VICTUS EUROPEAN STUDENT ACCOMMODATION FUND IC LIMITED
the 'Fund')

Registered Number 56015
Registered Office: 11 New Street, St Peter Port, Guernsey, GY1 2PF

Fund Update – October 2020

Dear Investors

Please find attached the financial statements as of 31 August 2019.

Distributions
The Board announced a compulsory pro rata redemption of shares as at the 31 December 2019 which returned £10,000,000 to investors.

The Board announced an intention for a further £15,000,000 distribution to investors of which £10,000,000 was distributed to investors in July 2020 with the balance to be distributed following the conclusion of the European entity's financial statements audits.

Whilst the Board are pleased to release the financial statements of the Fund the European entities are in the process of finalising their audits and filings.

Please note, that to ensure the orderly wind down of the structure the entities will need to be finalised from the bottom up. In Germany the property holding companies were sold with the properties removing this requirement. In France the properties were sold leaving the companies to be wound down followed by the companies in Belgium and Luxembourg.

Following the conclusion of these entities statutory filings the Board will consider releasing the balance to investors.

Liquidation Update
The Board are negotiating with a liquidator to be appointed over the group of companies. The Board will update you in due course on their appointment.

All enquiries should be forwarded to the Fund's registered office, which is located at the above address.

Yours faithfully
For and on behalf of the Board of Directors
Victus European Student Accommodation Fund IC Limited

from the use of this information. The information is expressed at its date and is issued only to and directed only at those individuals who are permitted to receive such information in accordance with Guernsey laws and regulations. In some countries the distribution of this publication may be restricted and it is your responsibility to find out what those restrictions are and observe them. Victus Capital cannot be liable for a breach of such restrictions. Please always refer to the Fund's prospectus. Vistra Guernsey as administrator is licensed by the Guernsey Financial Services Commission (the "**Commission**"). The Commission has not reviewed this document and does not vouch for the financial soundness of the Fund or for the correctness of any of the statements made or opinions expressed with regard to it. This publication is directed solely at professional investors and not retail investors. Investors of the Fund are not eligible for the payment of any compensation under the Collective Investment Scheme (Compensation of Investors) Rules 1988 made under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended.

The domicile of the Fund is Guernsey

The Legal Representative of the Fund in Switzerland is: OpenFunds Investment Services AG, Seefeldstrasse 35, CH-8008 Zurich
Publications in respect of the Shares are effected on the electronic platform www.fundinfo.com
The Paying Agent in Switzerland is Società Bancaria Ticinese SA, Piazza Collegiata 3, 6501 Bellinzona.
Tel.: +41 91 821 51 21. Fax: +41 91 825 66 18. web: www.bancaria.ch.

Victus European Student Accommodation Fund IC Limited
(Registered number: 56015)

Annual Report and Audited Consolidated Financial Statements

For the year ended 31 August 2019

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Officers and Professional Advisors

Directors
Kerry-Anne Marais
Edward Kisala
Mark McNicholas

Registered Office
11 New Street
St Peter Port
Guernsey
GY1 2PF

Designated Manager, Administrator, Registrar and Secretary
Vistra Fund Services (Guernsey) Limited
11 New Street
St Peter Port
Guernsey
GY1 3PF

Property Manager (up until 16 May 2019)
Prime Student Living Limited
Manchester International Office Centre
Suite 3D
Styal Road
Manchester
M22 5WB

Property Advisor
Crosslane Property Advisor (Guernsey) Limited
Second Floor
La Plaiderie Chambers
La Plaiderie
St Peter Port
Guernsey
GY1 1WG

Promoter
Crosslane Fund Managers LLP
Manchester International Office Centre
Suite 3D
Styal Road
Manchester
M22 5WB

Custodian and Principal Bankers
Royal Bank of Canada (Channel Islands) Limited
Canada Court
Upland Road
St Peter Port
Guernsey
GY1 3BQ

Valuation Agent - UK Portfolio
CBRE Limited
55 Temple Row
Birmingham
B2 5LS

Valuation Agent - European Portfolio
Savills (UK) Limited
33 Margaret Street
London
W1G 0JD

Legal Advisor as to the laws of Guernsey
Appleby (Guernsey) LLP
Regency Court
Glategny Esplanade
St Peter Port
Guernsey
GY1 1WW

Legal Advisor as to the laws of England
Squire Patton Boggs (UK) LLP
6 Wellington Place
Leeds
England
LS1 4AP

Tax Accountants
PricewaterhouseCoopers CI LLP
Royal Bank Place
1 Glategny Esplanade
St Peter Port
Guernsey
GY1 4ND

Independent Auditor
Saffery Champness GAT LLP
PO Box 141
La Tonnelle House
Les Banques
St Sampson
Guernsey
GY1 3HS

Company Summary

The Company	Victus European Student Accommodation Fund IC Limited (the "Company") is an open-ended investment company established as an incorporated cell of Victus Capital ICC Limited (the "ICC") under the provisions of the Companies (Guernsey) Law, 2008 as amended (the "Companies Law"). The ICC is a registered open-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, and the Registered Collective Investment Scheme Rules 2018 issued by the Guernsey Financial Services Commission.
Objective	The Company was established to take advantage of the developing European student accommodation sector and to provide investors with exposure to this evolving market. The objective of the Company was to generate long term capital appreciation which would be achieved by investing in existing purpose-built student accommodation units, the conversion or renovation of existing commercial property units into modern student accommodation and the acquisition and development of new build opportunities. On 8 July 2016, the Board agreed to an orderly wind up of the Company and therefore from this date the objective of the Company changed to ensuring a timely and efficient winding up of all assets occurs.
Management	The Property Advisor of the Company is Crosslane Property Advisor (Guernsey) Limited (the "Property Advisor"). The Property Advisor was appointed to provide all property investment advice to the Company in respect of property assets owned or to be acquired or developed. The Property Advisor is able to draw upon significant student accommodation experience in the United Kingdom ("UK") and the Directors of the Company believe that the skills, experience and track record gained in the UK are directly transferrable into the targeted European Union ("EU") markets that have been identified. On 1 July 2015, Crosslane Property Advisor (Guernsey) Limited (the "Asset Manager") and the Company entered into an agreement for the provision of asset management services and to make recommendations to the Company in line with the Company's objectives. This agreement was effective from 1 July 2015 and will continue for a period of 5 years and thereafter unless and until terminated by either the Company or the Asset Manager. The annual management fee will be £250 (or any equivalent in any other agreed currency) per room for all the assets under management.
Capital Structure	The Company can issue an unlimited number of redeemable shares of no par value subject to and in accordance with the authority contained in the Articles. The Directors may allot and issue shares as Management Shares of no par value or as Redeemable Participating Shares of no par value. The Company has one Management Share of no par value in issue. The Management Share is non-redeemable. The holder of the Management Share is entitled to one vote on a show of hands or one vote for each Management Share on a poll. The Management Share does not carry any right to dividends.
CISE Listing	The Company and the ICC were admitted to the official list of the Channel Islands Stock Exchange on 4 March 2013. On 20 December 2013, the listings transferred over to the Channel Islands Securities Exchange ("CISE"). On 22 July 2016 the Company and the ICC were delisted from the CISE. The CISE has since been re-branded as The International Stock Exchange.

Board of Directors

Edward Kisala (Independent Non-Executive Chairman)
Edward is a Chartered Surveyor with almost 30 years' experience in the European real estate industry across most asset classes, including fund, investment, asset and property management. Most recent roles include advisory and investment transaction services to a variety of clients including international funds, family offices and High Net Worth clients. Prior to this he was Head of UK and co-head Europe, for Heitman, the US based Fund Manager. His responsibility for the European Acquisitions team oversaw the investment of over €1.5 billion across Europe, negotiating numerous joint ventures and securing third party debt finance on a large proportion of transactions. Prior to Heitman, Edward was with Lend Lease where he played a key role in establishing and expanding its European operation and was primarily responsible for managing a team of acquisitions/asset management professionals/analysts investing in a €1.5 billion Global Opportunity Fund, working on a pan-European basis. His early career was mostly with DTZ where, after an early grounding in valuation, property/fund management and investment work, he established their Polish operation acting as country manager/team builder and prime business generator and executor. Edward is British and resident in Luxembourg.

Kerry-Anne Marais
Kerry-Anne graduated from Heriot Watt University in 1995 and went on to qualify as a Chartered Accountant becoming a Member of the Institute of Chartered Accountants in Scotland in 1999. Over the years Kerry-Anne has held senior positions offshore including financial controller for HSBC Private Bank (Funds), managing director of Augentius Fund Administration (Guernsey) Limited and managing director of Augentius Trust Company (Guernsey) Limited. Kerry-Anne has also acted as designated compliance officer and MLRO. She has had varied Board experience including director of a Guernsey regulated general partner to a property fund and director of a property group which was ultimately sold to a London Stock Exchange listed company. Kerry-Anne was the managing director of Crosslane Property Advisor (Guernsey) Limited. She has also obtained relevant qualifications to compliment her experience including the MLRO Diploma, Diploma in Trust creation (law and practice) and the Investment Management Certificate. She is British and resident in Guernsey.

Mark McNicholas
Mark holds an Honours degree in Economics and Politics from the University of Newcastle upon Tyne. He began his career at the Royal Bank of Scotland Group and joined its corporate real estate finance team in London in 1993. In 1999, he moved to Jersey to become head of real estate finance at Royal Bank of Scotland International based in Jersey. During his time there, Mark ran the loan book covering senior and mezzanine positions secured on commercial and residential assets located in the UK and Western Europe and was a member of the RBS Corporate Banking's real estate finance board. In 2010, Mark joined BNP Paribas Real Estate to launch the debt advisory desk which provided an independent service to Europe-wide clients of the group across the full spectrum of the real estate debt market. Mark has Board experience on listed as well as non-listed funds operating in the real estate and real estate debt sectors. He currently sits on the board of five Luxembourg registered funds that are involved in providing whole loan, mezzanine debt and preferred equity to the UK real estate market, the investment adviser for all five funds is ICG-Longbow.

Directors' Report

The Directors present their Annual Report and Consolidated Financial Statements of Victus European Student Accommodation Fund IC Limited (the "Company") together with its subsidiaries (the "Group") for the year ended 31 August 2019.

Company Status

The Company is an incorporated cell of Victus Capital ICC Limited (the "ICC"). The ICC is a Registered open-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, and the Registered Collective Investment Scheme Rules 2018 issued by the Guernsey Financial Services Commission ("GFSC"). The Company was incorporated on 13 December 2012.

The Company was admitted to the official list of the Channel Islands Stock Exchange on 4 March 2013. On 20 December 2013, the listings transferred over to the Channel Islands Securities Exchange ("CISE"). On 22 July 2016 the Company and the ICC were delisted from the CISE and a decision was made by the Board to wind up the Company together with its subsidiaries in an orderly manner. The CISE has since been re-branded as The International Stock Exchange ("TISE").

Principal Activity

The Company was established to take advantage of the developing European student accommodation sector and provide investors with exposure to this evolving market. The objective of the Company was to generate long term capital appreciation which would be achieved by investing in existing purpose-built student accommodation units, the conversion or renovation of existing commercial property units into modern student accommodation and the acquisition and development of new build opportunities. On 8 July 2016, the Board agreed to an orderly wind up of the Company and therefore from this date the objective of the Company changed to ensuring a timely and efficient winding up of all assets occurs.

To achieve its objective Crosslane Property Advisor (Guernsey) Limited (the "Property Advisor") has been appointed as the Property Advisor to the Company whilst Crosslane Fund Managers LLP (the "Promoter") is the Promoter.

Results and Dividends

The results for the year are set out in the Consolidated Statement of Comprehensive Income on page 7.

No dividends were paid or declared during the year ended 31 August 2019 (2018: £Nil). It is not intended that the Company will distribute any of its income, as such all income will be rolled up and reflected in the Net Asset Value ("NAV") of the Redeemable Participating Shares.

Break up basis

As disclosed in note 3.2 to the financial statements, the Board conducts regular assessments of Victus European Student Accommodation Fund's ("VESAF") operational and financial risks with reference to cash flow requirements, the debt position and the liquidity of its investments. Recognising that property investments are relatively illiquid, the policy of the Board is to maintain, where possible, cash balances to 10% of the net asset value as a contingency to meet ongoing and ad-hoc obligations. The Board also maintains an ongoing dialogue with property agents so that it is able to identify and act upon attractive opportunities to sell assets at above carrying value as and when those opportunities may present themselves.

