monitors market conditions and provides the Board with quarterly updates on the student accommodation market and senior debt market to act as an early warning signal of any adverse market conditions ahead.

Property valuation

The valuation of the Group's property portfolio is inherently subjective, in part because all property valuations are made on the basis of assumptions which may not prove to be accurate, and because of the individual nature of each property and limited transactional activity. Valuations of the Company's investments may not reflect actual sale prices, even where any such sales occur shortly after the relevant valuation date.

How the risk is managed

The Company has entered into a valuation agreement with Knight Frank LLP to provide quarterly valuations. Knight Frank is one of the largest valuers of student accommodation in the UK and therefore has access to the maximum number of data points to support their valuations. In addition to this, the Board of Directors has significant experience of property valuation and its constituent elements.

Development risk

The Company may invest in development and forward-funded projects which have received planning permission for student accommodation. Development activities may involve a higher degree of risk than is associated with operating properties and may be subject to delays or disruptions which are outside of the Company's control.

How the risk is managed

The Company will engage third-party professional advisors to review and opine on development risk prior to commitment. All contracts entered into will be guaranteed maximum price contracts with a suitable contractor and significant equity buffer.

'Scape Student Living' Brand

The Group's success and results are, to some extent dependent on the strength and reputation of the Scape Student Living brand.

The 'Scape Student Living' brand is vulnerable to adverse market perception as it operates in an industry where integrity, customer trust and confidence are paramount. Any damage to the 'Scape Student Living' brand could cause a decline in the demand for accommodation and/or the rental rates that can be achieved at the properties owned by the Group. The occurrence of which could have an adverse effect on the Group's revenue, performance, margins and asset values.

How the risk is managed

The Investment Manager and Asset Manager, Scape Student Living, provide the Board with quarterly reports which include any operational or performance related issues which could potentially have an impact on brand confidence or integrity. The analysis provides the Board with the tools to address any occurrence which could have an adverse effect on the Group's revenue, performance, margins and asset values.

Concentration risk

Whilst it is the Board's intention for the Group to acquire additional property assets in the future, there can be no certainty that it will be able to do so. Substantially all of the Group's assets are currently located in and around London. As a result of this concentration, the Company may be adversely affected by events which damage or diminish London's attractiveness to students (especially overseas students) or London property values. Any circumstances which materially affect the returns generated by the Group's property portfolio may materially and adversely impact the net asset value and earnings of the Company.

How the risk is managed

The Company acquired a further three assets post year-end which provides an increased level of diversification across the portfolio. The Company is focused on the London market because this is where the largest supply/demand imbalance exists in the UK student accommodation market. The Investment Manager and the Asset Managers have significant experience in the sector and continuously monitor the market to act as an early warning signal of any adverse market conditions ahead.

Liquidity

The Group invests in student residential accommodation and teaching facilities. Such investments are illiquid and may be difficult for the Company to sell and the price achieved on any such realisation may be at a discount to the prevailing valuation of the relevant investments, which may materially and adversely impact the net asset value and earnings of the Company.

How the risk is managed

Whilst the Company invests funds with the aim of both capital appreciation and investment income, it has no plan to sell or realise the capital appreciation (and so generate returns) from any increase in the value of its investment properties, except by way of increased rental income.

Rental income

Rental income and property values may be adversely affected by increased supply of student accommodation and teaching facilities, the failure to collect rents, periodic renovation costs and increased operating costs. A decrease in rental income and/or in property values may materially and adversely impact the net asset value and earnings of the Company as well as the ability to service interest on its debts in the longer term.

How the risk is managed

The Investment Manager will only propose to the Board those assets which it believes are in the most advantageous locations and benefit from large supply and demand imbalances that can bear the entry of new competitors into the market. In addition, the quality of assets that the Company acquires will be amongst the best in class to minimise occupancy risk.

Occupancy rates

The ability of the Group to maintain attractive occupancy levels (or to maintain such levels on economically favourable terms) on its assets may be adversely affected by a number of factors, including a fall in the number of students, competing sites, any harm to the reputation of the Group amongst universities, students or other potential customers, or as a result of other local or national factors. A fall in occupancy levels may adversely affect the Group's revenue performance, margins and asset values.

How the risk is managed

The Investment Manager and Asset Managers provide the Board with quarterly reports on asset performance. The analysis provides both the Investment Manager and Board with the tools to adjust the Company's operational strategy in order to maximise shareholder value.

Financial

Borrowings and interest rate hedging

The Company's investment strategy may involve securing borrowing facilities to finance additions to the Company's portfolio. It is not certain that the Company will be able to secure such facilities. Lack of access to debt or the utilisation of debt on more expensive terms than anticipated may adversely affect the Company's investment returns. The use of borrowings by the Company may increase the volatility of the NAV per share and the Company's ability to pay dividends to shareholders.

How the risk is managed

The Company's borrowing policy provides for the Company to have no more than 55% gearing in the short term and 30% in the long term, thereby reducing the volatility that changes in debt rates can have on the Company. In addition to this, the Investment Manager provides the Board with a quarterly update on the state of the senior debt market to ensure debt facilities are renewed well in advance of expiration, and interest rate derivatives are used where required to hedge fluctuations in underlying interest rates.

Taxation

Any change in the Company's tax status or in taxation legislation in the UK (including a change in interpretation of such legislation) could affect the Company's ability to achieve its investment objective or provide favourable returns to shareholders. In particular, an increase in the rates of stamp duty land tax could have a material impact on the value of assets acquired. If the Company fails to remain a REIT for UK tax purposes, its profits and gains will be subject to UK corporation tax.

How the risk is managed

The Board has ultimate responsibility for ensuring adherence to the UK REIT regime and monitors the compliance reports provided by the Investment Manager on potential transactions to be undertaken, the Administrator on asset levels and the Registrar on shareholdings.

Other

Compliance with laws or regulations

The Group and its operations are subject to laws and regulations enacted by national and local governments and government policy. Any change in the laws, regulations and/or government policy affecting the Group may have a material adverse effect on the ability of the Company to successfully pursue its

investment policy and meet its investment objective and on the value of the Company and its shares.

How the risk is managed

The Board has appointed Wragge Lawrence Graham & Co LLP as legal counsel, Capita Company Secretarial Services Limited as Company Secretary and Capita Sinclair Henderson Limited as Administrator to ensure compliance with all relevant laws and regulations.

Operational risk

The risk of a change in value caused by inadequate or failed internal processes, people and systems, or from external events (including legal risk). Events may be manifested as direct financial losses or result in damage to reputation causing longer term financial consequences.

How the risk is managed

The Company has sufficient defined operational risk procedures and policies in place to manage and mitigate operational risk across the Group.

The strategic report has been approved by the Board and signed on its behalf.

Robert Peto
Chairman
30 September 2015

BOARD OF DIRECTORS

Robert Peto - Chairman
Peter Dunscombe - Senior Independent Director
Malcolm Naish - Chair of the management engagement committee
Marlene Wood - Chair of the audit committee

All Directors are non-executive and independent of the Investment Manager.

EXTRACTS FROM THE DIRECTORS' REPORT

Dividends

Dividends totalling 5.6 pence per ordinary share have been paid in respect of the year ended 30 June 2015 as follows:

* first interim dividend: 1.4 pence paid on 5 December 2014;
* second interim dividend: 1.4 pence paid on 5 March 2015;
* third interim dividend: 1.4 pence paid on 5 June 2015; and
* fourth interim dividend: 1.4 pence paid on 4 September 2015.

No final dividend is being recommended.

Share capital

At the general meeting held on 21 March 2013, the Company was granted authority to allot ordinary shares up to an aggregate nominal amount of £2,500,000 on a pre-emptive basis. Following the issue of new shares in May 2014 and as at the date of this report, the Company may allot ordinary shares up to an aggregate nominal amount of £2,101,895.73 under this authority. This authority will expire at the conclusion of, and renewal will be sought at, the annual general meeting to be held in 2016.

At the annual general meeting held on 24 October 2014, the Company was granted authority to issue ordinary shares up to an aggregate nominal value of £109,910 on a non pre-emptive basis, amounting to 10,991,000 shares. No shares have been issued under this authority.

At a general meeting held on 20 May 2015, the Company was granted the authority to allot C shares on a fully pre-emptive basis up to an aggregate nominal amount of £1,300,000, representing 130 million C shares. Pursuant to a prospectus dated 29 May 2015, the Company announced on 25 June 2015 that 120 million C shares with a nominal value of £1,200,000 would be issued at an issue price of 100 pence each, raising an aggregate of £120 million of gross proceeds for the Company, as follows:

* 30,295,466 C shares were issued on a fully pre-emptive basis to existing ordinary shareholders under an open offer, under which they were entitled to subscribe on the basis of one C share for every two ordinary shares held;

* 71,314,257 C shares were issued under a placing to institutional investors and professionally-advised private investors; and

* 18,390,277 C shares were issued under an offer for subscription to institutional and professionally-advised private investors.

