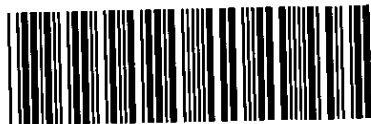


Company Registration No. 05193166 (England and Wales)

**UNITE ACCOMMODATION MANAGEMENT 2 LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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# UNITE ACCOMMODATION MANAGEMENT 2 LIMITED

## COMPANY INFORMATION

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**Directors** J J Lister  
R S Smith  
C R Szpojnarowicz  
D Faulkner

**Secretary** C R Szpojnarowicz

**Company number** 05193166

**Registered office** South Quay  
Temple Back  
Bristol  
BS1 6FL  
United Kingdom  
BS1 6FL

**Business address** South Quay  
Temple Back  
Bristol  
BS1 6FL

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# UNITE ACCOMMODATION MANAGEMENT 2 LIMITED

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# **UNITE ACCOMMODATION MANAGEMENT 2 LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The directors present their annual report and unaudited financial statements for the year ended 31 December 2020.

### **Principal activities and future developments**

The principal activity of the Company continued to be that of management of investment property under operating leases. The directors expect to continue to carry out these activities in the future.

### **Directors**

The directors who held office during the year and subsequently, unless otherwise stated, were as follows:

J J Lister  
R S Smith  
C R Szpojnarowicz  
D Faulkner

### **Results and dividends**

The results for the year are set out on page 4.

No ordinary dividends were paid (2019: £nil). The directors do not recommend payment of a final dividend.

### **Financial risk management**

#### ***Credit risk***

Debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

# UNITE ACCOMMODATION MANAGEMENT 2 LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Going concern**

The Company is part of The UNITE Group ('UNITE') from which it receives working capital funding. UNITE has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company, and in particular, will not seek repayment of the amounts currently made available. In determining the Company's Going Concern assessment the Directors have, therefore, considered the wider UNITE Group's future performance.

In response to Covid-19, the UNITE Directors considered a range of scenarios for future performance, with a focus on forecast liquidity and ICR covenant performance. The UNITE Directors' Base Case scenario is informed by their reasoned opinion that UK Universities will remain open throughout the review period. All higher education students were allowed to return to in-person teaching from mid-May and the Government has recently confirmed that there will be no restrictions on in-person teaching and learning in universities from 16 August. As a result, Universities are expected to welcome students for the 2021/22 academic year and there will be continued demand for rented student accommodation from both UK and international students. The greater level of uncertainty around international students' behaviour and their ability to travel to the UK could lead to a reduction in demand from this customer group. The UNITE Directors are satisfied that the Group has sufficient liquidity and will maintain covenant compliance over the next 12 months.

To support the UNITE Directors' going concern assessment, a 'Reverse Stress Test' was performed to determine the level of performance at which adopting the going concern basis of preparation may not be appropriate. This involved assessing the minimum amount of income required to ensure lender covenants would not be breached. Within the tightest covenant, income could fall significantly below Base Case before there would be a breach. The Directors are satisfied that the possibility of such an outcome is sufficiently remote that adopting the going concern basis of preparation is appropriate.

As at the date of this report, the global outlook as a result of Covid-19 continues to be uncertain and the range of potential outcomes is wide ranging and unknown. In particular, should the impact on trading conditions be more prolonged or severe than currently forecast by the Directors, namely if there is a further sustained national lockdown that results in Universities not opening physically and students either not arriving at University or returning home, the UNITE Group's going concern status may be dependent on its ability to seek interest cover covenant waivers from its lenders. The UNITE Directors consider that this eventuality to be remote.

The Directors, therefore, have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

By order of the board

**D Faulkner**

D Faulkner

**Director**

20 September 2021

# **UNITE ACCOMMODATION MANAGEMENT 2 LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# UNITE ACCOMMODATION MANAGEMENT 2 LIMITED

## STATEMENT OF TOTAL COMPREHENSIVE INCOME

*FOR THE YEAR ENDED 31 DECEMBER 2020*

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	Notes	2020 £	2019 £
Turnover	3	-	669,562
Cost of sales		-	(669,562)
		<hr/>	<hr/>
<b>Result before taxation</b>		-	-
		<hr/>	<hr/>
Taxation		-	-
		<hr/>	<hr/>
<b>Result for the financial year attributable to the equity shareholders of the company</b>		-	-
		<hr/>	<hr/>
<b>Total comprehensive result for the financial year</b>		-	-
		<hr/> <hr/>	<hr/> <hr/>

The statement of total comprehensive income has been prepared on the basis that all operations are continuing operations.