Due to the uncertainty around the outcome of certain property sales and the level of cash held, the Board of Directors resolved, in 2016, that there should be an orderly wind up of the Company and its subsidiaries. As detailed in recent investor communications, all properties have now been sold. As a result, actions to wind up the company and its subsidiaries will commence in the near future.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the Consolidated Financial Statements were:

Edward Kisala (Independent Non-Executive Chairman)
Kerry-Anne Marais
Mark McNicholas

Directors' Fees and Expenses

During the year, the Directors received the following remuneration in the form of fees and expenses:

	31 August 2019 £	31 August 2018 £
Edward Kisala	**90,478**	123,925
Kerry-Anne Marais	**90,000**	90,000
James Metcalf (resigned on 23 February 2018)	**-**	25,625
Mark McNicholas (appointed on 22 March 2018)	**52,895**	20,095
	233,373	259,645

Directors' Interests

The Directors did not hold any shares in the Company during the year ended 31 August 2019 (2018: Nil), and subsequently.

Management

The Property Advisor was appointed to provide all property investment advice to the Company in respect of property assets owned or to be acquired or developed. The Property Advisor is able to draw upon significant UK student accommodation experience and the Directors of the Company believe that the skills, experience and track record gained in the United Kingdom ("UK") are directly transferrable into the targeted European Union ("EU") markets that have been identified. On completion of the final property sales, the Property Advisor currently has no role in advising the company.

Directors' Report (continued)

Corporate Governance
It is the Company's policy to follow best practice on good corporate governance applicable to the Company in line with the Code of Corporate Governance, issued by the GFSC.

Anti-Bribery and Corruption

The Company adheres to the requirements of the Prevention of Corruption (Bailiwick of Guernsey) Law, 2003. In consideration of the UK Bribery Act 2010 which came into force on 1 July 2011, the Board abhors bribery and corruption of any form and expects all the Company's business activities to be undertaken, whether directly by the Directors themselves or on the Company's behalf by third parties, to be transparent, ethical and beyond reproach.

Foreign Account Tax Compliance Act ("FATCA")
FATCA became effective on 1 January 2013. The legislation is aimed at determining the ownership of assets of US persons in foreign accounts and improving US tax compliance with respect to those assets. The States of Guernsey has entered into an intergovernmental agreement ("IGA") with US Treasury in order to facilitate the requirements under FATCA. The Board can confirm the Company complies with FATCA's requirements.

Alternative Investment Fund Managers Directive ("AIFMD")
The AIFMD, which was implemented across the EU on 22 July 2013 with the transition period ending 22 July 2014, aims to harmonise the regulation of Alternative Investment Fund Managers ("AIFMs") and imposes obligations on managers who manage or distribute Alternative Investment Funds ("AIFs") in the EU or who market shares in such funds to EU investors.

The Company is classified as a Non-EU Alternative Investment Fund ("Non-EU AIF") under AIFMD. The Company is self managing and therefore also acts as its own AIFM. However, by virtue of its size, the Company is deemed sub-threshold and is therefore exempt from the provisions of the AIFMD.

Independent Auditor
Saffery Champness GAT LLP has expressed its willingness to continue in office. A resolution to re-appoint Saffery Champness GAT LLP as Independent Auditor of the Company will be proposed at the next Annual General Meeting.

Secretary
Vistra Fund Services (Guernsey) Limited held the office of Secretary during the year since their appointment, and subsequently resigned with effect from 24 March 2017. They will continue in office until a replacement has been found.

Directors' Responsibilities Statement
The Directors are responsible for preparing the Annual Report and the Consolidated Financial Statements in accordance with applicable Guernsey law and generally accepted accounting principles.

Guernsey company law requires the Directors to prepare Financial Statements for each financial period. Under that law, the Directors have elected to prepare the Consolidated Financial Statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and applicable law.

Under Guernsey company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year.

In preparing these Consolidated Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRS as adopted by the EU have been followed, subject to any material departures disclosed and explained in the Consolidated Financial Statements; and
- prepare the Consolidated Financial Statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group'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 (Guernsey) Law, 2008 and The Protection of Investors (Bailiwick of Guernsey) Law, 1987. 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.

The Directors confirm that so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware and each Director has taken all of the steps that they ought to have taken, to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

On behalf of the Board

K Marais

Director

Date: 9 October 2020

Independent Auditor's Report
to the Members of Victus European Student Accommodation Fund IC Limited

Opinion
We have audited the consolidated financial statements of Victus European Student Accommodation Fund IC Limited and its subsidiaries (together the "group") for the year ended 31 August 2019 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, Consolidated Statement of Cash Flows and notes to the consolidated financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the Consolidated Financial Statements:

- give a true and fair view of the state of affairs of the group as at 31 August 2019 and of the group's loss for the year then ended; and
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

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

Emphasis of matter – going concern
Without modifying our opinion, we draw your attention to the disclosures made in Note 3.2 of the financial statements which describes the basis of preparation. At the end of the 2016 financial year, the group's cash balance was approximately 0.3% of net assets and there was uncertainty surrounding property sales. As a result, the directors resolved for an orderly wind-up of the group's operations. At the 2019 year-end, all properties had been, or were in the process of being, sold and the formal liquidation process is expected to commence shortly. Accordingly, the financial statements have been prepared on a non-going concern basis.

Our opinion is not modified in respect of this matter.

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the parent company; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- we have failed to obtain all the information and explanations, which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of directors
As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

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

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

Use of our report
This report is made solely to the parent company's members, as a body, in accordance with section 262 of The Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and their members as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness GAT LLP
Chartered Accountants
Date: 9 October 2020

Consolidated Statement of Comprehensive Income
for the year ended 31 August 2019

	Notes	31 August 2019	31 August 2018
Discontinuing operations		£	£
Income			
Revenue	4	**4,971,640**	6,866,240
Property operating costs	11	**(2,442,945)**	(2,872,111)
Net rental income		**2,528,695**	3,994,129
Loss on disposal of investment property	16	**(2,774,502)**	-
Loss on disposal of subsidiary	17	**(3,608,799)**	-
Gain on foreign exchange		**1,256,050**	112,071
Revaluation of investment properties			
- completed investment property	16	**2,630,255**	(3,248,006)
Total income		**31,699**	858,194
Expenditure			
Administration fees	5	**192,679**	192,727
Annual management charge	6	**583,893**	583,896
Financial fees	6	**240,000**	240,000
Custodian's fees	7	**20,000**	20,009
Directors' fees and expenses	8	**236,742**	259,645
Asset manangement fees	9	**252,814**	374,350
Legal and professional fees		**837,763**	568,970
Other expenses	12	**562,614**	635,778
Total operating expenditure		**2,926,505**	2,875,375
Operating loss		**(2,894,806)**	(2,017,181)
Finance expenses	13	**(977,440)**	(1,147,952)
Loss before tax		**(3,872,246)**	(3,165,133)
Tax expense	14	**(191,426)**	(521,156)
Loss for the financial year		**(4,063,672)**	(3,686,289)
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Foreign currency translation differences		**(323,896)**	(419,271)
Other comprehensive loss for the year		**(323,896)**	(419,271)
Total comprehensive loss for the year		**(4,387,568)**	**(4,105,560)**
Attributable to:			
Holders of Redeemable Participating Shares		**(4,387,568)**	(4,105,560)
Earnings per share (basic and diluted)	15		
GBP - class A (GBP Pence per share)		**(9.23)**	(8.38)
EUR - class A (GBP Pence per share)		**(6.57)**	(5.96)
CHF - class A (GBP Pence per share)		**(6.22)**	(5.65)
USD - class A (GBP Pence per share)		**(6.07)**	(5.50)
GBP - class B (GBP Pence per share)		**(9.63)**	(8.74)
EUR - class B (GBP Pence per share)		**(6.89)**	(6.25)
CHF - class B (GBP Pence per share)		**(6.18)**	(5.61)
USD - class B (GBP Pence per share)		**(5.52)**	(5.00)

All of the items above for the years ended 31 August 2018 and 2019 derive from discontinuing operations.

The accompanying notes on pages 11 to 30 form an integral part of these Consolidated Financial Statements.

Consolidated Statement of Financial Position
As at 31 August 2019

	Notes	2019	2018
		£	£
Assets			
Completed investment property	16	**17,567,839**	80,189,869
Trade and other receivables	19	**655,747**	2,561,953
Cash and cash equivalents		**16,963,207**	449,618
Total assets		**35,186,793**	83,201,440
Equity			
Management Share	23	**1**	1
Total equity		**1**	**1**
Liabilities			
Deferred tax liabilities	14	**632,221**	668,435
Borrowings	20	**-**	36,288,956
Trade and other payables	21	**1,790,388**	9,023,248
Income tax		**729,320**	798,369
Total liabilities		**3,151,929**	46,779,008
Total liabilities (excluding net assets attributable to holders of Redeemable Participating Shares)		**3,151,929**	46,779,008
Net assets attributable to holders of Redeemable Participating Shares	24	**32,034,863**	36,422,431
Net asset value per share	24		
GBP - class A (GBP per share)		**0.7280**	0.8277
EUR - class A (GBP per share)		**0.5182**	0.5892
CHF - class A (GBP per share)		**0.4906**	0.5578
USD - class A (GBP per share)		**0.4783**	0.5466
GBP - class B (GBP per share)		**0.7592**	0.8632
EUR - class B (GBP per share)		**0.5431**	0.6175
CHF - class B (GBP per share)		**0.4872**	0.5539
USD - class B (GBP per share)		**0.4349**	0.4917

The Consolidated Financial Statements on pages 7 to 30 were approved and authorised for issue by the Board of Directors on 9 October 2020.

Signed on behalf of the Board

K Marais

Director

The accompanying notes on pages 11 to 30 form an integral part of these Consolidated Financial Statements.

Consolidated Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares for the year ended 31 August 2019

	Notes	31 August 2019 £	31 August 2018 £
Net assets attributable to holders of Redeemable Participating Shares at the beginning of the year		**36,422,431**	40,527,991
Loss for the financial year attributable to holders of Redeemable Participating Shares		**(4,063,672)**	(3,686,289)
Other comprehensive income for the year attributable to holders of Redeemable Participating Shares		**(323,896)**	(419,271)
Net assets attributable to holders of Redeemable Participating Shares at the end of the year		**32,034,863**	36,422,431

The accompanying notes on pages 11 to 30 form an integral part of these Consolidated Financial Statements.

Consolidated Statement of Cash Flows
for the year ended 31 August 2019

	Notes	31 August 2019 £	31 August 2018 £
Loss for the financial year		**(4,063,672)**	(3,686,289)
Adjustment for:			
Finance expenses	13	**977,440**	1,147,952
Taxation		**191,426**	521,156
Movement on foreign exchange		**(1,256,050)**	(112,071)
(Surplus)/deficit on revaluation of investment properties	16	**(2,630,255)**	3,248,006
Loss on disposal of investment property		**2,774,502**	-
Loss on disposal of subsidiary		**3,608,799**	-
Operating cash flows before movements in working capital		**(397,810)**	1,118,754
Decrease in trade and other receivables		**1,558,108**	430,026
(Decrease)/increase in trade and other payables		**(3,056,362)**	659,871
Taxation		**(61,011)**	(292,729)
Net cash (outflow)/inflow from operating activities		**(1,957,075)**	1,915,922
Investing activities			
Sale of investment properties		**4,707,984**	-
Net cash from sale of subsidiary		**6,629,726**	-
Subsequent expenditure on investment properties		**-**	(297,850)
Net cash inflow/(ouflow) from investing activities		**11,337,710**	(297,850)
Financing activities			
Payments on redemptions of shares		**(2,814,995)**	-
Interest and arrangement fees paid		**(700,790)**	(948,598)
Receipt of intercompany loan on sale of subsidiary		**17,078,163**	-
Net decrease in borrowings		**(6,941,756)**	(1,594,381)
Net cash inflow/(ouflow) from financing activities		**6,620,622**	(2,542,979)
Increase/(decrease) in cash and cash equivalents during the year		**16,001,257**	(924,907)
Cash and cash equivalents at the start of the year		**449,618**	925,123
Exchange differences on cash and cash equivalents		**512,332**	449,402
Cash and cash equivalents at the end of the year		**16,963,207**	449,618

The accompanying notes on pages 11 to 30 form an integral part of these Consolidated Financial Statements.