The C shares were admitted to trading on the SFM on 30 June 2015.

At 30 June 2015 and as at the date of this report, the Company's issued share capital comprised 109,910,428 ordinary shares and 120,000,000 C shares. No shares were held in treasury during the year or at the year end.

At general meetings of the Company, ordinary shareholders are entitled to one vote on a show of hands and, on a poll, to one vote for every ordinary share held. The C shares carry no voting rights at general meetings. The total voting

rights of the Company at 30 June 2015 were 109,910,428.

Financial risk management and going concern

Information about the Company's financial risk management objectives and policies is set out in note 27 of the financial statements.

In assessing the Company's ability to continue as a going concern, the Directors have considered the Company's investment objective, risk management policies, capital management (see note 28 to the financial statements), its quarterly NAV and the nature of its portfolio and expenditure projections. The Directors believe that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future. In addition, the Board has had regard to the Company's investment performance, the price at which the Company's shares trade relative to the NAV, and ongoing investor interest in the continuation of the Company (including feedback from meetings and conversations with shareholders by the Company's advisers).

Based on their assessment and considerations, the Directors have concluded that they should continue to prepare the financial statements of the Company on a going concern basis and the financial statements have been prepared accordingly.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
In respect of the annual report and financial statements

The Directors are responsible for preparing the annual report and financial statements in accordance with applicable UK law and IFRS as adopted by the EU.

Under company law, the Directors must not approve the financial statements unless they are satisfied that they present fairly the financial position, financial performance and cash flows of the Group for that year.

In preparing the financial statements, the Directors are required to:

* select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
* present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
* provide additional disclosures when compliance with specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance;
* state that the Group has complied with IFRS, subject to any material departures disclosed and explained in the financial statements; and
* make judgements and estimates that are reasonable and prudent.

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 Group and enable them to ensure that the financial statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a strategic report, Directors' report, Directors' remuneration report and corporate governance statement that comply with that law and those regulations, and for ensuring that the annual report includes information required by the Disclosure and Transparency Rules of the UKLA. The Company is voluntarily complying with certain of the listing rules of the UKLA.

The financial statements are published on the Company's website, www.gcpuk.com/gcp-student-living-plc, which is maintained on behalf of the Company by the Investment Manager. The work carried out by the Auditor does not involve consideration of the maintenance and integrity of this website and accordingly, the Auditor accepts no responsibility for any changes that have occurred to the financial statements since they were initially presented on the website. Under the investment management agreement, the Investment Manager is responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Visitors to the website need to be aware that legislation in the UK covering the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

We confirm that to the best of our knowledge:

* the financial statements, prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and
* this annual report includes a fair review of the development and performance of the business and the position of the Group together with a description of the principal risks and uncertainties that it faces.

The Directors consider that the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

On behalf of the Board

Robert Peto
Chairman

30 September 2015

NON-STATUTORY ACCOUNTS

The financial information set out below does not constitute the Company's statutory accounts for the year ended 30 June 2015 or the period 26 February 2013 to 30 June 2014 but is derived from those accounts. Statutory accounts for the period 26 February 2013 to 30 June 2014 have been delivered to the Registrar of Companies and those for 2015 will be delivered in due course. The Auditor has reported on those accounts; their report was (i) unqualified, (ii) did not include a reference to any matters to which the Auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under Section 498 (2) or (3) of the Act. The text of the Auditor's report can be found in the Company's full annual report and financial statements at www.gcpuk.com/gcp-student-living-plc.

CONSOLIDATED INCOME STATEMENT
For the year ended 30 June 2015

Continuing operations	Notes	30 June 2015 £'000	30 June 2014 £'000
Revenue	4	11,505	9,132
Property operating expenses	5	(2,529)	(1,664)
Gross profit		8,976	7,468
Administration expenses	5	(2,001)	(2,357)
Operating profit before gains on investment properties and financial liabilities		6,975	5,111
Fair value gains on investment properties	3	25,660	5,010
Operating profit		32,635	10,121
Finance income	9	43	6
Finance expenses	10	(1,379)	(2,418)
Profit before tax		31,299	7,709
Tax charge on residual income	11	(18)	-
Profit for the period		31,281	7,709
Earnings per share (basic and diluted) (pps)	14	28.46	10.50

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2015

	Notes	30 June 2015 £'000	30 June 2014 £'000
Profit for the period		31,281	7,709
Other comprehensive income to be reclassified to profit and loss in subsequent periods			
Net (losses)/gains on the valuation of cash flow hedges	20	(261)	47
Total comprehensive income for the period		31,020	7,756

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2015

	Notes	30 June 2015 £'000	30 June 2014 £'000
Assets			
Non-current assets			
Investment property	3	177,220	151,560
Retention account		308	956
		177,528	152,516
Current assets			
Cash and cash equivalents	16	106,292	3,629
Trade and other receivables	17	18,683	1,315

Derivative financial instruments	20	-	47
		124,975	4,991
Total assets		302,503	157,507
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	19	(39,569)	(39,456)
Derivative financial instruments	20	(214)	-
Retention account		(308)	(956)
		(40,091)	(40,412)
Current liabilities			
Trade and other payables	18	(4,819)	(2,212)
Deferred income	18	(2,442)	(2,028)
Financial liabilities at amortised cost	21	(117,422)	-
		(124,683)	(4,240)
Total liabilities		(164,774)	(44,652)
Net assets		137,729	112,855
Equity			
Share capital	22	1,099	1,099
Share premium	23	39,946	39,937
Hedging reserve	24	(214)	47
Retained earnings	24	96,898	71,772
Total equity		137,729	112,855
Number of shares in issue		109,910,428	109,910,428
EPRA NAV per share (pps)	25	125.51	102.64
EPRA NNNAV per share (pps)	25	125.31	102.68

The accompanying notes form an integral part of these financial statements.

These financial statements were approved by the Board of Directors of GCP Student Living plc on 30 September 2015 and signed on its behalf by:

Robert Peto
Chairman
Company number: 08420243

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2015

	Share capital £'000	Share premium £'000	Hedging reserve £'000	Retained earnings £'000	Total £'000
Balance at 1 July 2014	1,099	39,937	47	71,772	112,855
Profit for the period	-	-	-	31,281	31,281
Other comprehensive income that may be reclassified subsequently to profit and loss					
Net losses on the valuation of cash flow hedges	-	-	(261)	-	(261)
Total comprehensive income	-	-	(261)	31,281	31,020
Share issue costs*	-	9	-	-	9
Dividends paid in respect of the previous period	-	-	-	(1,539)	(1,539)
Dividends paid in respect of the current year	-	-	-	(4,616)	(4,616)
Balance at 30 June 2015	1,099	39,946	(214)	96,898	137,729

* This represents a change in the share estimated issue costs accrued at 30 June 2014.

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period 26 February 2013 to 30 June 2014

	Share capital £'000	Share premium £'000	Hedging reserve £'000	Retained earnings £'000	Total £'000
Profit for the period	-	-	-	7,709	7,709
Other comprehensive income that may be reclassified subsequently to profit and loss					
Net gains on the valuation of cash flow hedges	-	-	47	-	47
Total comprehensive income	-	-	47	7,709	7,756
Ordinary shares issued	1,099	111,001	-	-	112,100
Share issue costs	-	(3,706)	-	-	(3,706)
Share premium cancelled on 31 July 2013	-	(67,358)	-	67,358	-
Dividends paid in respect of the period	-	-	-	(3,295)	(3,295)
Balance at 30 June 2014	1,099	39,937	47	71,772	112,855

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2015

	Notes	30 June 2015 £'000	30 June 2014 £'000
Cash flows from operating activities			
Operating profit		32,635	10,121
Adjustments to reconcile profit for the period to net cash flows:			
Gains from change in fair value of investment properties		(25,660)	(5,010)
Costs reclassified as capital		(85)	-
Corporation tax paid		(158)	-
Increase in other receivables and prepayments		(560)	(641)
Increase in other payables and accrued expenses		184	1,473
Net cash flow generated from operating activities		6,356	5,943
Cash flows from investing activities			
Acquisition of investment properties		-	(35,221)
Acquisition of subsidiaries, net of cash acquired		-	(51,817)
Net cash used in investing activities		-	(87,038)
Cash flows from financing activities			
Proceeds from issue of ordinary share capital		-	112,100
Share issue costs		(47)	(3,706)
Proceeds from the issue of C shares		103,805	-
C share issue costs		(76)	-
Loan proceeds received		-	14,866
Part repayment of initial loan		-	(32,645)
Finance income		10	6
Loan arrangement fees		-	(655)
Finance expenses		(1,240)	(2,066)
Dividends paid in the period		(6,145)	(3,176)

Net cash flow generated from financing activities		96,307	84,724
Net increase in cash and cash equivalents		102,663	3,629
Cash and cash equivalents at start of the period		3,629	-
Cash and cash equivalents at end of the period	16	106,292	3,629

The accompanying notes form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. General information

GCP Student Living plc is a closed-ended investment company incorporated in the UK on 26 February 2013. The registered office of the Company is located at 51 New North Road, Exeter EX4 4EP. The Company's shares are traded on the SFM of the London Stock Exchange.