# UNITE ACCOMMODATION MANAGEMENT 2 LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Current assets</b>					
Debtors	6	1,232,350		1,232,350	
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,081,084)</u>		<u>(1,081,084)</u>	
Net current assets			151,266		151,266
<b>Total assets less current liabilities</b>			<u>151,266</u>		<u>151,266</u>
<b>Capital and reserves</b>					
Called up share capital	8		1		1
Capital contribution reserve			641,510		641,510
Profit and loss account			<u>(490,245)</u>		<u>(490,245)</u>
<b>Total equity</b>			<u>151,266</u>		<u>151,266</u>

For the year ended 31 December 2020 the company was entitled to exemption under section 479a of the Companies Act 2006.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The financial statements were approved by the board of directors and authorised for issue on 20 September 2021 and are signed on its behalf by:

**D Faulkner**

D Faulkner  
Director

Company Registration No. 05193166



# UNITE ACCOMMODATION MANAGEMENT 2 LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

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	Called up share capital £	Capital contribution reserve £	Profit and loss account £	Total £
Balance at 1 January 2019	1	641,510	(490,245)	151,266
	<hr/>	<hr/>	<hr/>	<hr/>
Year ended 31 December 2019:				
Loss and total comprehensive loss for the financial year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2019	1	641,510	(490,245)	151,266
	<hr/>	<hr/>	<hr/>	<hr/>
Year ended 31 December 2020:				
Result and total comprehensive result for the financial year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	1	641,510	(490,245)	151,266
	<hr/>	<hr/>	<hr/>	<hr/>

# UNITE ACCOMMODATION MANAGEMENT 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Company information

Unite Accommodation Management 2 Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The registered office is South Quay, Temple Back, Bristol, United Kingdom, BS1 6FL.

#### 1.1 Accounting convention

The principal accounting policies are summarised below. They have been applied consistently throughout the year and to the preceding year.

The nature of the company's operations and its principal activities are set out in the Directors' Report on page 1.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Unite Accommodation Management 2 Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Unite Accommodation Management 2 Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Unite Accommodation Management 2 Limited is consolidated in the financial statements of its ultimate parent, The Unite Group plc, which may be obtained at South Quay House, Temple Back, Bristol, BS1 6FL. Exemptions have been taken in these separate Company financial statements in relation to presentation of a cash flow statement, financial instruments, intra-group transactions and remuneration of key management personnel.

#### 1.2 Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons.

The Company is dependent for its working capital on funds provided to it by The Unite Group plc ('Unite'). Unite has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company, and in particular, will not seek repayment of the amounts currently made available. As with any entity placing reliance on other group entities for financial support, the Company acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this understanding the directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence; thus they continue to adopt the going concern basis in preparing the financial statements.

Further details can be found on page 2 of the Directors' Report.

#### 1.3 Turnover

Turnover from investment property leased out under operating leases is recognised in the profit and loss account on a straight line basis over the term of the lease. Lease incentives granted are spread over the term of the lease on a straight line basis unless another systematic basis is more representative. Turnover relates to one class of business.

#### 1.4 Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

# UNITE ACCOMMODATION MANAGEMENT 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.5 Financial assets

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### *i. Financial assets and liabilities*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- a. The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- b. The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- c. The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- d. There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- e. Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- f. Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

# UNITE ACCOMMODATION MANAGEMENT 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.5 Financial instruments (continued)

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

##### ii. Equity instruments

Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

#### 1.6 Taxation

As a member of a UK REIT, the company is exempt from UK corporation tax on the profits from its property rental business. No current tax or deferred tax arises.

#### 1.7 Reserves

The Company's reserves are as follows:

- Called up share capital reserve contains the nominal value of the shares issued
- Profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments
- Capital contribution reserve represents a group company waiving its right to receive payment for an intra-group loan

### 2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no estimates and judgements which have significant risk of causing material adjustment to the carrying amount of assets and liabilities.

### 3 Turnover

An analysis of the company's turnover is as follows:

	2020 £	2019 £
<b>Turnover</b>		
Turnover from intra-group operating lease	-	669,562

# UNITE ACCOMMODATION MANAGEMENT 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

<b>3</b>	<b>Turnover</b>	<b>(Continued)</b>	
	Turnover analysed by geographical market		
		<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	United Kingdom	-	669,562
		<u></u>	<u></u>
<b>4</b>	<b>Profit before taxation</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	Profit before taxation is stated after charging/(crediting):		
	Rental income received under operating leases	-	(669,562)
	Operating lease charges	-	669,562
		<u></u>	<u></u>
<b>5</b>	<b>Employees</b>		
	There were no employees during either year.		
	Directors' remuneration was borne by another group company in both years. Directors have not performed any qualifying services for this entity during either year.		
<b>6</b>	<b>Debtors</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	Amounts falling due within one year:		
	Amounts due from group undertakings	1,232,350	1,232,350
		<u></u>	<u></u>
	Amounts due from group undertakings are interest free and repayable on demand.		
<b>7</b>	<b>Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	Amounts due to group undertakings	1,081,084	1,081,084
		<u></u>	<u></u>
	Amounts due to group undertakings are interest free and repayable on demand.		
<b>8</b>	<b>Called up share capital</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	Ordinary called up share capital		
	Issued and fully paid		
	1 Ordinary share of £1	1	1
		<u></u>	<u></u>
<b>9</b>	<b>Related party transactions</b>		

## **UNITE ACCOMMODATION MANAGEMENT 2 LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**9 Related party transactions**

**(Continued)**

No guarantees have been given or received.

**10 Controlling party**

The company's immediate parent undertaking is LDC (Finance) Limited.

The company's ultimate parent undertaking is The Unite Group plc.

The largest and smallest group in which the results of the company are consolidated is that headed by The Unite Group plc. The consolidated accounts of this company and the company's parent company are available to the public and can be obtained from the registered office South Quay, Temple Back, Bristol, BS1 6FL.