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019

1 CORPORATE INFORMATION

Victus European Student Accommodation Fund IC Limited (the "Company") is an incorporated cell of Victus Capital ICC Limited (the "ICC"). The ICC is a Registered Open-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, and the Registered Collective Investment Scheme Rules 2018 issued by the Guernsey Financial Services Commission. The Company was incorporated on 13 December 2012. The registered office of the Company and the ICC is shown on page 1.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The Financial Statements of the Company and its subsidiaries (the "Group") have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") which comprise standards and interpretations issued by the International Accounting Standards Board ("IASB"), and International Accounting Standards and Standing Interpretations approved by the International Financial Reporting Interpretation Committee ("IFRIC") that remain in effect and to the extent they have been adopted by the EU and in accordance with the applicable Guernsey law. The Financial Statements have been prepared on the historical cost basis as modified by the revaluation of investment properties and derivative instruments.

The preparation of Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board to exercise its judgement in the process of applying the Group's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates and underlying assumptions are reviewed on an ongoing basis. Judgements made by the Board in the application of IFRS that have a significant effect on the Financial Statements and estimates with a significant risk of material adjustment in the next year are disclosed in note 3.

2.2 Changes in accounting policies and disclosures

2.2.1 Application of new and revised International Financial Reporting Standards

IFRS 9 'Financial Instruments'
The IASB has issued a new standard for Financial Instruments, IFRS 9 'Financial Instruments' which has replaced IAS 39 'Financial Instruments', and related Interpretations. The new standard sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard was adopted by the EU for accounting periods commencing on or after 1 January 2018. Consequently, this is the Group's first set of finanacial statements for which the new standard is applicable. Although the application of IFRS 9 has resulted in changes to the classification of financial assets and liabilities, there has been no impact on the carrying values of such financial instruments.

	Original classification under IAS 39	New classification under IFRS 9	Original Carrying Amount	New Carrying Amount
Financial Assets				
Trade and other receivables	Loans and receivables	Amortised cost	655,747	655,747
Cash and cash equivilents	Loans and receivables	Amortised cost	16,963,207	16,963,207
Financial Liabilities				
Trade and other payables	Amortised cost	Amortised cost	1,790,388	1,790,388

2.2.2 New, revised and amended standards not yet adopted

IFRS 16, Leases (effective for periods commencing on or after 1 January 2019);
IFRIC 23, Uncertainty over Income Tax Treatments (effective for periods commencing on or after 1 January 2019).

The IASB has issued a new standard for leases, IFRS 16 'Leases' which will replace IAS 17 'Leases', and related Interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosures of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). IFRS 16 changes fundamentally the accounting for leases by lessees. It eliminates the current IAS 17 dual accounting model, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases and, instead, introduces a single, on-balance sheet accounting model where for lessees, the lease becomes an on-balance sheet liability that attracts interest, together with a new lease asset. Lessor accounting remains similar to current practice – i.e. lessors continue to classify leases as finance and operating leases. Accordingly, for entities with material off balance sheet leases, there will be a change to key financial metrics derived from the entity's assets and liabilities (for example, leverage ratios).

The IASB has issued a new Interpretation IFRIC 23 'Uncertainty over Income Tax Treatments'. The Interpretaion provides requirements that add to the requirements in IAS 12 'Income Taxes' by specifying how to reflect the effects of uncertainty in accounting for income taxes.

Management considers that there will be no impact of IFRS 16 and IFRIC 23 on the future Financial Statements of the group as the operating activities of the group ceased after the year end.

2.3 Consolidation

The Consolidated Financial Statements of the Group incorporate the Financial Statements of the Company and the entities controlled by the Company made up to 31 August 2019. Control is achieved where the Company has the power over the investee, exposure or rights to variable returns from its revolvements with the investee and the ability to use its power to affect the amount of the investor's return.

The results of subsidiaries acquired or disposed of during the year are included in the Consolidated Statement of Comprehensive Income from/to the date control is transferred to/from the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Where necessary, accounting policies of subsidiaries are changed to ensure consistency of accounting policies across the Group.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Consolidation (continued)

Details of the subsidiary undertakings which the Company held as at 31 August 2019 are as follows:

Name of subsidiary undertaking	Incorporation Date	Holding	Country of incorporation	Principal activity
Victus (Guernsey) 1 Limited	13-Feb-13	100%	Guernsey	Holding Company
Victus (Guernsey) 2 Limited	13-Feb-13	100%	Guernsey	Holding Company
Victus (Guernsey) 1 Developments Limited	11-Mar-13	100%	Guernsey	Property Investment
Victus Holdings (Guernsey) Limited	12-Mar-13	100%	Guernsey	Holding Company
Victus Holdings (Europe) S.à.r.l.	12-Jun-13	100%	Luxembourg	Holding Company
CBC Acquico 1 S.à.r.l	15-Jul-13	100%	Luxembourg	Property Investment
CBC Acquico 2 S.à.r.l	15-Jul-13	100%	Luxembourg	Property Investment
Victus (Guernsey) 4 Limited	02-Oct-13	100%	Guernsey	Holding Company
Victus (Guernsey) 5 Limited	02-Oct-13	100%	Guernsey	Holding Company
Victus (Guernsey) 5 Developments Limited	02-Oct-13	100%	Guernsey	Property Investment
FHC Chambery S.à.r.l	28-Apr-14	100%	France	Property Investment
Victus (Guernsey) 6 Limited	18-Jun-14	100%	Guernsey	Holding Company
St James Point Manco Limited	15-Sep-14	100%	United Kingdom	Management Company
St James Court Manco Limited	15-Sep-14	100%	United Kingdom	Management Company
FHC Bordeaux SAS	07-Oct-14	100%	France	Property Investment
Victus Holdings (Belgium) SPRL	10-Dec-14	100%	Belgium	Holding Company

See note 17 for subsidiaries disposed of during the year.

2.4 Operating segments

The Directors have considered the requirements of IFRS 8 'Operating Segments'. The Company is not traded in a public manner nor does it file its financial statements with a securities commission since it suspended trading in 2016, therefore, as a result the Company is outside the scope of IFRS 8.

2.5 Foreign currency translation

(a) Functional and presentational currency

Items included in the financial statements of each of the Group entities are measured in the currency of the primary economic environment in which the entity operates either Sterling ("£") or Euro ("€") (the "functional currency"). The Consolidated Financial Statements are presented in Sterling, (the "presentational currency").

(b) Transactions and balances

Transactions in currencies other than Sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each year end date, monetary assets and liabilities that are denominated in foreign currencies are revalued at the rates prevailing at the year end date. Non-monetary assets and liabilities carried at fair value which are denominated in foreign currencies are revalued at the rates prevailing at the date when the fair value was determined. Gains and losses arising on revaluation are recognised in the Consolidated Statement of Comprehensive Income.

(c) Foreign exchange on consolidation

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rates prevailing on the year end date. Income and expenses are translated at the average exchange rates for the period unless exchange rates fluctuate significantly, in which case items of income and expenditure are translated at the rate ruling on the date of the transaction. Exchange differences arising, if any, are recognised as other comprehensive income in the Consolidated Statement of Comprehensive Income and are transferred to the Group's translation reserve. Such translation differences are reclassified to profit or loss in the period in which the operation is disposed of.

2.6 Income and property operating costs

Income comprises rental revenues. Rental revenues are accounted for on a straight-line basis in the Consolidated Statement of Comprehensive Income. Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of revenue can be measured reliably. Direct expenses incurred in relation to completed investment property and property under development ("Property operating costs") are included within income in the Consolidated Statement of Comprehensive Income in order to disclose the net rental income generated by the properties.

Property operating costs comprise property management fees, insurance and operational expenses, see note 11 for further details.

2.7 Expenses

Expenses are recognised in the Consolidated Statement of Comprehensive Income on an accruals basis.

2.8 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of property are added to the costs of those assets until such times as the assets are substantially ready for their intended use. The capitalisation rate is arrived at by reference to the actual rate payable on borrowing acquired for the targeted property, or with regard to an acquisition financed out of general borrowings to the average rate. All other borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

2.9 Finance costs

Finance costs comprise loan interest, loan arrangement fees, debt arrangement fees and contractual exit fees. All finance costs arise on financial liabilities measured at amortised cost using the effective interest rate method.

2.10 Taxation

The Company has applied for and gained tax exempt status in Guernsey. Current tax arising in jurisdictions other than Guernsey is based on taxable profit for the period and is calculated using tax rates that have been enacted or substantially enacted. The Company has subsidiary undertakings in the United Kingdom, Guernsey, Luxembourg, France and Belgium (the Company holds German assets via Luxembourg registered companies).

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Consolidated Statement of Comprehensive Income because it excludes items of income and expense that are taxable or deductible in other periods or that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the year end date.

Deferred tax is the tax arising on differences on the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each year end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited in the Consolidated Statement of Comprehensive Income.

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Completed investment property

Properties which are occupied, or are ready to be occupied, are classified as "completed investment property". These properties are held for the long-term, to earn rentals and/or for capital appreciation and are stated at fair value at the period end date. Fair value is determined as the market value as determined by professionally qualified independent external valuers, or such other methods determined by the Board from time to time (see note 22 for further details). Gains or losses arising from changes in fair value of investment property are included in the Consolidated Statement of Comprehensive Income for the year in which they arise.

Realised gain or loss on disposal of completed investment properties are recognised in the Consolidated Statement of Comprehensive Income in the year the disposal takes place.

Investment property in the current year is classified as 'held for sale' as a result of the Directors deciding to wind up the Company and sell all of the property assets, as detailed in note 3.2. As a result of the decision made on 8 July 2016 the operations of the Company are deemed to be discontinued and therefore the entire portfolio is regarded as 'held for sale' and the profit for the year is entirely attributable to discontinued operations.

2.12 Financial assets

2.12.1 Classification

The Group classifies its financial assets as finanacial assets measured at amortised cost. The classification is based on the nature and purpose for which the financial assets are held, the business model and nature of cashflows and is determined at the time of initial recognition by the Board. The Group's financial assets fall into the categories discussed below, with the allocation depending to an extent on the purpose for which the assets were acquired.

(a) Trade and other receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They comprise trade and other receivables, rental guarantees and also incorporate other types of contractual monetary assets.

(b) Cash and cash equivalents

Cash and cash equivalent include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

2.12.2 Recognition and measurement

Trade and other receivables are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition, and subsequently carried at amortised cost using the effective interest rate method, less any provision for expected credit losses. The effect of discounting on these financial assets is not considered to be material.

IFRS 9 has introduced the expected credit loss ("ECL") model which brings forward the timing of impairments. Under IFRS 9 for trade receivables, including lease receivables, the Company has elected to apply the simplified model as the trade receivables all have a maturity of less than one year and do not contain a significant financing component. Under the simplified approach the requirement is to always recognise lifetime ECL. Under the simplified approach practical expedients are available to measure lifetime ECL but forward-looking information must still be incorporated.

Under the simplified approach there is no need to monitor significant increases in credit risk and the group is required to measure lifetime expected credit losses at all times.

Trade receivables are immaterial to the financial statements and the group has not experienced significant collection issues over trade receivables in the past, nor are any anticipated in the future. Consequently, no provision for ECL has been made in the current year financial statements.

Financial assets (in whole or in part) are derecognised either:
- when the Group has transferred substantially all the risks and rewards of ownership; or
- when it has neither transferred nor retained substantially all the risks and rewards and when it no longer has control over the assets or a portion of the asset; or
- when the contractual right to receive cash flow has expired.

Fair value is defined as the amount for which an asset or liability could be exchanged between knowledgeable willing parties in an arm's length transaction.

2.13 Financial liabilities

Financial liabilities consist of trade and other payables, borrowings and Redeemable Participating Shares. The Group classifies its financial liabilities as financial liabilities measured at amortised cost based on the purpose for which the liability was issued and its characteristics. All financial liabilities are initially recognised at fair value net of transaction costs incurred except for financial liabilities held for trading which are initially recognised at fair value.

2.13.1 Financial liabilities measured at amortised cost

These include trade and other payables and borrowings. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method. Borrowings are initially recognised at fair value net of attributable transaction costs incurred. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method.

2.13.3 Redeemable Participating Shares

In accordance with IAS 32, Redeemable Participating Shares are required to be shown as liabilities rather than as part of Shareholders' funds, owing to the fact that holders of Redeemable Participating Shares are entitled on each dealing day to request a redemption of their holdings and that they are not the most subordinated share class, this being the Management Share.

The liabilities arising from the Redeemable Participating Shares are carried at the redemption amount, being the net asset value calculated in accordance with IFRS.