2. Basis of preparation

These financial statements are prepared in accordance with IFRS issued by the IASB as adopted by the European Union. The financial statements have been prepared under the historical cost convention, except for investment property, investments in subsidiaries and derivative financial instruments that have been measured at fair value. The audited financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000), except when otherwise indicated.

On 30 June 2015, GCP Student Living plc issued 120,000,000C shares. The C shares are recognised in the financial statements as a liability stated at amortised cost which is equivalent to the net asset value of the C shares. Therefore the net assets and profits shown in these financial statements represent the assets and profits attributable to the ordinary shareholders. Further details of the accounting treatment of the C shares and the accounts of the C shares can be found below and note 21.

These financial statements are for the year ended 30 June 2015. Comparative figures are for the previous accounting period, which is a longer period from 26 February 2013 to 30 June 2014.

The Group has chosen to adopt the EPRA best practice guidelines for calculating key metrics such as net asset value and earnings.

2.1 Changes to accounting standards and interpretations

The following accounting standards have been adopted for the first time in these financial statements:

IFRS 10 Consolidated Financial Statements
IFRS 12 Disclosures of Interests in Other Entities

There were no significant changes to the financial statements resulting from their adoption.

The following new standards and amendments to existing standards have been published and once approved by the EU, will be mandatory for the Group's accounting periods beginning after 1 July 2015 or later periods. The Group has decided not to adopt them early.

* IAS 1 Presentation of Financial Statements - amendments resulting from the disclosure initiative (effective for annual periods beginning on or after 1 January 2016).
* IAS 27 Separate Financial Statements - amendments reinstating the equity method as an accounting option for investments in subsidiaries (effective for annual periods beginning on or after 1 January 2016).
* IAS 28 Investments in Associates and Joint Ventures - amendments regarding the application of the consolidation exception (effective for annual periods beginning on or after 1 January 2016).
* IFRS 10 Consolidated Financial Statements - amendments regarding the sale or contribution of assets between an investor and its associate or joint venture and regarding the application of the consolidation exception (effective for annual periods beginning on or after 1 January 2016).
* IFRS 11 Joint Arrangements - amendments regarding the accounting for acquisitions of an interest in a joint operation (effective for annual periods beginning on or after 1 January 2016).
* IFRS 12 Disclosure of Interests in Other Entities - amendments regarding the application of the consolidation exception (effective for annual periods beginning on or after 1 January 2016).
* IFRS 14 Regulatory Deferral Accounts (effective for annual periods beginning on or after 1 January 2016).
* Various Standards - amendments resulting from September 2014 Annual Improvements to IFRS (effective for annual periods beginning on or after 1 January 2016).
* IFRS 15 Revenue from Contracts (effective for annual periods beginning on or after 1 January 2018).
* IFRS 9 Financial Instruments (effective for annual periods beginning on or after 1 January 2018).
* IFRS 7 Financial Instruments: Disclosures - amendments regarding additional hedge accounting disclosures (applies when IFRS 9 is applied).

The Group does not expect the adoption of new accounting standards issued but not yet effective to have a significant impact on its financial statements.

2.2 Significant accounting judgements and estimates

The preparation of these financial statements in accordance with IFRS requires the Directors of the Company to make judgements, estimates and assumptions that affect the reported amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements:

Operating lease commitments - Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Valuation of property

The valuations of the Group's investment property are at fair value as determined by the external valuer on the basis of market value in accordance with the internationally accepted RICS Valuation - Professional Standards January 2014 (incorporating the International Valuation Standards) and in accordance with IFRS 13.

C share liability

The Directors have considered whether the C shares liability should be valued in the financial statements at fair value or stated at amortised cost.

The C shares are traded on the SFM of the London Stock Exchange. The amortised cost value of the C share pool equates to the net asset value of the C shares, which the Directors consider is the most appropriate way to disclose the liability within the financial statements.

Going concern

The Directors have made an assessment of the Group's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements have been prepared on the going concern basis.

2.3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2015. Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtained control, and will continue to be consolidated until the date that such control ceases. An investor controls an investee when the investor is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In preparing the financial statements, intra-group balances, transactions and unrealised gains or losses have been eliminated in full. The subsidiaries all have the same year end as the Company. Uniform accounting policies are adopted in the financial statements for like transactions and events in similar circumstances.

b) Business combinations

Where property is acquired, via corporate acquisitions or otherwise, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business.

Where such acquisitions are not judged to be an acquisition of a business, they are not treated as business combinations. Rather, the cost to acquire the corporate entity is allocated between the identifiable assets and liabilities of the entity based on their relative fair values at the acquisition date. Accordingly, no goodwill or additional deferred taxation arises. Otherwise, acquisitions are accounted for as business combinations.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree.

For each business combination, the acquirer measures the non-controlling interest in the acquiree at fair value of the proportionate share of the

acquiree's identifiable net assets. Acquisition costs (except for costs of issue of debt or equity) are expensed in accordance with IFRS 3 Business Combinations.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Contingent consideration is deemed to be equity or a liability in accordance with IAS 32. If the contingent consideration is classified as equity, it is not re-measured and its subsequent settlement shall be accounted for within equity. If the contingent consideration is classified as a liability, subsequent changes to the fair value are recognised either in profit or loss or as a change to other comprehensive income.

c) Functional and presentation currency

The overall objective of the Group is to generate returns in Sterling and the Group's performance is evaluated in Sterling. Therefore, the Directors consider Sterling as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have therefore adopted it as the functional and presentation currency.

d) Investment property

Investment property comprises property held to earn rental income or for capital appreciation or both. Investment property is measured initially at cost including transaction costs. Transaction costs include transfer taxes and professional fees to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in the fair values are included in the income statement in the period in which they arise under IAS 40 Investment Property.

The determination of the fair value of investment property requires the use of estimates such as future cash flows from assets (from lettings, tenants' profiles, future revenue streams, capital values of fixtures and fittings, plant and machinery, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets.

Gains or losses on the disposal of investment property are determined as the difference between net disposal proceeds and the carrying value of the asset.

e) Investment in subsidiary companies

All investments, whether in the form of debt or equity, are designated upon initial recognition as held at fair value through profit or loss, and are measured at subsequent reporting dates at fair value. In the Company's financial statements, investments in subsidiary companies which are 100% owned by the Company are valued at net asset value.

Changes in fair value of investments and gains on the sale of investments are recognised as they arise in the income statement.

f) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and short-term deposits with an original maturity of three months or less.

g) Rent and other receivables

Rent and other receivables are recognised at their original invoiced value. An impairment provision is made when there is objective evidence that the Group will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

h) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently held at amortised cost.

i) Revenue recognition

i) Rental income

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease, except for contingent rental income which is recognised when it arises.

Incentives for lessees to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Directors are reasonably certain that the tenant will exercise that option.

ii) Interest income

Interest income is recognised on an effective interest rate basis and shown

within the income statement as finance income.

iii) Deferred income

Deferred income is rental income received in advance during the accounting period. The income is deferred and is unwound to revenue on a straight-line basis over the period in which it is earned.

iv) Service charge income

Service charges are received to cover expenditure on hard and soft facilities management.

v) Operating segments

All of the Group's revenue and results are generated from student accommodation provision (including ancillary restaurant and teaching facilities) operating in the UK.

j) Tenant deposits

Tenant deposits received which create corresponding liabilities are initially recognised at fair value and subsequently measured at amortised cost. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognised on a straight-line basis over the lease term.

k) Taxes

Corporation 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. In certain circumstances corporation tax may be recognised in other comprehensive income.