The Company issues shares at the net asset value of the existing Redeemable Participating Shares. The holder of Redeemable Participating Shares can redeem them, in accordance with redemption requirements as set out in the Information Memorandum, for cash equal to the Company's net asset value per Redeemable Participating Share.

The Company's net asset value per Redeemable Participating Share is calculated by dividing the net assets attributable to Redeemable Participating Shareholders (calculated in accordance with redemption requirements as set out in the Information Memorandum) by the number of shares in issue.

Incremental costs directly attributable to the issue of new Redeemable Participating Shares are shown in share premium as a deduction from the proceeds. See note 23 for further details.

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Financial liabilities (continued)

2.13.4 Derecognition of financial liabilities

A financial liability (in whole or in part) is derecognised when the Group has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on derecognition is taken to the Consolidated Statement of Comprehensive Income.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand, deposits and other short-term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.15 Management Share

The Management Share is non-redeemable and classified as equity.

3 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision only affects that year, or in the year of the revision and future years if the revision affects both current and future years. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

3.1 Completed investment property

The gross property value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Transaction costs normally borne by the seller are not deducted in arriving at gross property value, in accordance with IAS 40. The fair value is calculated by deducting the costs normally borne by the purchaser from the gross property value. Fair value is not intended to represent the liquidation value of the property, which would be dependant upon the price negotiated at the time of sale less any associated selling costs. The fair value is largely based on estimates using property appraisal techniques and other valuation methods as outlined below. Such estimates, achieved between the year end date and date of disposal are inherently subjective and actual values can only be determined in a sales transaction.

In the currrent year completed investment property has been valuled at the post balance sheet sales value achieved less a 2.5% provision for selling costs. As all remaining properties have been sold subsequent to the year end and there were no significant changes to the properties or the market, these sales values are considered to be representative of the year end fair value. In prior years the Group's valuers derived the fair value by applying the methodology and valuation guidelines as set out by the Royal Institution of Chartered Surveyors in the United Kingdom in accordance with IFRS. The method used was the investment method and the key assumptions driving the valuations include rental income, operating expenditure, occupancy and investment yields. See note 22 for more details on these assumptions. The value given by the Group's valuers had been adjusted for an estimation of costs to sell as a result of the financial statements being prepared on a break up basis. As at 31 August 2019 the carrying amount of completed investment property is £17,767,666 (2018: £80,189,869), and is based on sales achieved post year end.

3.2 Break up basis

The Board conducts regular assessments of Victus European Student Accommodation Fund's ("VESAF") operational and financial risks with reference to cash flow requirements, the debt position and the liquidity of its investments. Recognising that property investments are relatively illiquid, the policy of the Board is to maintain, where possible, cash balances to 10% of the net asset value as a contingency to meet ongoing and ad-hoc obligations. The Board also maintains an ongoing dialogue with property agents so that it is able to identify and act upon attractive opportunities to sell assets at above carrying value as and when those opportunities may present themselves.

Due to the uncertainty around the outcome of certain property sales and the level of cash held, the Board of Directors resolved, in 2016, that there should be an orderly wind up of the Company and its subsidiaries. As detailed in recent investor communications, all properties have now been sold. As a result, actions to wind up the company and its subsidiaries will commence in the near future.

4 OPERATING LEASE REVENUE

Revenue consists of rental income. The Group accounts for its tenancy contracts offered to individual student tenants as operating leases. The renting of student accommodation is short-term with contracts lasting for a period of less than 12 months.

		1 year from 31 August 2019	1 year from 31 August 2018
		£	£
Future minimum lease payments from operating leases		**587,340**	6,774,148
		2019	2018
		£	£
Revenue from operating leases		**4,971,640**	6,866,240
		2019	2018
		£	£
Revenue from operating leases due at the year end	Note 19	**294,309**	893,831

The group had entered into Nominations Agreements with Prime Student Living for the properties St Lawrence House, Bristol and Glassworks, Liverpool. These agreements guarantee the rent to be received by the group from these properties at £1,579,351 for 2017/2018 year and £1,626,732 for the 2018/2019 year for St Lawrence House and £1,811,815 for 2017/2018 year and £1,866,169 for the 2018/2019 year for Glassworks. These properties were disposed of during the year end.

5 ADMINISTRATION FEES

Vistra Fund Services (Guernsey) Limited ("Vistra") has been appointed as administrator, secretary and registrar of the Company (the "Administrator"). In respect of its duties as the administrator, secretary and registrar of the Company, the administrator receives an annual fee calculated and accrued as at each relevant Dealing Day, being the second business day of each calendar month, and payable by the Company in arrears on or before the fifteenth business day in the month following the relevant Dealing Day. The fee is based on the Net Asset Value less any fees (except for the Performance Fee), due at the relevant valuation point (the "Preliminary Net Asset Value") of the Notional Shares used for the allocation of shares classes into the participating portfolio, at the following rates, and is subject to a minimum fee of £35,000 per annum plus disbursements:

- 0.11% per annum of the Preliminary Net Asset Value up to £100,000,000;
- 0.085% per annum of the Preliminary Net Asset Value amount in excess of £100,000,000 and up to £250,000,000;
- 0.05% per annum for the amount of Preliminary Net Asset Value amount in excess of £250,000,000 will apply.

In addition to the fees detailed above, the Administrator receives a set administration fee of £5,000 per annum for each active Share Class of the Company which is not payable until the first shares have been issued in respect of each Share Class.

The fees are allocated pro-rata between all active classes based on the proportion that the Net Asset Value ("NAV") of the Class represents to the NAV of the Company.

The Administrator is entitled to receive a property transaction fee of £2,000 per transaction in respect of every acquisition of property by the Company or any subsidiary. The Administrator is also entitled to receive an additional one-off fee of £2,000 in respect of each subsidiary established to hold property assets of the Company, payable at the date of incorporation and an annual fee of £3,000 per annum in respect of each subsidiary thereafter. The adminsitartor is also entitled to adhoc fees charged on a time spent basis for additional work undertaken.

For the year ended 31 August 2019, Administration fees totalling £192,679 (2018: £192,727) were charged of which £24,099 (2018: £80,532) was outstanding at the year end.

On 24 March 2017, Vistra Fund Services (Guernsey) Limited resigned as Administrator but will remain in place until replaced.

6 PROMOTER'S FEES

Annual Management Charge
The Promoter receives an Annual Management Charge of 1.5% of the NAV per annum, calculated at a rate of 0.125% of the NAV per month (based on the latest dealing NAV), this is charged to the Company and is payable monthly in arrears. For the year ended 31 August 2019, the Promoter was entitled to an annual management charge of £583,893 (2018: £583,896) of which £291,947 was outstanding at the year end (2018: £646,627).

Performance Fee
The Promoter is entitled to a performance fee of 20% of the amount by which the Preliminary Net Asset Value per Notional Share exceeds both, (i) the High Water Mark and (ii) the Hurdle. The Performance Fee charged at the Participating Portfolio level is reflected in the NAV. This method of calculation ensures that (1) any Performance Fee paid to the Promoter is charged only if the management of the core objectives of the Company has resulted in an appreciation in value, and (2) the gain or loss of Share Class hedging is not considered as an over or under performance.

The Performance Fee is calculated on each Dealing Day falling in the respective Financial Year (a "Performance Period"). The Performance Fee is deemed to accrue at each Valuation Point. Pursuant to the Information Memorandum, the Valuation Point is midnight in Guernsey on the last Business Day of each calendar month or such other time as the Directors may determine.

The high water mark ("High Water Mark" or "HWM") for each Performance Period is:

- in respect of the first Performance Period, and the second Performance Period if no Performance Fee was due in the first Performance Period, the Initial Subscription Price of the Notional Share; and
- once a Performance Fee is paid, the NAV of the Notional Share on the last Valuation Day of the Performance Period in respect of which a Performance Fee was last paid; and
- after two consecutive Performance Periods without a Performance Fee crystallisation, the higher of the average NAV of the Notional Share over the past two Performance Periods or the initial Subscription Price of the Notional Shares.

The Hurdle is determined by reference to the following formula: High Water Mark multiplied by 1 plus the Hurdle Rate and where there is no positive performance in the first year of a performance period, this may be extended to two years with compounding being applied in the second year.

The Hurdle Rate ("Hurdle Rate"), expressed as a percentage, for each Performance Period is 10%.

If the Promoter Agreement is terminated during a Performance Period, the Performance Fee in respect of the then current Performance Period will be calculated and paid as though the date of termination were the end of the relevant Performance Period.

For the year ended 31 August 2019, the Promoter was entitled to a performance fee totalling £Nil (2018: £Nil) of which £Nil was outstanding at the year end (2018: £Nil).

Debt Arrangement Fee
The Promoter will receive a debt arrangement fee of an amount equal to 1.5% of any debt agreed to be lent to the Group to complete an acquisition or to fund any development costs or fee in relation to any property investments held or to be acquired by the Group. The fee shall be payable as soon as monies are drawn down from a lender. The debt arrangement fee was amortised over the term of the relevant loan and is capitalised against property whilst the property is under development. When the property is completed or the debt is in relation to a completed property the amount is released to the Consolidated Statements of Comprehensive Income. Debt Arrangement fees are now recognised in the Consolidated Statements of Comprehensive Income in the year they are incurred to reflect the break up basis of preparation. For the year ended 31 August 2019, the Promoter was entitled to a Debt Arrangement Fee of £Nil (2018: £Nil) of which £Nil was outstanding at the year end (2018: £Nil).

Equity Arrangement Fee
The Promoter is entitled to receive an equity arrangement fee equal to 3% of the equity provided by the Company towards any development costs incurred under a Development Management Agreement or the purchase of land that is not funded by Debt Finance provided that the Company receives a rate of return thereon at a rate that is set out in the relevant heads of terms or as otherwise agreed between the Company and the Promoter. The equity arrangement fees are capitalised against property in the period that they are incurred and are excluded from the Land Development Management Fee ("LDMF") calculation. No equity arrangement fees were incurred in the current year (2018: £Nil).

Financial Fee
The Promoter will be reimbursed for its reasonable actual costs incurred by it in providing financial performance data to the Administrator or the Company as they shall request. For the year ended 31 August 2019 the Promoter was entitled to a Financial Fee of £240,000 (2018: £240,000) of which £40,000 was outstanding at the year end (2018: £100,000).

Sales and Marketing Allowance
The Promoter will be entitled to receive an initial sales and marketing allowance calculated as 5% of the gross amount invested by subscribers in A Shares. The sales and marketing allowance is offset against share premium in the period the allowance is incurred. No sales and marketing allowance charges were incurred in the current year (2018: £Nil).

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

7 CUSTODIAN'S FEES

The Custodian's fee is 0.03% of the NAV of the Company, calculated and accrued as at each Dealing Day, subject to a minimum fee of £10,000 per annum and transaction fees of £30 per transaction. The Custodian also charged an initial set up fee of £5,000. The agreement was amended on 1 March 2015 such that the custody fee is subject to a minimum of £20,000 per annum, with other terms unchanged. The Custodian officially served a termination notice during 2016 and the Company is looking for an alternative custodian.

For the year ended 31 August 2019, the Custodian was entitled to fees totalling £20,000 (2018: £20,009) of which £3,347 was outstanding at the year end (2018: £10,064).

8 DIRECTORS' FEES AND EXPENSES

Effective from 1 September 2015, each Director of the Company is entitled to receive, out of the assets of the Company, a fee of £45,000 per annum with the Chairman receiving an additional £5,000. Furthermore, £5,000 per annum for the Audit Commitee Chairman and an additional £3,000 per annum for any audit commitee member other than the Chairman and £40,000 per annum for Kerry-Anne Marais and Edward Kisala for the European Entities (capped at a total of £50,000 per Director per annum and £90,000 per annum for Kerry-Anne Marais and Edward Kisala). In addition, a daily fee of £750 will be paid for any days worked resulting from exceptional travel or work in relation to the Company. The aggregate remuneration payable to the Directors, exclusive of any exceptional daily fee as referred to above, from the Company in respect of each financial year shall not exceed £250,000.

For the year ended 31 August 2019, total Directors' fees and expenses is £236,742 (2018: £259,645) of which £35,898 (2018: £156,089) is outstanding and £Nil (2018: £7,500) has been prepaid at the year end.

9 PROPERTY ADVISOR'S FEES

Crosslane Property Advisor (Guernsey) Limited (the "Property Advisor") provides property services to the Company on every transaction and makes recommendations to the Company in line with the Company's objectives. In return, the Property Advisor will receive a transactional fee of 1% of the acquisition price and 2% of the disposal price of each property asset. The additional 1% disposal fee is capped at a maximum of £800,000, after which the fee reverts to 1%. Where the Company acquires land, the Property Advisor will receive a fee of 2% of the land purchase price. Where the Company enters into a forward purchase agreement with a vendor the Property Advisor receives a fee of 3% of any loan amount also entered into pursuant to those agreements.

The agreements entered into by the Company and the Property Advisor will include a Development Management Fee for the Property Advisor of 10% of defined development costs and professional fees. In addition, there will be an overage profit due to the Property Advisor, where the increase in value after all costs is shared equally between the Property Advisor and the Company. In the case where the Company acquires land and enters into a land Development Management Agreement to develop that land, the Property Advisor will receive a Land Development Management Fee which is equivalent to the residual amount of increased value of the Property Investment after the Company has taken into consideration the purchase of the land, all development costs including fees and an agreed return to the Company. Such LDMF is accrued on a basis that represents the stage of completion and capitalised as part of property costs, no amounts were accrued as at 31 August 2019 or 31 August 2018.

On 1 July 2015, Crosslane Property Advisor (Guernsey) Limited (the "Asset Manager") and the Company entered into a new agreement for the provision of asset management services and to make recommendations to the Company in line with the Company's objectives. This agreement is effective as from 1 July 2015 and will continue for an initial period of 5 years and thereafter unless and until terminated by either the Company or the Asset Manager. The annual management fee will be £250 (or any equivalent in any other agreed currency) per room for all the assets under management.

The Promotor assigned the Debt Arrangement Fee to the Property Advisor from 10 September 2015 to 31 December 2016. For the year ended 31 August 2019, the Property Advisor was entitled to a Debt Arrangement Fee of £Nil (2018: £Nil) of which £Nil is outstanding at the year end (2018: £Nil).

For the year ended 31 August 2019, the Asset Manager/Property Advisor was entitled to fees totalling £252,814* (2018: £374,350*) of which £Nil (2018: £93,588) is outstanding at the year end. The Property Advisor was also entitled to LDMF fees totalling £Nil* (2018: £Nil*) of which £Nil (2018: £Nil) was outstanding at the year end, Property Disposal fees of £1,157,973 (2018: £Nil) of which £Nil (2018: £Nil) was outstanding at the year end and Debt Arrangement fees of £Nil (2018: £Nil) of which £Nil was outstanding at the year end (2018: £Nil).

* The asset management/property advisory fees as disclosed above include amounts of irrecoverable VAT. LDMF fees are stated exclusive of VAT as these are recoverable by the Company.

10 PROPERTY MANAGEMENT FEES

In consideration of its services under its Property Management Agreement, Prime Student Living Limited (the "Property Manager") will receive 6.25% of the total annual rent and other income received in respect of each Property. In the case where its services are required ahead of a completion of an acquisition the Property Manager will receive a fixed mobilisation fee of £10,000. In addition, a daily fee of £500 will be paid to attend meetings at the Company's request.

For the year ended 31 August 2019, the Property Manager was entitled to fees totalling £651,934 (2018: £624,011) of which £Nil was outstanding at the year end (2018: £57,922) (see note 11).

11 PROPERTY OPERATING COSTS

	2019	2018
	£	£
Property management fees (note 10)	**651,934**	624,011
Operational expenses	**1,611,356**	2,076,426
Insurance costs	**179,655**	171,674
	2,442,945	2,872,111

Operational expenses comprise electricity, repairs and servicing, security, broadband, maintenance and cleaning.

12 OTHER EXPENSES

	2019	2018
	£	£
Advertising expenses	**132,623**	125,709
Audit fees	**192,699**	214,122
Bank charges	**72,248**	139,142
Valuation agent fees	**-**	41,973
Miscellaneous expenses	**165,044**	114,832
	562,614	635,778

The Group has no employees. The Directors are the only key personnel of the Group, details of the amounts the Directors received in the form of remuneration are disclosed in note 8.

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

13 FINANCE EXPENSES

	2019	2018
	£	£
Loan interest on external borrowings	**977,440**	1,147,952
	977,440	1,147,952

The above finance expenses arise on financial liabilities measured at amortised cost using the effective interest rate method. In accordance with the Group's accounting policies certain borrowing costs have been capitalised.

14 TAX EXPENSE

Victus European Student Accommodation Fund IC Limited is an open-ended investment scheme and is therefore exempt from taxation in Guernsey under the provisions of the Income Tax (Exempt Bodies) (Guernsey) Ordinance (Amendment), 1989. As such, the Company is only liable to Guernsey tax paying a fixed annual fee of £1,200. The Group is liable to foreign tax arising in the overseas activities including France, Belgium and the United Kingdom. Subsidiaries incorporated in Guernsey are subject to taxation on rental income.

The tax charge for the year comprises:	**2019**	**2018**
	£	£
Current tax:		
French taxation - at France's statutory income tax rate of 34.4% (2018: 34.4%)	**20,010**	62,044
Belgium taxation - at Belgium's statutory income tax rate of 33.99% (2018: 33.99%)	**95,017**	179,096
Guernsey taxation - at Guernsey's statutory income tax rate of 20% (2018: 20%)	**-**	12,764
United Kingdom taxation - at United Kingdom's statutory income tax rate of 20% (2018: 20%)	**114,421**	541,956
	229,448	795,860
Deferred tax:		
Taxable temporary differences on recognition of future disposals of properties at fair value	**(38,022)**	(274,704)
Income tax expense reported in the Consolidated Statement of Comprehensive Income	**191,426**	521,156
Loss for the year before tax	**(3,872,246)**	(3,165,133)
Loss on ordinary activities at applicable tax rate	**(1,359,921)**	(750,447)
Non-deductible expenses/income not taxable	**1,589,369**	1,091,436
Capital allowances and timing differences	**-**	67,614
Tax charge not recognised in prior years	**-**	387,257
Current year tax charge	**229,448**	795,860
Deferred tax	**(38,022)**	(274,704)
Income tax recognised in the Consolidated Statement of Comprehensive Income	**191,426**	521,156

Deferred taxation	**Consolidated Statement of Financial Position**		**Consolidated Statement of Comprehensive Income**	
	2019	2018	**2019**	2018
	£	£	**£**	£
Deferred tax liability				
Revaluation of investment property to fair value	**632,221**	668,435	**(38,022)**	(274,704)
	632,221	668,435	**(38,022)**	(274,704)

In the prior year a deferred tax asset of £718,286 relating to the UK portfolio had not been recognised as it was considered that future taxable profits will not be available against which the deferred tax asset can be utilised to its full extent. In the current year there is no similar deffered tax asset as the subsidiaries holding the UK properties were sold during the year.

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

15 EARNINGS PER SHARE (BASIC AND DILUTED)

The basic and diluted profits per Redeemable Participating Share for the Company are based on the profit for the year and on the total weighted average number of shares in issue for that year. Profit is attributable to the share classes after deducting share class specific expenditure and deducting the remaining expenses on a weighted average basis.

	Loss for the year (Currency)	**Loss for the year £**	**Weighted average number of shares in issue**	**Earnings per share (Currency)**	**Earnings per share £ (pence)**
Year ended 31 August 2019					
GBP - Class A	**(752,716)**	**(752,716)**	**8,151,044**	**(9.23)**	**(9.23)**
EUR - Class A	**(1,630,937)**	**(1,473,018)**	**22,408,844**	**(7.28)**	**(6.57)**
CHF - Class A	**(151,992)**	**(123,720)**	**1,988,066**	**(7.65)**	**(6.22)**
USD - Class A	**(708,325)**	**(582,217)**	**9,596,514**	**(7.38)**	**(6.07)**
GBP - Class B	**(381,731)**	**(381,731)**	**3,963,634**	**(9.63)**	**(9.63)**
EUR - Class B	**(214,870)**	**(194,065)**	**2,816,813**	**(7.63)**	**(6.89)**
CHF - Class B	**(23,000)**	**(18,722)**	**302,959**	**(7.59)**	**(6.18)**
USD - Class B	**(653,903)**	**(537,484)**	**9,743,258**	**(6.71)**	**(5.52)**
		(4,063,673)			

	Loss for the year (Currency)	Loss the year £	Weighted average number of shares in issue	Earnings per share (Currency)	Earnings per share £ (pence)
Year ended 31 August 2018 as restated					
GBP - Class A	**(682,813)**	**(682,813)**	**8,151,044**	**(8.38)**	**(8.38)**
EUR - Class A	**(1,509,950)**	**(1,336,223)**	**22,408,844**	**(6.74)**	**(5.96)**
CHF - Class A	**(147,470)**	**(112,230)**	**1,988,066**	**(7.42)**	**(5.65)**
USD - Class A	**(711,183)**	**(528,148)**	**9,596,514**	**(7.41)**	**(5.50)**
GBP - Class B	**(346,281)**	**(346,281)**	**3,963,634**	**(8.74)**	**(8.74)**
EUR - Class B	**(198,930)**	**(176,042)**	**2,816,813**	**(7.06)**	**(6.25)**
CHF - Class B	**(22,316)**	**(16,983)**	**302,959**	**(7.37)**	**(5.61)**
USD - Class B	**(656,542)**	**(487,569)**	**9,743,258**	**(6.74)**	**(5.00)**
		(3,686,289)			

Subsequent to the year end no further shares have been issued as the Fund continues to be suspended from trading by the directors, other than compulsory redemptions to all shareholders as and when declared.

16 COMPLETED INVESTMENT PROPERTY

	2019	2018
	£	£
Opening balance	**80,189,869**	83,992,094
Subsequent expenditure	**-**	297,850
Surplus/(deficit) on revaluation	**2,630,255**	(3,248,006)
Exchange differences on translation of foreign currencies	**230,201**	(852,069)
Disposals	**(62,707,984)**	-
Realised loss on disposal	**(2,774,502)**	-
Closing balance	**17,567,839**	80,189,869

In the current year the properties' fair value had been based on the the post year end sale values less a 2.5% allowance for selling costs.

In the prior year the Directors had engaged CBRE Limited, Chartered Surveyors, as valuers of the UK investment properties and Savills (UK) Limited, Chartered Surveyors, as valuers of the European investment properties. The properties' fair value had been based on these valuations adjusted for costs to sell.

During the year the property at Le Bourget-du-Lac, France was sold for consideration less costs to sell of £4,707,984. £2,774,502 has been recognised in the Statement of Comprehensive Income as a net reaslised loss on disposal with regard to this sale.

As at the year ended 31 August 2019, £17,567,839 (2018: £81,189,869) of the completed investment property is deemed to be available for sale. As detailed in note 2.11 the Directors have decided to wind up the Company and therefore all of the assets are for sale. All of these properties have been sold subsequent to the year end.

As at 31 August 2019 the Group owned the following completed investment property:

- Student housing accommodation at 105/106 Eichenstrasse, 26131 Oldenburg, Germany (CBC Acquico 1 S.à.r.l.).
- Student housing accommodation at 29/31 Martinsburg, D-49078 Osnabrück, Germany (CBC Acquico 2 S.à.r.l.).
- Student housing accommodation at 25 Rue Jean Fleuret,33000 Bordeaux, France (FHC Bordeaux SAS).

For further details regarding the security held against Investment Property in respect of borrowing facilities of the Group see note 20. As at 31 August 2019 there are no borrowings secured against the Investment Property. The property held by FHC Bordeaux SAS was the only assets above which were not secured in the prior year. The fair value of the property at FHC Bordeaux SAS as at 31 August 2018 was £7,932,511.

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

17 DISCONTINUED OPERATIONS

On 15 March 2019, the group entered into a sale agreement to dispose of Victus (Guernsey) 2 Developments Limited, Victus (Guernsey) 4 Developments Limited and Victus (Guernsey) 6 Management Company Limited.

(i) Financial performance information
The results of Victus (Guernsey) 2 Developments Limited, Victus (Guernsey) 4 Developments Limited and Victus (Guernsey) 6 Management Company Limited which have been included in the consolidated Statement of Comprehensive Income for the period up to the date of disposal are set out below.