As a REIT, the Company is exempt from corporation tax on the profits and gains from its property investment business, provided it continues to meet certain conditions as per REIT regulations.

Non-qualifying profits and gains of the Company (the residual business) continue to be subject to corporation tax. Therefore, current tax is the expected tax payable on the non-qualifying taxable income for the year if applicable, using tax rates enacted or substantively enacted at the balance sheet date.

l) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at cost net of directly attributable transaction costs. All loans and borrowings are subsequently measured at amortised cost with interest charged to the income statement at the effective interest rate, and shown within finance costs. Transaction costs are spread over the term of borrowing.

m) Dividends to shareholders

Dividends due to the Company's shareholders are recognised when they become payable. For interim dividends this is when they are paid.

n) Derivatives and hedging

The Group uses interest rate swaps to hedge its risks associated with interest rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Group will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedging arrangements are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

For the purpose of hedge accounting, hedges are classified as cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income, while any ineffective portion is recognised immediately in profit or loss. Amounts taken to other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the forecast transaction or firm commitment is no longer expected to occur, amounts previously recognised in other comprehensive income are transferred to profit or loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is

revoked, amounts previously recognised in other comprehensive income remain in equity until the forecast transaction or firm commitment occurs.

o) C shares

C shares are convertible redeemable preference shares and under IAS 32 Financial Instruments: Presentation meet the definition of a financial liability. C shares are recognised on issue at fair value less directly attributable transaction costs. After initial recognition, C shares are subsequently measured at amortised cost using the effective interest method. Amortisation is credited/(charged) to finance income/(finance costs) in the income statement. Transaction costs are amortised to the earliest conversion period.

3. UK investment property

	30 June 2015 £'000	30 June 2014 £'000
At the start of the period	151,560	-
Acquisitions arising from business combinations	-	53,550
Acquisition of property	-	93,000
Fair value gains on revaluation of investment property	25,660	5,010
Valuation at the end of the period	177,220	151,560

The purchase of the property during the prior period was financed by the payment of cash amounting to £35,221,000 and the novation of an existing loan of £57,779,000.

4. Revenue

	30 June 2015 £'000	30 June 2014 £'000
Nomination rental income	2,963	2,360
Direct let rental income	7,777	6,107
Teaching space income	452	503
Retail space income	38	35
	11,230	9,005
Service charge income	124	127
Staff costs recharges	151	-
Total revenue	11,505	9,132

The Group employs the staff of the Asset Manager, Scape. Recharge income above represents payroll costs relating to staff time spent on the Group's pipeline properties which are already managed by Scape but are not yet owned by the Group.

5. Property operating and administration expenses

	30 June 2015 £'000	30 June 2014 £'000
Property operating expenses		
Property operating expenses	719	901
Utilities	627	352
Insurance	116	39
Sales and marketing	5	118
Property maintenance	112	91
Staff costs	950	163
	2,529	1,664
Administration expenses	2,001	2,357
Total	4,530	4,021

Included within administration expenses are investment management fees, as discussed in note 29.

Directors' remuneration for the period is shown in note 6 and is included within administration expenses within the income statement.

6. Directors' remuneration

	30 June 2015	30 June 2014

	£'000	£'000
Robert Peto	34	28
Malcolm Naish	28	20
Peter Dunscombe	31	20
Marlene Wood	8	-
Total	101	68

7. Staff costs

	30 June 2015 £'000	30 June 2014 £'000
Salaries	938	162
Other benefits	12	1
	950	163

With the exception of the Directors, whose remuneration is shown in the Directors' remuneration report, as at 30 June 2015 the Group employed 51 (2014: 43) members of staff, with an average of 39 (2014: 34) employees during the year.

Staff costs totalling £151,000 have been recharged to entities outside the Group. This amount is included within revenue in note 4.

The Group operates a defined contributions pension scheme for two of its employees. The costs for the year ended 30 June 2015 totalled £5,000 (2014: £ 1,000).

8. Auditor's remuneration

	30 June 2015 £'000	30 June 2014 £'000
Audit fee	83	26
Other services	184	138
Total	267	164

The Company reviews the scope and nature of all proposed non-audit services before engagement, to ensure that the independence and objectivity of the Auditor are safeguarded. Audit fees comprise of the following items:

	30 June 2015 £'000	30 June 2014 £'000
Year end annual report and financial statements	26	20
Accounts for the period ended 30 September 2013	-	6
Subsidiary accounts for the year ended 30 June 2015	38	-
Subsidiary accounts for the period ended 30 June 2014	19	-
Total	83	26

The Auditor has provided tax advice, tax compliance services and non-audit services in relation to the IPO and subsequent fund raises. These fees are broken down as follows:

	30 June 2015 £'000	30 June 2014 £'000
Advice for the initial prospectus and subsequent fund raises	60	130
Tax advice	17	-
Tax compliance services for VAT	37	8
Tax compliance services for 2014 corporation tax returns	70	-
Total	184	138

9. Finance income

	30 June 2015 £'000	30 June 2014 £'000
Income from cash and short-term deposits	10	6
Amortisation of financial liabilities	33	-

Total	43	6

10. Finance expenses

	30 June 2015 £'000	30 June 2014 £'000
Swap interest	177	578
Loan interest	1,038	1,080
Loan commitment fee	12	-
Bank charges and other interest	9	3
Loan arrangement fees amortised	113	111
C share issue costs amortised	30	-
Swap break fees	-	646
	1,379	2,418

11. Taxation

As a REIT, income and capital gains from the Group's UK property rental business are exempt from tax. Any residual income from non-property business is subject to corporation tax. Corporation tax charges have arisen as follows:

	30 June 2015 £'000	30 June 2014£ '000
Corporation tax on residual income for current year	11	-
Corporation tax on residual income for prior periods	7	-
Total	18	-

Reconciliation of tax charge to profit before tax:

	30 June 2015 £'000	30 June 2014 £'000
Profit before tax	31,299	7,709
Corporation tax at 20.75% (2014: 21.77%)	6,495	1,678
Change in value of investment properties	(5,324)	(1,091)
Tax exempt property rental business	(1,021)	(763)
Amounts not deductible for tax purposes	(107)	214
Capital allowances	(38)	(29)
Other	13	(9)
Total	18	-

12. Operating leases

The Group has entered into leases on its property portfolio. Leases are typically direct-let agreements with individual students or higher education institutions for the academic year or a shorter period. The Group also has a small number of commercial leases on teaching and retail spaces and a number of nomination agreements whereby blocks of beds are let out for a set number of years.

Future minimum rentals receivable under non-cancellable operating leases as at 30 June 2015 are as follows:

	30 June 2015 £'000	30 June 2014 £'000
Within one year	7,323	7,536
Between one and five years	12,548	5,157
More than five years	22,647	10,411
Total	42,518	23,104

13. Dividends

	Pence per share	30 June 2015 £'000	Pence per share	30 June 2014 £'000
For the year ended 30 June 2015				
First interim dividend paid on 5 December 2014	1.40	1,538	2.00	1,403

Second interim dividend paid on 5 March 2015	1.40	1,539	1.35	946
Third interim dividend paid on 5 June 2015	1.40	1,539	1.35	946
Dividends paid during the period	4.20	4,616	4.70	3,295
Fourth interim dividend paid on 5 September 2015*	1.40	1,539	1.40	1,539
Total	5.60	6,155	6.10	4,834
Paid as				
Property income distributions	3.70	4,067	4.63**	3,507
Ordinary dividends	1.90	2,088	1.47**	1,327
Total	5.60	6,155	6.10	4,834

* The fourth interim dividend is paid after the year end and is not accrued in the financial statements.
** This analysis reflects the updated tax vouchers sent to shareholders on 20 August 2015.

As a REIT, the Company is required to pay PIDs equal to at least 90% of the property rental business profits of the Group. A final PID for the year ended 30 June 2015 will be made in the next financial year.

14. Earnings per share

Basic EPS amounts are calculated by dividing profit for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	30 June 2015 £'000	30 June 2014 £'000
Group earnings for basic EPS	31,281	7,709
Fair value gains on investment properties	(25,660)	(5,010)
Fair value movement on financial derivatives	-	(47)
Associated close out fees on financial derivatives	-	646
Group earnings for EPRA EPS	5,621	3,298

	Pence per share	Pence per share
Group EPS	28.46	10.50
Group EPRA EPS	5.11	4.49
Diluted Group EPS	28.46	10.50
Diluted Group EPRA EPS	5.11	4.49

	Number of shares	Number of shares
Weighted average number of shares in issue	109,910,428	73,425,688
Effects of dilution from C shares	2,567	-
Weighted average number of shares in issue adjusted for the effects of dilution	109,912,995	73,425,688

15. Business combinations

The financial statements comprise the financial statements of the Company and its subsidiaries, GCP Scape East Limited, GCP Operations Limited, Ternion (Danehurst) Limited, Leopard Guernsey Greenwich JV Limited and its subsidiary companies (LGGL Limited and LGGL 2 Limited), for the year ended 30 June 2015 (comparative period from 26 February 2013 to 30 June 2014).

The Company also owns two dormant subsidiaries: GCP RHUL Limited and GCP SG Limited which have not yet commenced activities.

All subsidiaries are domiciled in the UK except for Leopard Guernsey Greenwich

JV Limited and its subsidiary companies, which are domiciled in Guernsey.

Company	Country of registration, incorporation and operation	Number and class of share held by the Group	Group holding	Capital and reserves at 30 June 2015 £'000	Profit after tax for the year ended 30 June 2015 £'000
GCP Scape East Limited	UK	51,508,283 ordinary shares	100%	76,448	20,039
Ternion (Danehurst) Limited	UK	1,046,728,191 ordinary shares	100%	15,003	2,315
Leopard Guernsey Greenwich JV Limited	Guernsey	101 ordinary shares	100%	(2,720)	(22)
LGGL Limited*	Guernsey	100 ordinary shares	100%	17,901	7,054
LGGL 2 Limited*	Guernsey	100 ordinary shares	100%	2,476	1,904
GCP Operations Limited	UK	2 ordinary shares	100%	16	15
GCP RHUL Limited	UK	2 ordinary shares	100%	-	-
GCP SG Limited	UK	2 ordinary shares	100%	-	-

* Indirect subsidiaries.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtained control, and will continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and distributions are eliminated in full. The Company has a 100% beneficial interest in the issued share capital of all subsidiaries.

GCP Scape East Limited was incorporated on 15 November 2013, with 2 shares issued to the Company at £1 per share. On 25 February 2015, GCP Scape East Limited issued a further 51,508,281 shares in return for cancelling its intercompany loan account with the Company.

On 2 December 2013, the Group obtained control of Ternion (Danehurst) Limited, by acquiring 100% of the issued share capital. On 25 February 2015, Ternion (Danehurst) Limited issued a further 1,046,715,691 shares in return for cancelling its intercompany loan account with the Company.

On 29 May 2014, the Group obtained control of Leopard Guernsey Greenwich JV Limited, by obtaining 100% of the issued share capital.

The principal activity of GCP Scape East Limited, Ternion (Danehurst) Limited and Leopard Guernsey Greenwich JV Limited is the provision of student accommodation in line with the Group's investment strategy. GCP Scape East Limited, Ternion (Danehurst) Limited and Leopard Guernsey Greenwich JV Limited were acquired in order to provide Group shareholders with attractive total returns in the longer term through the potential for modest capital appreciation and regular, sustainable, long-term dividends with RPI inflation-linked income characteristics.

GCP Operations Limited was incorporated on 26 March 2014 and holds the employment contracts of the employees engaged in facilities and asset management on behalf of the Group.

GCP RHUL Limited and GCP SG Limited were incorporated on 15 November 2013 and 20 February 2014 respectively. Neither company has traded during the year ended 30 June 2015.

16. Cash and cash equivalents

	30 June 2015 £'000	30 June 2014 £'000
Cash and cash equivalents	103,821	149
Subsidiary cash and cash equivalents	2,471	3,480
	106,292	3,629

17. Trade and other receivables

	30 June 2015 £'000	30 June 2014 £'000
Prepayments	84	219

Landscaping cost recovery	-	284
Rent receivable	1,599	434
Amounts receivable from issue of C shares	16,195	-
Other receivables	805	378
Total	18,683	1,315

18. Other payables and accrued expenses

	30 June 2015 £'000	30 June 2014 £'000
Property operating expenses payable	672	802
Finance expense payable	237	241
Amounts due for C share issue costs	2,499	-
Other expenses payable	1,411	1,169
Trade and other payables	4,819	2,212
Deferred income	2,442	2,028
Total	6,665	4,240

19. Interest-bearing loans and borrowings

	30 June 2015 £'000	30 June 2014 £'000
Loans drawn down at the start of the year	40,000	-
Initial loan transferred on the acquisition of GCP Scape East Limited on 20 May 2013	-	57,779
Part repayment of initial loan	-	(32,645)
Further loan drawn down following acquisition of Ternion (Danehurst) Limited on 2 December 2013	-	13,500
Further loan drawn down following acquisition of Leopard Guernsey Greenwich JV Limited on 29 May 2014	-	1,366
Total loans drawn down	40,000	40,000
Loan arrangement fees	(655)	(655)
Loan arrangement fees amortised to date	224	111
	39,569	39,456

At 30 June 2015, the interest rate on the loans was 2.59% (2014: £25.1 million and £13.5 million was 3.027% with the interest rate on the loan of £1.4 million being 3.004%).

The Group uses gearing to enhance returns over the long term. The level of gearing is governed by careful consideration of the cost of borrowing and the Group uses hedging or otherwise seeks to mitigate the risk of interest rate increases. Gearing, represented by borrowings as a percentage of gross assets, will not exceed 55% at the time of investment. It is the Directors' current intention to target gearing of less than 30% of gross assets in the long term and to comply with the REIT condition relating to the ratio between the Group's 'property profits' and 'property finance costs'.

The debt facility includes loan-to-value of and interest cover covenants that are measured at a Group level and the Group has maintained significant headroom against all measures throughout the financial period. The Group is in full compliance with all loan covenants at 30 June 2015.

For the purposes of the AIFMD, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its net asset value and is calculated under the gross and commitment methods, in accordance with AIFMD.

The Company is required to state its maximum and actual leverage levels, calculated as prescribed by the AIFMD as at 30 June 2015, figures are as follows:

Leverage exposure	Maximum limit	Actual exposure
Gross method	55%	22.6%
Commitment method	55%	22.6%

20. Financial derivatives and hedging

Consolidated only	Hedged	Maturity	30 June	30 June 2014

	amount £'000		2015 Total £'000	Total £'000
Interest rate swap at fair value:	20,000	02/05/2017		
Fair value at start of period			47	-
Change in valuation			(261)	47
Fair value of financial derivatives			(214)	47

Cash flow hedges

The Group has entered into interest rate swap contracts with notional amounts of £20 million whereby it pays a fixed rate of interest of 1.440% and receives a variable rate based on three-month LIBOR on the notional amount. The swap is used to hedge the exposure to the variable interest rate payments on the variable rate element of the Group's secured loans.

The fair value of the interest rate swap at the end of the reporting period was a liability of £214,000 (2014: asset of £47,000).

The above financial derivatives are classified in Level 2 in the fair value hierarchy under IFRS 13.

21. C shares: financial liability

	30 June 2015 £'000	30 June 2014 £'000
Proceeds from the issue of C shares	120,000	-
Issue costs	(2,575)	-
Amortisation of issue costs	30	-
Amortisation of C share financial liability	(33)	-
Value at end of the year	117,422	-

On 25 June 2015, the Company announced the issue of 120,000,000 C shares, issued at £1 per share. C shares are convertible redeemable preference shares. The shares are listed on the SFM of the London Stock Exchange and dealing commenced on 30 June 2015.

The funds have been raised in order to finance a number of property acquisitions.

Under IAS 32 Financial Instruments Presentation, the C shares meet the definition of a financial liability rather than equity and are presented in the financial statements as a liability of the Company carried at amortised cost.

Whilst the C shares are in issue, the results, assets and liabilities attributable to the C shares are accounted for in a separate pool to the results, assets and liabilities of the ordinary shares. A share of fund level expenses for the period the C shares have been in issue has been allocated to the C shares based on the net assets of each share class pool.

The value of the C shares at 30 June 2015 is £117,422,000 representing 97.85 pence per share.

Results of the C share pool for the period to 30 June 2015 are below.

Holders of C shares are not entitled to receive notice of, attend, speak or vote at general meetings of the Company.