	Period ended 15 March 2019	Year ended 31 August 2018
	£	£
Income		
Revenue	**2,513,707**	4,338,121
Property operating costs	**(909,547)**	(1,314,776)
Net rental income	**1,604,160**	3,023,345
Revaluation of completed investment property	**3,205,000**	579,390
Expenditure	**(201,681)**	(286,316)
Operating profit	**4,607,479**	3,316,419
Finance expenses	**(733,544)**	(1,777,668)
Profit before tax	**3,873,935**	1,538,751
Tax expense	**(243,815)**	(230,311)
Loss on disposal of discontinued operations	**(3,608,799)**	-
Profit from discontinued operation	**21,321**	1,308,440

(ii) Details of the sale of subsidiary

	2019
	£
Consideration received	
Cash	8,925,857
Less costs of disposal	(2,279,226)
Total disposal consideration	6,646,631
Carrying amount of net assets sold	10,255,430
Loss on sale	(3,608,799)

The carrying amounts of assests and liabilities as at the date of sale (15 March 2019) were:

	15 March 2019
	£
Completed investment property	58,000,000
Trade and other receivables	347,258
Cash and cash equivalents	12,653
Total assets	58,359,911
Borrowings	(29,347,200)
Loan due to Group	(17,078,163)
Trade and other payables	(1,679,118)
Total liabilities	(48,104,481)
Net assets	10,255,430

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

18 EARNINGS PER SHARE ON DISCONTINUED OPERATIONS

The basic and diluted profits per Redeemable Participating Share for the Discontinued Operations are based on the profit for the period and on the total weighted average number of shares in issue for that period. Profit is attributable to the share classes after deducting share class specific expenditure and deducting the remaining expenses on a weighted average basis.

	Profit for the period (Currency)	**Profit for the period £**	**Weighted average number of shares in issue**	**Earnings per share (Currency)**	**Earnings per share £ (pence)**
Period ended 15 March 2019					
GBP - Class A	**717,571**	**717,571**	**8,151,044**	**8.80**	**8.80**
EUR - Class A	**1,588,595**	**1,404,240**	**22,408,844**	**7.09**	**6.27**
CHF - Class A	**152,249**	**117,943**	**1,988,066**	**7.77**	**6.02**
USD - Class A	**711,642**	**555,032**	**9,596,514**	**7.44**	**5.80**
GBP - Class B	**363,908**	**363,908**	**3,963,634**	**9.19**	**9.19**
EUR - Class B	**209,291**	**185,003**	**2,816,813**	**7.43**	**6.57**
CHF - Class B	**23,039**	**17,847**	**302,959**	**7.60**	**5.89**
USD - Class B	**656,965**	**512,388**	**9,743,258**	**6.74**	**5.26**
		3,873,932			

	Profit for the period (Currency)	Profit for the period £	Weighted average number of shares in issue	Earnings per share (Currency)	Earnings per share £ (pence)
Year ended 2018					
GBP - Class A	285,024	285,024	8,151,044	3.50	3.50
EUR - Class A	630,292	557,773	22,408,844	2.81	2.49
CHF - Class A	61,558	46,848	1,988,066	3.14	2.39
USD - Class A	296,866	220,462	9,596,514	3.10	2.30
GBP - Class B	144,547	144,547	3,963,634	3.65	3.65
EUR - Class B	83,038	73,484	2,816,813	2.95	2.61
CHF - Class B	9,315	7,089	302,959	3.07	2.34
USD - Class B	274,057	203,524	9,743,258	2.81	2.09
		1,538,751			

19 TRADE AND OTHER RECEIVABLES

	2019 £	2018 £
VAT receivable	**42,261**	91,795
Third party deposit accounts	**223,355**	828,474
Other receivables	**66,090**	654,628
Prepayments	**29,732**	93,225
Accrued income	**294,309**	893,831
	655,747	2,561,953

The third party deposit accounts consist of monies held by third parties on behalf of the Group towards contractual development costs and property management income and expenditure. Included within accrued income is £Nil (2018: £653,550) relating to rent guarantees for the investment properties at Vauxhall Road, Liverpool and St Lawrence, Bristol.

The Directors have assessed that none of the receivables are past due, renegotiated or impaired and as such all of the receivables are expected to be recovered.

20 BORROWINGS

	2019 £	**2019 £**	**2019 £**
Lender	**Loan Principal**	**Accrued Interest**	**Carrying amount**
Current Portion			
Allied Irish Banks	-	-	-
Deutsche Genossenschafts-Hypothekenbank Aktiensgesellschaft	-	-	-
National Westminster Bank p.l.c	-	-	-
	-	-	-
Total loans payable	-	-	-

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

20 BORROWINGS (continued)

Lender	2018 £ Loan Principal	2018 £ Accrued Interest	2018 £ Carrying amount
Current Portion			
Allied Irish Banks	23,571,000	155,238	23,726,238
Deutsche Genossenschafts-Hypothekenbank Aktiensgesellschaft	6,158,954	28,188	6,187,142
National Westminster Bank p.l.c	6,375,000	576	6,375,576
	36,104,954	184,002	36,288,956
Total loans payable	36,104,954	184,002	36,288,956

National Westminster Bank p.l.c

On 13 December 2016, Victus (Guernsey) 2 Developments Limited had a fully drawn facility of £6,750,000. The loan applied interest at a variable rate of 2.50% plus a variable LIBOR rate per annum. The term of the loan was 36 months.

As at 31 August 2019 the total outstanding principal and accrued interest was £Nil (2018: £6,375,576). The loans were secured over the associated property as well as the entire issued share capital of the borrower. The fair value of the property held as security at 31 August 2018 was £12,879,751. The loan was disposed of as part of the sale of subsidiaries.

Deutsche Genossenschafts-Hypothekenbank Aktiensgesellschaft ("DG Hyp")

On 29 January 2014, CBC AcquiCo1 S.à.r.l. entered into a Euro loan agreement with DG Hyp of €2,779,000. The granted loan was required for the acquisiton of the property "Hernamm-Ehlers-Saus" located at Echenstraβe 105/107, D-26131 Oldenburg. As at 31 August 2019, outstanding principal and accrued interest was €Nil (2018: €2,694,418). The loan facility accrued interest at a fixed rate of 2.59% per annum, fixed for the term of the loan which expired 31 March 2019. In addition to the quarterly interest payments, 2.00% of the outstanding principal amount shall be repaid. The loan was secured on the associated property and bank balances. The fair value of the property secured against this facility at the prior year end date was £4,036,146. The loan was repaid in full during the year.

On 29 January 2014, CBC AcquiCo2 S.à.r.l. entered into a loan agreement with DG Hyp of €4,340,000. The granted loan was required for the acquisition of the property "Hernamm-Ehlers-Saus" located at Martinsburg 29 + 31, D-49078 Osnabrück. As at 31 August 2019, outstanding principal and accrued interest was €Nil (2018: €4,210,682). The loan facility accrued interest at a fixed rate of 2.59% per annum, fixed for the term of the loan which expired 31 March 2019. In addition to the quarterly interest payments, 2.00% of the outstanding principal amount shall be repaid. The loan was secured on the associated property and bank balances. The fair value of the property secured against this facility at the prior year end date was £6,141,582. The loan was repaid in full during the year.

Allied Irish Banks ("AIB")

On 18 February 2016, Victus (Guernsey) 4 Developments Limited agreed a loan facility with AIB of £12,800,000. The granted loan was required for the settlement of the previous financing used to acquire the property "Vauxhall Road". As at 31 August 2019, outstanding principal and accrued interest was £Nil (2018: £11,595,870). The loan facility accrued interest at a fixed rate of LIBOR + 2% per annum, fixed for the term of the loan which expired on 18 February 2021. The loan was secured on the associated property and a charge over shares. The fair value of the property secured against this facility at the prior year end date was £20,475,000. The loan was disposed of as part of the sale of subsidiaries.

On 18 February 2016, Victus (Guernsey) 6 Management Company Limited agreed a loan facility with AIB of £13,390,000. The granted loan was required for the settlement of the previous financing used to acquire the property "St Lawrence". As at 31 August 2019, outstanding principal and accrued interest was £Nil (2018: £12,130,368). The loan facility accrued interest at a fixed rate of LIBOR + 2% per annum, fixed for the term of the loan which expires 18 February 2021. The loan was secured on the associated property and a charge over shares. The fair value of the property secured against this facility at the prior year end date was £21,342,750. The loan was disposed of as part of the sale of subsidiaries.

21 TRADE AND OTHER PAYABLES

	2019 £	2018 £
Administration fees (note 5)	**31,609**	80,532
Annual management charge (note 6)	**291,947**	646,627
Financial fee (note 6)	**40,000**	100,000
Audit fees	**85,000**	85,000
Capital expenditure:		
Acquisition costs outstanding	**-**	1,509,696
VAT payable	**-**	70,660
Custodian's fees (note 7)	**3,347**	10,064
Deferred income	**37,273**	897,319
Directors' fees and expenses (note 8)	**35,898**	156,089
Legal and professional fees	**260,712**	256,838
Loan payable - Prime Student Living Limited	**-**	500,000
Redemption proceeds not yet paid out	**-**	2,814,995
Other payables and accruals	**1,004,602**	1,895,428
	1,790,388	9,023,248

The loan due to Prime Student Living Limited was unsecured, interest free and repayable on demand. It was repaid in full during the year.

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

22 FAIR VALUE OF ASSETS AND LIABILITIES

Fair value hierarchy

IFRS 13 "Fair Value Measurement" requires disclosures relating to fair value measurements using a three-level fair value hierarchy. The level within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability. The following table shows investment properties recognised at fair value, categorised between those whose fair value is based on:

(a) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

(b) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

(c) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table shows how items measured at fair value are grouped into the fair value hierarchy as at 31 August 2018:

As at 31 August 2019	**Level 1**	**Level 2**	**Level 3**	**Total**
	£	**£**	**£**	**£**
Completed investment property	**-**	**-**	**17,567,839**	**-**
	-	**-**	**17,567,839**	**-**

As at 31 August 2018	Level 1	Level 2	Level 3	Total
	£	£	£	£
Completed investment property	-	-	80,189,869	80,189,869
	-	-	80,189,869	80,189,869

Valuation process for Level 3 valuations

Valuations are the responsibility of the Board of Directors.

As at 31 August 2019, as the sale of investment property was completed shortly after the year end the fair value of investment property has been determined as the sale value achieved, less an allowance of 2.5% for selling expenses.

In prior years the Board engaged the services of CBRE Limited and Savills (UK) Limited to assist in their assessment of the fair values of investment properties. The fair values were based on market values as defined in the Royal Institution of Chartered Surveyors Valuation Professional Standards. Any assumptions made by the valuer are reviewed by the Board for their reasonableness.

Valuation techniques

a) Completed investment property

As at 31 August 2019, as the sale of investment property was completed shortly after the year end the fair value of investment property has been determined as the sale value, less an allowance of 2.5% for selling expenses. As there we no changes to the properties or the market between the the year end date and the sale date the sales value is considered a fair represenation of fair value. All properties were disposed of prior to the Covid-19 outbreak which occurred in Q1 2020.

In the prior years the fair value of completed UK investment property was determined by CBRE Limited and completed European investment property by Savills (UK) Limited. Completed investment properties were valued on an investment method using inputs which include but are not limited to rental income and investment yields. The deductions for purchaser's costs is in accordance with the local position existing at the valuation date. The resulting valuations were cross checked by the external valuers against investment yields and capital values per room derived from market transactions. This is a recognised valuation technique which is reviewed and varied where appropriate to reflect market comparable data. Where a property is subject to an agreement with a University, the valuations will also reflect the length of the agreement, the level of rent or occupancy guarantee, the allocation of any operational and marketing responsibilities and the market's general perception of the University's standing.

The fair value of completed investment property is classified as Level 3 (2018: Level 3).

Quantitative information of significant unobservable inputs - Level 3

Quantitative information of significant unobservable inputs is not presented for 2019 as the Fair value has been based on actual post balance sheet sales values.

The following table details the valuation techniques and unobservable inputs made in determining the Level 3 valuations in the prior year:

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

22 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

Fair value hierarchy (continued)

Quantitative information of significant unobservable inputs - Level 3

Description	2018 €	2018 £			
Completed investment property (UK)	-	54,697,500	Investment method	Rental income (£ per week)*	£111 - £239
				Net initial yield (%)**	5.25% - 6.25%
Completed investment property (Europe)	28,450,500	25,492,365	Investment method	Rental income (€ per month)*	€54 - €800
				Net initial yield (%)**	5.66% - 5.84%

***** Rental income is core student rental income before costs on a per room per week basis on the UK properties and all-in-rent before costs on a per room per month basis for the Europe assets.

****** Net initial yield is shown after the deduction of purchaser's costs which is not the same as the European Public Real Estate Association ("EPRA") net initial yield which is gross of purchaser's costs.