	30 June 2015 £'000	30 June 2014 £'000
Proceeds from the issue of C shares	120,000	-
Issue costs	(2,575)	-
Fund expenses allocated to the C shares	(3)	-
Total	117,422	-

The C share pool is represented by the following assets and liabilities contained within the statement of financial position:

	30 June 2015 £'000	30 June 2014 £'000
Share proceeds receivable	16,195	-
Cash and cash equivalents	103,784	-
Amounts payable for C share issue costs	(2,499)	-
Amounts payable to ordinary share pool	(58)	-

Total	117,422	-

22. Share capital

	30 June 2015 £'000	30 June 2014 £'000
Issued and fully paid:		
At the start of the period	1,099	-
Issued during period 109,910,427 ordinary shares of £0.01 each	-	1,099
Balance at the end of the period	1,099	1,099

The share capital comprises one class of ordinary shares. At general meetings of the Company, ordinary shareholders are entitled to one vote on a show of hands and on a poll, to one vote for every share held. There are no restrictions on the size of a shareholding or the transfer of shares, except for the UK REIT restrictions.

23. Share premium

	30 June 2015 £'000	30 June 2014 £'000
At the start of the period	39,937	-
Issued on admission to trading on the SFM and the CISEA on 20 May 2013	-	69,399
Share issue costs at 20 May 2013	-	(1,921)
Share premium cancelled on 31 July 2013	-	(67,358)
Issued on 28 May 2014	-	41,602
Share issue costs at 28 May 2014	9	(1,785)
Balance at the end of the period	39,946	39,937

The credit of £9,000 represents a change in the estimated share issue costs accrued at 30 June 2014.

24. Capital and Reserves

Share capital

Share capital is the nominal amount of the Company's ordinary shares in issue.

Share premium

Share premium relates to amounts subscribed for share capital in excess of nominal value less associated issue costs of the subscriptions. On 31 July 2013, the Company by way of Special Resolution cancelled the then value of its share premium account, by an Order of the High Court of Justice, Chancery Division. As a result of this cancellation, £67.4 million was transferred from share premium to retained earnings in the financial period ended 30 June 2014.

Share premium comprises the following cumulative amounts:

	30 June 2015 £'000	30 June 2014 £'000
Issue of share capital	111,001	111,001
Share issue costs	(3,697)	(3,706)
Share premium cancelled	(67,358)	(67,358)
Share premium	39,946	39,937

Hedge reserve

The hedge reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments.

Retained earnings

Retained earnings represent the profits of the Group and other distributable amounts less dividends paid to date. It should be noted that unrealised gains on the revaluation of investment properties contained within this reserve are not distributable until the gains crystallise on the sale of the investment property.

Retained earnings comprise the following cumulative amounts:

	30 June 2015 £'000	30 June 2014 £'000
Share premium cancelled	67,358	67,358

Total unrealised gains on investment properties	30,670	5,010
Total revenue profits	8,320	2,699
Total dividends paid to date	(9,450)	(3,295)
Retained earnings	96,898	71,772

25. Net asset value per share

Basic NAV per share amounts are calculated by dividing net assets in the statement of financial position attributable to ordinary equity holders of the Company by the number of ordinary shares outstanding during the period. As there are no dilutive instruments outstanding, basic and diluted NAV per share are identical. The following reflects the net asset and share data used in the basic and diluted NAV per share computations:

	30 June 2015	30 June 2014
Net assets attributable to ordinary shareholders (for calculation of EPRA NNNAV) (£'000)	137,729	112,855
Financial derivative (£'000)	214	(47)
Adjusted net assets for calculation of EPRA NAV (£'000)	137,943	112,808
Number of shares in issue	109,910,428	109,910,428
EPRA NNNAV (pence per share)	125.31	102.68
EPRA NAV (pence per share)	125.51	102.64

26. Fair value

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values.

The fair value of cash and short-term deposits, trade receivables, trade payables, and other current liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

Interest bearing loans and borrowings and the liability due to the C share pool are disclosed at amortised cost.

C shares are actively traded on the SFM. At 30 June 2015, the share price was 105.25 pence per share, the fair value (Level 1 in the fair value hierarchy) of the C shares being £126,300,000 compared to the amortised cost value of £ 117,422,000. The amortised cost value of the C share pool equates to the net asset value of the C shares which the Directors consider is the most appropriate way to disclose the liability within the financial statements.

The fair values of the derivative interest rate swap contracts are estimated by discounting expected future cash flows using current market interest rates yield curves and performance risk over the remaining term of the instrument.

Valuation of investment property is performed by Knight Frank LLP, an accredited external valuer with recognised and relevant professional qualifications and recent experience of the location and category of the investment property being valued, however the valuations are the ultimate responsibility of the Directors.

The valuation of the Company's investment property at fair value is determined by the external valuer on the basis of market value in accordance with the internationally accepted RICS Valuation - Professional Standards (incorporating the International Valuation Standards).

The determination of the fair value of investment property requires the use of estimates such as future cash flows from assets (such as lettings, tenants' profiles, future revenue streams, capital values of fixtures and fittings, plant and machinery, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets.

The following tables show an analysis of the fair values of financial instruments recognised in the statement of financial position by level of the fair value hierarchy*:

	30 June 2015			
Assets and liabilities measured at fair value	Level 1 £'000	Level 2 £'000	Level 3 £'000	Level 4 £'000
Investment properties	-	-	177,220	177,220
Financial derivatives	-	(214)	-	(214)
	-	(214)	177,220	177,006

30 June 2014

Assets and liabilities measured at fair value	Level 1 £'000	Level 2 £'000	Level 3 £'000	Level 4 £'000
Investment properties	-	-	151,560	151,560
Financial derivatives	-	47	-	47
	-	47	151,560	151,607

* Explanation of the fair value hierarchy:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 - use of a model with inputs (other than quoted prices included in Level 1) that are directly or indirectly observable market data; and
Level 3 - use of a model with inputs that are not based on observable market data.

Sensitivity analysis to significant changes in unobservable inputs within Level 3 of the hierarchy

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy of the Group's portfolio of investment property are:

* ERV;
* rental growth;
* tenancy period;
* sundry income;
* facilities management cost; and
* initial yield.

Significant increases/(decreases) in the ERV (per sq ft p.a.) and rental growth p.a. in isolation would result in a significantly higher/(lower) fair value measurement. Significant increases/(decreases) in the long-term vacancy rate and discount rate (and exit or yield) in isolation would result in a significantly lower/(higher) fair value measurement.

Generally, a change in the assumption made for the ERV (per sq ft p.a.) is accompanied by:

* a similar change in the rent growth p.a. and discount rate (and exit yield); and
* an opposite change in the long-term vacancy rate.

The following table analyses:

* the fair value measurements at the end of the reporting period;
* a description of the valuation techniques applied;
* the inputs used in the fair value measurement, including the ranges of rent charged to different units within the same building; and
* for Level 3 fair value measurements, quantitative information about significant unobservable inputs used in the fair value measurement.

Class	Fair value	Valuation technique	Key unobservable inputs	Range
Student property 30 June 2015	£177,220,000	Income capitalisation	ERV - 2014/15	£180 - £340 per week
			Rental growth	2.5% - 3.0%
			Tenancy period	51 weeks
			Sundry income	£100 per bed per annum
			Facilities management cost	£1,800 - £2,000 per bed per annum
			Initial yield	5.12% - 5.75% blended (4.85% - 7.50%)
Student property 30 June 2014	£151,560,000	Income capitalisation	ERV - 2013/14	£180 - £304 per week
			Rental growth	2.5% - 3.0%
			Tenancy period	51 weeks
			Sundry income	£100 per bed per annum
			Facilities management cost	£1,800 - £1,950 per bed per annum
			Initial yield	5.79% - 6.23% blended (5.34% - 7.50%)

Gains and losses recorded in profit or loss for recurring fair value measurements categorised within Level 3 of the fair value hierarchy amount to £ 25,660,000 and are presented in the income statement in line item 'fair value gains on investment properties'.

All gains and losses recorded in profit or loss for recurring fair value measurements categorised within Level 3 of the fair value hierarchy are attributable to changes in unrealised gains or losses relating to investment property held at the end of the reporting period.

The carrying amount of the Company's assets and liabilities, except for the liability to the C shareholders, is considered to be the same as their fair value.

27. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, are the

liability due to the C shareholders, loans and borrowings. The main purpose of the Company's loans and borrowings is to finance the acquisition of the Company's property portfolio. The Company has trade and other receivables, trade and other payables and cash and short-term deposits that arise directly from its operations.

The Company is exposed to market risk, interest rate risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

Market risk

Market risk is the risk that the fair values of financial instruments will fluctuate because of changes in market prices. The derivative financial instruments held by the Company are all fixed terms at fixed rates with the floating elements hedged on 50% of total borrowings. The Company's exposure to market risk is limited to the remaining 50% which is not hedged.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. To manage its interest rate risk, the Group enters into interest rate swaps to hedge the exposure to floating rate movements. At 30 June 2015, the floating interest rate receivable on the swap was 0.5678% (2014: 0.5090%), whilst the swap interest payable is fixed at a rate of 1.440%. At 30 June 2015, 50% of the Company's floating rate borrowings were hedged.

With all other factors remaining constant, if interest rates were to increase by 1%, profit before tax would decrease by £200,000 p.a. due to the increase in finance costs.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its leasing activities and its financing activities, including deposits with banks and financial institutions and derivatives.

Credit risk is managed by requiring tenants to pay rentals in advance. The credit quality of the tenant is assessed at the time of entering into a lease agreement. Outstanding tenants' receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset.

The following table analyses the Group's exposure to credit risk:

	30 June 2015 £'000	30 June 2014 £'000
Deposit account	308	956
Cash and cash equivalents	106,292	3,629
Financial derivatives	-	47
Trade and other receivables	18,683	1,315
	125,283	5,947

The deposit account, cash and cash equivalents and the financial derivatives are held with Barclays Bank PLC which holds an A credit rating.

Liquidity risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Group could be required to pay its liabilities earlier than expected. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Year ended 30 June 2015	On demand £'000	Less than three months £'000	Three to twelve months £'000	One to two years £'000	Two to five years £'000	Total £'000
Loans	-	259	771	1,028	41,855	43,913
Trade and other payables	-	2,866	1,953	-	-	4,819
Retention account	-	-	-	308	-	308
Derivative financial instruments	-	44	131	146	-	321

	-	3,169	2,855	1,482	41,855	49,361

Period ended 30 June 2014	On demand £'000	Less than three months £'000	Three to twelve months £'000	One to two years £'000	Two to five years £'000	Total £'000
Loans	-	303	908	1,211	43,403	45,825
Trade and other payables	-	1,714	498	-	-	2,212
Retention account	-	-	-	956	-	956
	-	2,017	1,406	2,167	43,403	48,993

The disclosed amounts for financial derivatives in the above table are the net undiscounted cash flows.

28. Capital management

The Group's capital is represented by share capital, reserves, borrowings and the amounts due to the C shareholders.

The primary objective of the Group's capital management is to ensure that it remains within its quantitative banking covenants and maintains a strong credit rating. No changes were made in the objectives, policies or processes during the period.

The Group may use gearing to enhance returns over the long term. The level of gearing will be governed by careful consideration of the cost of borrowing and the Group may use hedging or otherwise seek to mitigate the risk of interest rate increases. Gearing, represented by borrowings as a percentage of gross assets, will not exceed 55% at the time of investment. It is the Directors' current intention to target gearing of less than 30% of gross assets in the long term and to comply with the REIT condition relating to the ratio between the Group's 'property profits' and 'property finance costs'. As at the year end, the Group was operating with a property loan-to-value of 22.6% (30 June 2014: 26.7%).

During the year, the Group did not breach any of its loan covenants, nor did it default on any other of its obligations under its loan agreements.

29. Related party transactions

As defined by IAS 24 Related Party Disclosures, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Subsidiaries

GCP Student Living plc as at 30 June 2015 owns a 100% controlling stake in GCP Scape East Limited, Ternion (Danehurst) Limited, GCP Operations Limited, Leopard Guernsey Greenwich JV Limited, LGGL Limited, LGGL2 Limited, GCP RHUL Limited and GCP SG Limited respectively.

Directors

The Directors (all non-executive Directors) of the Company and subsidiaries are considered to be the key management personnel of the Group. Directors' remuneration for the year totalled £101,000 (period from 26 February 2013 to 30 June 2014: £68,000) and at 30 June 2015, a balance of £11,000 (2014: £6,000) was outstanding. Further information is given in note 6.

Investment Manager

The Company is party to an investment management agreement with the Investment Manager, pursuant to which the Company has appointed the Investment Manager to provide investment management services relating to the respective assets on a day-to-day basis in accordance with their respective investment objectives and policies, subject to the overall supervision and direction of the Board of Directors.

For its services to the Company, the Investment Manager receives an annual fee at the rate of 1.0% of the net asset value of the Company (or such lesser amount as may be demanded by the Investment Manager at its own absolute discretion). During the year, the Group incurred £1,286,000 (period from 26 February 2013 to 30 June 2014: £829,000) in respect of investment management fees and expenses which is included within administration expenses in the consolidated income statement and at 30 June 2015 £368,000 (2014: £215,000) was outstanding.

With effect from 22 July 2014, the Company's Investment Manager was authorised as an AIFM by the FCA under the AIFMD regulations. The Company has provided disclosures on its website, www.gcpuk.com/gcp-student-living-plc, incorporating the requirements of the AIFMD regulations.

All authorised AIFMs are required to comply with the AIFMD Remuneration Code. The FCA's General Guidance on the AIFM Remuneration Code has established that the first full performance year will not commence until 1 July 2015. Accordingly there is no data to disclose in respect of the remuneration of the

AIFM for the year ended 30 June 2015.

The tables below disclose the transactions and balances between the Company and subsidiary entities:

Transactions	30 June 2015 £'000	30 June 2014 £'000
Recharges of fund level expenses to:		
GCP Scape East Limited	384	479
Ternion (Danehurst) Limited	39	66
Leopard Guernsey Greenwich JV Limited	192	22
GCP Operations Limited	17	-
Share capital issued in exchange for repayment of loans:		
GCP Scape East Limited	51,508	-
Ternion (Danehurst) Limited	10,467	-

Balances	30 June 2015 £'000	30 June 2014 £'000
Loan balances included within bookcost:		
GCP Scape East Limited	-	71,533
Ternion (Danehurst) Limited	-	10,748
LGGL Limited	962	962
LGGL2 Limited	637	637
Leopard Guernsey Greenwich JV Limited	29,846	29,846
Other intercompany balances due from/(to):		
GCP Scape East Limited	(721)	(17,355)
Ternion (Danehurst) Limited	(23)	294
LGGL2 Limited	304	67
Leopard Guernsey Greenwich JV Limited	(1,602)	1,554
GCP Operations Limited	11	7

30. Events after the reporting period

On 7 September 2015, the Company announced that it had completed the acquisition of Scape Surrey, a purpose-built, private student accommodation residence completed for the 2015/16 academic year with 141 beds and 2,000 sq ft of communal space, for a purchase price of c.£18.9 million. The acquisition of Scape Surrey was funded from the proceeds of the recent C share issue and was allocated to the asset portfolio financed by the C share equity capital.

On 25 September 2015, the Company announced that it had completed the acquisition of The Pad 2, located adjacent to Royal Holloway, University of London. The Pad 2 is a purpose-built, private student accommodation residence completed for the 2015/16 academic year with 104 studios and associated communal areas, study spaces and lounge facilities, for a purchase price of £ 16.1 million. The acquisition of The Pad 2 was funded from the proceeds of the recent C share issue, and was allocated to the asset portfolio financed by the C share equity capital.

On 25 September 2015, the Company announced that it had entered into significantly improved new financing arrangements with a new lender, Pricoa Mortgage Capital, which on completion of the acquisition of Scape Shoreditch replaced the Company's existing facility with Barclays Bank PLC. The Company secured a facility for up to £130 million of borrowings at a rate of 3.07% with Pricoa Mortgage Capital which is set to mature in September 2024. The Company drew down c.£130 million under the new facility to finance the acquisition of Scape Shoreditch and refinance the existing assets and Barclays facility.

On 30 September 2015, the Company announced that it had completed the acquisition of Scape Shoreditch, a purpose-built, private student accommodation residence completed for the 2015/16 academic year located in a prime London location in Shoreditch, for a purchase price of £166 million. The building comprises 541 studio bedrooms, c.10,000 sq ft of communal areas and c.49,000 sq ft of commercial facilities. The acquisition of Scape Shoreditch was funded from the proceeds of the recent C share issue and the new banking facility and was allocated to the asset portfolio financed by the C share equity capital.

31. Ultimate controlling party

It is the view of the Directors that there is no ultimate controlling party.