Sensitivity analysis to significant changes in unobservable inputs within level hierarchy

Changes in the investment valuation inputs will have an effect on the fair value method of the completed investment properties and estimated gross development value. For example, reduced rental income will result in a decrease in value, whilst yield compression will result in an increase in value. All these inputs are inter-related as they are determined by market conditions and this inter-relationship may mitigate the impact on value if inputs move in opposite directions.

Level 3 reconciliation

The following table shows a reconciliation of all movements in the fair value of investment properties categorised within Level 3 between the beginning and the end of the reporting period:

As at 31 August 2019	**Completed investment property** **£**	**Total** **£**
Balance at 1 September 2018	**80,189,869**	**80,189,869**
Losses in Consolidated Statement of Comprehensive Income:		
- unrealised	**2,630,255**	**2,630,255**
- currency translation difference in OCI	**230,201**	**230,201**
Disposals	**(65,482,486)**	**(65,482,486)**
Balance at 31 August 2019	**17,567,839**	**17,567,839**

As at 31 August 2018	Completed investment property £	Total £
Balance at 1 September 2017	83,992,094	83,992,094
Gains in Consolidated Statement of Comprehensive Income:		
- unrealised	(3,248,006)	(3,248,006)
- currency translation difference in OCI	(852,069)	(852,069)
Purchases at cost	297,850	297,850
Balance at 31 August 2018	80,189,869	80,189,869

Other financial assets and liabilities not carried at fair value but for which fair value is disclosed

As at 31 August 2019 and 2018 the carrying amounts of cash at bank, receivables, payables, accrued expenses and short-term borrowings reflected in the Consolidated Financial Statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the origination of the instruments and their expected realisation.

The fair value of non-current financial instruments for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of the Group's non-current floating interest rate loans payable at the end of the Group's reporting periods is not significantly different from the carrying amounts. The current market interest rates utilised for discounting purposes, which were almost equivalent to the respective instruments' contractual interest rates. The fair value estimates have been categorised as Level 3 within the fair value measurement hierarchy required by IFRS 13. The significant input is the value of collateral offered on such loans and the ranking of the borrowers claim on that collateral.

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

23 SHARES

The Company can issue an unlimited number of Shares subject to and in accordance with the authority contained in the Articles. The Directors may allot and issue shares as Management Shares of no par value or as full or fractional Redeemable Participating Shares of no par value.

	2019 Shares	**2019 £**	2018 Shares	2018 £
Issued and unpaid				
1 Management Share of no par value	**1**	**1**	1	1

	2019 Shares	**2019 £**	2018 Shares	2018 £
Issued and fully paid				
Redeemable Participating Shares no par value shares				
GBP - Class A	**8,151,043.72**	**8,184,329**	8,151,043.72	8,184,329
EUR - Class A	**22,408,843.52**	**19,673,573**	22,408,843.52	19,673,573
CHF - Class A	**1,988,065.70**	**1,242,635**	1,988,065.70	1,242,635
USD - Class A	**9,596,514.40**	**6,855,874**	9,596,514.40	6,855,874
GBP - Class B	**3,963,633.99**	**3,779,861**	3,963,633.99	3,779,861
EUR - Class B	**2,816,813.35**	**2,815,199**	2,816,813.35	2,815,199
CHF - Class B	**302,959.41**	**206,109**	302,959.41	206,109
USD - Class B	**9,743,258.17**	**7,158,192**	9,743,258.17	7,158,192
	58,971,132.26	**49,915,772**	58,971,132.26	49,915,772
Total in issue	**58,971,133.26**	**49,915,773**	58,971,133.26	49,915,773

	31 August 2019		31 August 2018	
	Shares	**£**	Shares	£
Opening Balance	**58,976,495.42**	**49,915,772**	58,976,495.42	49,915,772
Issued during year	**-**	**-**	-	-
Redeemed during year	**-**	**-**	-	-
Issuance costs	**-**	**-**	-	-
Closing Balance	**58,976,495.42**	**49,915,772**	58,976,495.42	49,915,772

	31 August 2019		31 August 2018	
	GBP - Class A		GBP - Class A	
	Shares	**£**	Shares	£
Opening Balance	**8,151,043.72**	**8,184,329**	8,151,043.72	8,184,329
Issued during year	**-**	**-**	-	-
Redeemed during year	**-**	**-**	-	-
Issuance costs	**-**	**-**	-	-
Closing Balance	**8,151,043.72**	**8,184,329**	8,151,043.72	8,184,329

	31 August 2019		31 August 2018	
	EUR - Class A		EUR - Class A	
	Shares	**£**	Shares	£
Opening Balance	**22,408,843.52**	**19,673,573**	22,408,843.52	19,673,573
Issued during year	**-**	**-**	-	-
Redeemed during year	**-**	**-**	-	-
Issuance costs	**-**	**-**	-	-
Closing Balance	**22,408,843.52**	**19,673,573**	22,408,843.52	19,673,573

	31 August 2019		31 August 2018	
	CHF - Class A		CHF - Class A	
	Shares	**£**	Shares	£
Opening Balance	**1,988,065.70**	**1,242,635**	1,988,065.70	1,242,635
Issued during year	**-**	**-**	-	-
Redeemed during the year	**-**	**-**	-	-
Issuance costs	**-**	**-**	-	-
Closing Balance	**1,988,065.70**	**1,242,635**	1,988,065.70	1,242,635

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

23 SHARES (continued)

	31 August 2019 USD - Class A Shares	**£**	31 August 2018 USD - Class A Shares	£
Opening Balance	**9,596,514.40**	**6,855,874**	9,547,579.67	6,790,874
Issued during year	**-**	**-**	-	-
Redeemed during the year	**-**	**-**	-	-
Transferred from USD Class B during year	**-**	**-**	48,934.73	65,000
Issuance costs	**-**	**-**	-	-
Closing Balance	**9,596,514.40**	**6,855,874**	9,596,514.40	6,855,874

	31 August 2019 GBP - Class B Shares	**£**	31 August 2018 GBP - Class B Shares	£
Opening Balance	**3,963,633.99**	**3,779,861**	3,963,633.99	3,779,861
Issued during year	**-**	**-**	-	-
Redeemed during the year	**-**	**-**	-	-
Issuance costs	**-**	**-**	-	-
Closing Balance	**3,963,633.99**	**3,779,861**	3,963,633.99	3,779,861

	31 August 2019 EUR - Class B Shares	**£**	31 August 2018 EUR - Class B Shares	£
Opening Balance	**2,816,813.35**	**2,815,199**	2,816,813.35	2,815,199
Issued during year	**-**	**-**	-	-
Redeemed during the year	**-**	**-**	-	-
Issuance costs	**-**	**-**	-	-
Closing Balance	**2,816,813.35**	**2,815,199**	2,816,813.35	2,815,199

	31 August 2019 CHF - Class B Shares	**£**	31 August 2018 CHF - Class B Shares	£
Opening Balance	**302,959.41**	**206,109**	302,959.41	206,109
Issued during year	**-**	**-**	-	-
Redeemed during the year	**-**	**-**	-	-
Issuance costs	**-**	**-**	-	-
Closing Balance	**302,959.41**	**206,109**	302,959.41	206,109

	31 August 2019 USD - Class B Shares	**£**	31 August 2018 USD - Class B Shares	£
Opening Balance	**9,743,258.17**	**7,158,192**	9,797,556	7,223,192
Issued during year	**-**	**-**	-	-
Redeemed during the year	**-**	**-**	-	-
Transferred to USD Class A during year	**-**	**-**	(54,297.89)	(65,000)
Issuance costs	**-**	**-**	-	-
Closing Balance	**9,743,258.17**	**7,158,192**	9,743,258.17	7,158,192

Management Shares

The Management Shares are non-redeemable. The holder of the Management Shares is entitled to one vote on a show of hands or one vote for each Management Share on a poll. The Management Shares do not carry any right to dividends. In a winding up the holders of Management Shares are entitled to receive sums up to the amount paid up on such Management Shares. Management Shares are classified as equity.

Redeemable Participating Shares

Holders of the Redeemable Participating Shares are entitled to one vote for each Redeemable Participating Share held. Shares are redeemable and holders of shares are entitled on each dealing day to offer shares for redemption subject to such limitation as may be specified in the Information Memorandum or in the Articles. On a winding up, the holders of shares are entitled to participate in the distribution of capital pro rata according to their relative NAVs to the number of shares in the relevant class fund and pari passu pursuant to the prospectus according to the number of shares held. Income attributable to the shares shall be accumulated and reflected in the NAV of such shares (calculated in accordance with redemption requirements as set out in the Information Memorandum). The Directors have determined that all income attributable to all share classes shall be accumulated and reflected in the NAV of the shares.

The Promoter will be entitled to receive an initial sales and marketing allowance calculated as 5% of the gross amount invested in Class A shares. Pursuant to the prospectus for the purposes of calculating the Class A shares NAV, the sales and marketing allowance is amortised over a sixty month period. As the Financial Statements are prepared under IFRS, the sales and marketing allowance is written off and offset against share premium in the period incurred. There is no such allowance in respect of Class B shares.

Redemption fees are applicable in respect of Class A shares and such calculations are based on the redemption of shares on a "first in first out" basis. No redemption fees apply to Class B shares. All other terms remain the same for all share classes.

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

24 NET ASSET VALUE PER SHARE

The NAV per Redeemable Participating Share is based on the NAV and the number of Redeemable Ordinary Shares in issue at the reporting date.

			2019		
	Net asset value	**Net asset value**		**Net asset value per share**	**Net asset value per share**
	(Currency)	**£**	**Number of shares**	***(Currency)***	**£**
GBP - Class A	**5,933,836**	**5,933,836**	**8,151,043.72**	**0.7280**	**0.7280**
EUR - Class A	**12,857,050**	**11,612,138**	**22,408,843.52**	**0.5737**	**0.5182**
CHF - Class A	**1,198,185**	**975,311**	**1,988,065.70**	**0.6027**	**0.4906**
USD - Class A	**5,583,887**	**4,589,748**	**9,596,514.40**	**0.5819**	**0.4783**
GBP - Class B	**3,009,276**	**3,009,276**	**3,963,633.99**	**0.7592**	**0.7592**
EUR - Class B	**1,693,868**	**1,529,855**	**2,816,813.35**	**0.6013**	**0.5431**
CHF - Class B	**181,313**	**147,587**	**302,959.41**	**0.5985**	**0.4872**
USD - Class B	**5,154,870**	**4,237,112**	**9,743,258.17**	**0.5291**	**0.4349**
		32,034,863			

Represented by:	
Shares	**49,915,772**
Retained earnings attributable to Redeemable Participating Shareholders	**(15,528,657)**
Translation reserve attributable to Redeemable Participating Shareholders	**(2,352,251)**
	32,034,864

			2018		
	Net asset value	Net asset value		Net asset value per share	Net asset value per share
	(Currency)	£	Number of shares	*(Currency)*	£
GBP - Class A	6,746,548	6,746,548	8,151,043.72	0.8277	0.8277
EUR - Class A	14,734,589	13,202,563	22,408,843.52	0.6575	0.5892
CHF - Class A	1,400,432	1,108,891	1,988,065.70	0.7044	0.5578
USD - Class A	6,788,566	5,218,370	9,547,579.67	0.7110	0.5466
GBP - Class B	3,421,434	3,421,434	3,963,633.99	0.8632	0.8632
EUR - Class B	1,941,226	1,739,388	2,816,813.35	0.6892	0.6175
CHF - Class B	211,918	167,801	302,959.41	0.6995	0.5539
USD - Class B	6,266,991	4,817,436	9,797,556.06	0.6396	0.4917
		36,422,431			

Represented by:	
Shares	49,915,772
Retained earnings attributable to Redeemable Participating Shareholders, as restated	(11,464,986)
Translation reserve attributable to Redeemable Participating Shareholders	(2,028,355)
	36,422,431

25 FINANCIAL INSTRUMENTS

The Group is exposed to market risk (including interest rate risk, currency risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds. The risk management policies employed by the Group to manage these risks are discussed below.

The Group's principal financial liabilities comprise bank loans and trade payables. The Group has various financial assets such as cash and cash equivalents and receivables.

The accounting policies with respect to these financial instruments are disclosed in note 2.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note presents information about the Group's exposure to each of the above risks and the Board of Directors' objectives, policies and processes for measuring and managing these risks.