Company statement of financial position

As at 30 June 2015

	Notes	30 June 2015 £'000	30 June 2014 £'000
Assets			
Non-current assets			
Investment in subsidiary companies	3	140,492	129,020
		140,492	129,020
Current assets			
Cash and cash equivalents	4	103,821	149
Trade and other receivables	5	16,216	3,484
		120,037	3,633
Total assets		260,529	132,653
Liabilities			
Current liabilities			
Trade and other payables	6	(5,378)	(19,798)
Financial liabilities at amortised cost		(117,422)	-
		(122,800)	(19,798)
Total liabilities		(122,800)	(19,798)
Net assets		137,729	112,855
Equity			
Share capital		1,099	1,099
Share premium		39,946	39,937
Retained earnings		96,684	71,819
Total equity		137,729	112,855
Number of shares in issue		109,910,428	109,910,428
NAV per share (pps)	7	125.31	102.68

These financial statements were approved by the Board of Directors of GCP Student Living plc on 30 September 2015 and signed on its behalf by:

Robert Peto
Chairman
Company number: 08420243

The accompanying notes form an integral part of these Company financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2015

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
Balance at 1 July 2014	1,099	39,937	71,819	112,855
Profit for the period	-	-	31,020	31,020
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	31,020	31,020
Share issue costs	-	9	-	9
Dividends	-	-	(6,155)	(6,155)
Balance at 30 June 2015	1,099	39,946	96,684	137,729

The accompanying notes form an integral part of these Company financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
For the period 26 February 2013 to 30 June 2014

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000

Profit for the period	-	-	7,756	7,756
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	7,756	7,756
Ordinary shares issued	1,099	111,001	-	112,100
Share issue costs	-	(3,706)	-	(3,706)
Share premium cancelled on 31 July 2013	-	(67,358)	67,358	-
Dividends	-	-	(3,295)	(3,295)
Balance at 30 June 2014	1,099	39,937	71,819	112,855

The accompanying notes form an integral part of these Company financial statements.

COMPANY STATEMENT OF CASH FLOWS
For the year ended 30 June 2015

	Notes	30 June 2015 £'000	30 June 2014 £'000
Cash flows from operating activities			
Operating profit		31,023	8,504
Adjustments to reconcile profit for the period to net cash flows:			
Gains from change in fair value of investment properties		-	(1,040)
Gains from change in fair value of subsidiary properties		(32,642)	(5,042)
Costs reclassified as capital		(145)	-
Corporation tax paid		(7)	-
Recharges made to subsidiary companies		(631)	(566)
Decrease/(increase) in other receivables and prepayments		154	(159)
Increase in other payables and accrued expenses		420	287
Net cash flow generated from operating activities		(1,828)	1,984
Cash flows from investing activities			
Acquisition of investment properties		-	(35,221)
Acquisition of subsidiaries, net of cash acquired		349	(51,944)
Net cash used in investing activities		349	(87,165)
Cash flows from financing activities			
Proceeds from issue of ordinary share capital		-	112,100
Share issue costs		(47)	(3,571)
Proceeds from the issue of C shares		103,805	-
C share issue costs		(76)	-
Cash received from subsidiary companies		7,613	13,370
Part repayment of initial loan		-	(32,645)
Finance income		2	2
Finance expenses		(1)	(750)
Dividends paid in the period		(6,145)	(3,176)
Net cash flow generated from financing activities		105,151	85,330
Net increase in cash and cash equivalents		103,672	149
Cash and cash equivalents at start of the period		149	-
Cash and cash equivalents at end of the period		103,821	149

The accompanying notes form an integral part of these Company financial statements.

Notes to the Company financial statements
For the year ended 30 June 2015

1. General information

GCP Student Living plc is a closed-ended investment company incorporated in the UK on 26 February 2013. The registered office of the Company is located at 51 New North Road, Exeter EX4 4EP. The Company's shares trade on the SFM.

2. Basis of preparation

These financial statements are prepared in accordance with IFRS issued by the IASB as adopted by the European Union. The financial statements have been prepared under the historical cost convention, except for investment property, investments in subsidiaries and derivative financial instruments that have been measured at fair value. The audited financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000), except when otherwise indicated.

These financial statements are for the year ended 30 June 2015. Comparative figures are for the previous accounting period which is a longer period from 26 February 2013 to 30 June 2014.

The Company has taken advantage of the exemption in section 408 of the Companies Act 2006 not to present its own income statement or statement of comprehensive income.

The financial statements of the Company follow the accounting policies laid out above.

3. Investment in subsidiary companies

	30 June 2015 £'000	30 June 2014 £'000
At the beginning of the period	129,020	-
Value of assets transferred down to a subsidiary	-	71,534
Purchase of subsidiary companies	-	52,444
Reduction in purchase costs	(864)	-
Total acquisitions	(864)	123,978
Fair value gains on the revaluation of subsidiary companies	12,336	5,042
Total	140,492	129,020

The reduction in purchase costs represents a reduction in the purchase cost as agreed with the vendors and return of escrow balances.

4. Cash and cash equivalents

	30 June 2015 £'000	30 June 2014 £'000
Cash and cash equivalents	103,821	149
	103,821	149

5. Trade and other receivables

	30 June 2015 £'000	30 June 2014 £'000
Prepayments and other receivables	10	159
Amounts receivable from the issue of C shares	16,195	-
Amounts receivable from subsidiary companies	11	3,325
Total	16,216	3,484

6. Other payables and accrued expenses

	30 June 2015 £'000	30 June 2014 £'000
Amounts due on C share issue costs	2,499	-
Amounts to subsidiary companies	2,042	18,756
Other expenses payable	837	1,042
Total	5,378	19,798

7. NAV

Basic NAV per share amounts are calculated by dividing net assets in the

statement of financial position attributable to ordinary equity holders of the Company by the number of ordinary shares outstanding during the period. As there are no dilutive instruments outstanding, basic and diluted NAV per share are identical. The following reflects the net asset and share data used in the basic and diluted NAV per share computations:

	30 June 2015	30 June 2014
Net assets attributable to ordinary shareholders (£'000)	137,729	112,855
Number of shares in issue	109,910,428	109,910,428
NAV (pence per share)	125.31	102.68

ANNUAL GENERAL MEETING

The Company's Annual General Meeting will be held at the offices of Wragge Lawrence Graham & Co LLP, 4 More London Riverside, London SE1 2AU on Thursday, 3 December 2015 at 12.00 noon.

The notice of this meeting can be found in the full annual report and financial statements at www.gcpuk.com/gcp-student-living-plc.

NATIONAL STORAGE MECHANISM

A copy of the annual report and financial statements will be submitted shortly to the National Storage Mechanism ("NSM") and will be available for inspection at the NSM, which is situated at www.morningstar.co.uk/uk/NSM.

GLOSSARY OF KEY TERMS

AIF	Alternative Investment Fund
AIFM	Alternative Investment Fund Manager
AIFMD	Alternative Investment Fund Managers' Directive
BARCLAYS	Barclays Bank PLC
CISEA	Channel Islands Securities Exchange Authority Limited
COMPANY	GCP Student Living plc
COST OF BORROWING	Cost of borrowing expressed as a percentage weighted according to period drawn down
CRM	Corporate Residential Management Limited
C SHARES	Convertible redeemable preference shares of one pence each in the capital of the Company
CTA	Corporation Tax Act 2010
EPRA	European Public Real Estate Association
EPRA EPS	Recurring earnings from core operational activities excluding movements relating to revaluation of investment properties and interest rate swaps and the related tax effects, divided by the number of shares in issue
EPRA NAV PER SHARE	EPRA net asset value - includes all property at market value but excludes the mark to market of interest rate swaps
EPRA NNNAV PER SHARE	As EPRA NAV but includes interest rate swaps carried at market value
EPS	Earnings per share
ERV	Estimated rental value
FRI	Full repairing and insuring
GHG	Greenhouse gas
GROUP	GCP Student Living plc and its subsidiaries
HEI	Higher education institution
HMRC	HM Revenue & Customs
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
IPO	Initial public offering
ISA	Individual Savings Account
LOAN-TO-VALUE	Net debt expressed as a percentage of net assets excluding net debt

NAV	Net asset value
NON-PID	Non-property income distribution
PID	Property income distribution
PORTFOLIO TOTAL RETURN	Unleveraged weighted capital and income return of the investment portfolio weighted by net rental income
PPS	Pence per share
QMUL	Queen Mary University of London
REIT	Real estate investment trust
RHUL	Royal Holloway University of London
RICS	Royal Institution of Chartered Surveyors
RPI	Retail price index
SCAPE	Scape Student Living Limited - Asset Manager for Scape East and Scape Greenwich
SFM	London Stock Exchange (Specialist Fund Market)
SIPP	Self-invested personal pension
SSAS	Small self-administered scheme
TOTAL SHAREHOLDER RETURN	Share price growth with dividend deemed to be reinvested on the dividend date
UCAS	Universities and Colleges Admissions Service
UKLA	United Kingdom Listing Authority
UK CODE	UK Code of Corporate Governance

ENDS

Neither the contents of GCP Student Living plc's website nor the contents of any website accessible from hyperlinks on the website (or any website) is incorporated into, or forms part of, this announcement.