Principal financial instruments

The financial instruments used by the Group, from which financial risks arises, are as follows:

	2019	2018
	£	£
As at 31 August 2019		
Trade and other receivables (excluding prepayments and VAT)	**583,754**	2,376,933
Cash and cash equivalents	**16,963,207**	449,618
Total financial assets	**17,546,961**	2,826,551
Loans payable	**-**	36,288,956
Trade and other payables (excluding deferred income)	**1,753,115**	8,125,929
Redeemable Participating Shares	**32,034,863**	36,422,431
Total financial liabilities	**33,787,978**	80,837,316

Market risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market variables such as (i) interest rates and (ii) foreign exchange rates. As at 31 August 2019 and 2018 the Group was not exposed to price risk.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the year ended 31 August 2019 the Group had entered into borrowing arrangements with three providers as detailed in note 20 and summarised below, these loan had been repaid by the year end.

Provider	**Interest type**	**Interest rate per annum**
Deutsche Genossenschafts-Hypothekenbank Aktiensgesellschaft	Fixed	2.59%
AIB Group (UK) Plc	Variable	2.00% plus LIBOR
National Westminster Bank p.l.c.	Variable	4.25% plus LIBOR

If LIBOR had been 50 basis points higher/lower and all other variables were held constant, an assumption unlikely to occur due to interest rate correlations with other variables, the impact on the Groups net profit and net assets would be £78,393 (2018: £149,730).

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's reporting currency. The Group’s subsidiaries finance the acquisition of property assets in the currency in which the asset is denominated so that the Group’s exposure to changes in the Euro and Sterling value of its assets is minimised.

The Group is exposed to foreign exchange risk arising from currency exposures with respect to the Euro. The Group's management monitors exchange rate fluctuations on a continuous basis and, if appropriate, may use forward foreign exchange contracts to hedge the currency exposure. Wherever possible, Group entities shall settle liabilities denominated in their own functional currency with cash generated from their own operations in that currency.

Upon receiving subscriptions through the non-Sterling share classes the Group typically exchanges these subscriptions monies to Sterling which in turn exposes the holders of those non-Sterling share classes to movements in that exchange rate against Sterling.

The tables below summarise the Group's exposure to foreign currency risk at the year end date. The Group's financial assets and liabilities are shown at their Sterling carrying amounts, categorised by their currency of denomination.

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

25 FINANCIAL INSTRUMENTS (continued)

Currency of denomination

As at 31 August 2019	**Sterling £**	**Euro £**	**USD £**	**CHF £**	**Total £**
Trade and other receivables (excluding prepayments and VAT)	**267,213**	**316,541**	**-**	**-**	**583,754**
Cash and cash equivalents	**11,361,084**	**5,602,123**	**-**	**-**	**16,963,207**
Total financial assets	**11,628,297**	**5,918,664**	**-**	**-**	**17,546,961**
Loans payable	**-**	**-**	**-**	**-**	**-**
Trade and other payables (excluding deferred income)	**792,306**	**960,809**	**-**	**-**	**1,753,115**
Redeemable Participating Shares	**8,943,112**	**13,141,993**	**8,826,860**	**1,122,898**	**32,034,863**
Total financial liabilities	**9,735,418**	**14,102,802**	**8,826,860**	**1,122,898**	**33,787,978**

As at 31 August 2018	Sterling £	Euro £	USD £	CHF £	Total £
Trade and other receivables (excluding prepayments and VAT)	2,101,537	275,396	-	-	2,376,933
Cash and cash equivalents	- 182,590	632,208	-	-	449,618
					-
Total financial assets	1,918,947	907,604	-	-	2,826,551
Loans payable	30,101,814	6,187,142	-	-	36,288,956
Trade and other payables (excluding deferred income)	6,875,816	1,250,113	-	-	8,125,929
Redeemable Participating Shares	10,167,982	14,941,951	10,035,806	1,276,692	36,422,431
Total financial liabilities	47,145,612	22,379,206	10,035,806	1,276,692	80,837,316

The Group manages foreign currency risk on an overall basis. A 10% fluctuation in the Euro foreign exchange rate as at 31 August 2019 would have increased/decreased the NAV of the Fund by £804,480 (2018: £804,480). No sensitivity is calculated on the Redeemable Participating Shares as the subscription monies is turned into Sterling at the date of the transaction, therefore, exposing the holder to the currency risk.

Credit risk

Credit risk is the risk that an issuer or counterparty will fail to discharge its obligations or commitments to the Group resulting in a financial loss. The Directors do not anticipate losses in respect of rent receivables ("tenant credit risk") as each tenant in occupancy pays rent in advance before their contract commences, rental debtors receivable are not deemed to be material. As such the event of a default by a tenant in occupancy does not exist. No amounts are past due or impaired.

The company is exposed to some credit risk in relation to the amounts held as third party deposits. This risk is mitigated through the monies being 'ring fenced' and held with reputable financial institutions. The majority of the third party deposit amounts controlled by the Property Manager are held with National Westminster Bank p.l.c and Allied Irish Banks plc whose risk ratings are outlined below.

The Group had cash and cash equivalents of £16,980,514 as at 31 August 2019 (2018: £449,618). The cash, cash equivalents and bank deposits are held with banks and financial institution counterparties. The Directors believe that the financial institutions that hold the Group's cash and cash equivalents are financially sound and, accordingly, minimal credit risk exists with respect to these investments. The Group does not have a credit quality policy.

As at 31 August 2019, the Group held cash and cash equivalents with the following financial institutions:

	Standard and Poor's Rating	**2019 £**	Standard and Poor's Rating	2018 £
Allied Irish Banks plc	**A3**	**59,043**	A2	21,992
ING Bank N.V	**A1**	**422,723**	A1	216,509
National Westminster Bank p.l.c	**A1**	**-**	A2	(5,835)
HSBC plc	**A1**	**-**	A1+	-
Royal Bank of Canada (Channel Islands) Limited	**AA-**	**11,550,972**	AA-	103,876
Bank Caisse D'Epargne	**A1**	**4,947,776**	A1	113,076
Total Group cash and cash equivalents		**16,980,514**		449,618

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

25 FINANCIAL INSTRUMENTS (continued)

Liquidity risk

Liquidity risk is the risk that the Group will not be able to pay its obligations as and when they fall due. Liquidity will be required to satisfy redemption requests by investors and the payment of fees and expenses by the Group. In certain adverse market conditions or when the demand for redemptions exceeds the level of subscriptions and the available cash resources, it may be necessary to sell some of the Group's assets in order to meet the demand for redemptions. The Articles permit the Directors to limit the number of Shares for the Company as a whole to be redeemed on a single dealing day to one tenth (10%). The illiquidity of these property related assets could make it difficult for the Group to liquidate such assets on favourable terms thereby exposing the Group to losses or a decrease in Net Assets Value.

A summary table of the contractual maturities of financial assets and financial liabilities is presented below, all contractual maturities are reported to be within one year due to the non-going concern basis of preparation:

31 August 2019	**0 - 12 months**	**1 - 2 years**	**2 - 5 years**	**No fixed maturity date**	**Total**
	£	**£**	**£**	**£**	**£**
Financial assets - current					
Trade and other receivables (excluding prepayments and VAT)	**583,754**	**-**	**-**	**-**	**583,754**
Cash and cash equivalents	**16,963,207**	**-**	**-**	**-**	**16,963,207**
	17,546,961	**-**	**-**	**-**	**17,546,961**
Financial liabilities - current					
Borrowings	**-**	**-**	**-**	**-**	**-**
Trade and other payables (excluding deferred income)	**(1,753,115)**	**-**	**-**	**-**	**(1,753,115)**
	(1,753,115)	**-**	**-**	**-**	**(1,753,115)**
Financial liabilities - non-current					
Redeemable Participating Shares	**-**	**-**	**-**	**(32,034,863)**	**(32,034,863)**
	-	**-**	**-**	**(32,034,863)**	**(32,034,863)**
Liquidity Gap	**15,793,846**	**-**	**-**	**(32,034,863)**	**(16,241,017)**
Cumulative Liquidity Gap	**15,793,846**	**15,793,846**	**15,793,846**	**(16,241,017)**	

The above liquidity gap does not take into consideration the completed investment property which could be disposed of and the proceeds used to pay any liabilities.

31 August 2018	0 - 12 months	1 - 2 years	2 - 5 years	No fixed maturity date	Total
	£	£	£	£	£
Financial assets - current					
Trade and other receivables (excluding prepayments)	2,376,933	-	-	-	2,376,933
Cash and cash equivalents	449,618	-	-	-	449,618
	2,826,551	-	-	-	2,826,551
Financial liabilities - current					
Borrowings	(36,288,956)	-	-	-	(36,288,956)
Trade and other payables (excluding deferred income) as restated	(8,125,929)	-	-	-	(8,125,929)
		-	-	-	
	(44,414,885)	-	-	-	(44,414,885)
Financial liabilities - non-current					
Redeemable Participating Shares	-	-	-	(32,316,871)	(32,316,871)
	-	-	-	(32,316,871)	(32,316,871)
Liquidity Gap	(41,588,334)	-	-	(32,316,871)	(73,905,205)
Cumulative Liquidity Gap	(41,588,334)	(41,588,334)	(41,588,334)	(73,905,205)	

The Board conducts regular assessments of Victus European Student Accommodation Fund's ("VESAF") operational and financial risks with reference to cash flow requirements, the debt position and the liquidity of its investments. Recognising that property investments are relatively illiquid, the policy of the Board was to maintain, where possible, cash balances equivalent to 10% of the net asset value as a contingency to meet investor redemption requests. The Board also maintains an ongoing dialogue with property agents so that it is able to identify and act upon attractive opportunities to sell assets at above carrying value as and when those opportunities may present themselves.

Notes to the Consolidated Financial Statements
for the year ended 31 August 2019 (continued)

26 CAPITAL MANAGEMENT

The capital consists of Redeemable Preference Shares, see note 24. The Group's capital management objective is to maintain optimal capital structures within the Group which maximise returns for shareholders whilst minimising costs of capital.

For the managing of capital and liquidity see note 25 for further details.

	2018
	£
Net debt	
Borrowings - current and non-current	36,288,956
Less cash and cash equivalents	(449,618)
	35,839,338
Net assets attributable to holders of Redeemable Participating Shares (excluding borrowings)	68,909,162
Gearing ratio	52.01%

2019 gearing information has not been disclosed as all borrowings were repaid by the year end.

The Group has a gearing policy by which it may borrow up to 100% of the ungeared NAV at any point during the life of the Company. Borrowings will amplify the positive effects of rising prices for investors, but will also exacerbate the detrimental effects of falling values. Hence the volatility of NAV (which is an accepted measure of risk) will increase as gearing increases. Material falls in the value of invested properties, or banks enforcing their security covenants, could result in the Company losing some or all of its assets and as a consequence investors losing some or all of their investment.

27 RELATED PARTY DISCLOSURES

For the purposes of these Financial Statements, a related party is an entity or entities who are able to exercise significant influence directly or indirectly on the Group's operations or have the same common directorship as the Company. The Board of Directors are considered to be key management.

Crosslane Property Advisor (Guernsey) Limited is considered a related party by virtue of common control through Kerry-Anne Marais being a director.

Crosslane Property Advisor (Guernsey) Limited received fees totalling £1,410,787 (2018: £374,350) for the year ended 31 August 2019 of which £Nil (2018: £93,688) was outstanding at the year end. The nature of fees received are as disclosed in note 9.

28 ULTIMATE CONTROLLING PARTY

The Directors do not consider the Company to have an ultimate controlling party as there is no one party that has the ability to direct the financial and operating policies of the Company with a view to gaining economic benefit from its activities.

29 EVENTS AFTER THE REPORTING PERIOD

Subsequent to the year end the properties at Bordeaux, Oldenburg and Osnabruck were sold.

Bordeaux was sold for €11m,
CBC Acquico 1 S.à.r.l and CBC Acquico 2 S.à.r.l which owns the proprties at Oldenburg and Osnabruck were sold to Crosslane Investments Limited for a total of €8,5M.

Subsequent to the year end compulsory redemptions across all share classes were made as follows:
£10,000,000 in January 2020, and
£10,000,000 in July 2020.

The redemptions were based on the latest published NAV at the time, being 31 August 2018.

	Net asset value per share
	£
GBP - Class A	0.8277
EUR - Class A	0.5892
CHF - Class A	0.5578
USD - Class A	0.5466
GBP - Class B	0.8632
EUR - Class B	0.6175
CHF - Class B	0.5539
USD - Class B	0.4917