

Company registration number: **08248558**

SMART STUDENT ACCOMMODATION LIMITED

Unaudited Filleted Financial Statements for the
year ended

30 September 2019

PRESTIGE ACCOUNTS LIMITED

CHARTERED CERTIFIED ACCOUNTANTS &

CHARTERED TAX ADVISERS

**16 KHARTOUM ROAD, ILFORD, IG1 2NP, United
Kingdom**

SMART STUDENT ACCOMMODATION LIMITED

Report to the board of directors on the preparation of the unaudited statutory financial statements of SMART STUDENT ACCOMMODATION LIMITED

Year ended 30 September 2019

In order to assist you to fulfil your duties under the Companies Act 2006, I have prepared for your approval the financial statements of SMART STUDENT ACCOMMODATION LIMITED for the year ended 30 September 2019 which comprise the income statement, statement of income and retained earnings, statement of financial position and related notes from the company's accounting records and from information and explanations you have given me.

As a practising member of the Association of Chartered Certified Accountants, I am subject to its ethical and other professional requirements which are detailed at https://www.accaglobal.com/content/dam/ACCA_Global/Members/Doc/rule/2018-rulebook.pdf.

This report is made solely to the Board of Directors of SMART STUDENT ACCOMMODATION LIMITED, as a body. My work has been undertaken solely to prepare for your approval the financial statements of SMART STUDENT ACCOMMODATION LIMITED and state those matters that I have agreed to state to the Board of Directors of SMART STUDENT ACCOMMODATION LIMITED, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at https://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than SMART STUDENT ACCOMMODATION LIMITED and its Board of Directors, as a body, for my work or for this report.

It is your duty to ensure that SMART STUDENT ACCOMMODATION LIMITED has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of SMART STUDENT ACCOMMODATION LIMITED. You consider that SMART STUDENT ACCOMMODATION LIMITED is exempt from the statutory audit requirement for the year.

I have not been instructed to carry out an audit or a review of the financial statements of SMART STUDENT ACCOMMODATION LIMITED. For this reason, I have not verified the accuracy or completeness of the accounting records or information and explanations you have given to me and I do not, therefore, express any opinion on the statutory financial statements.

PRESTIGE ACCOUNTS LIMITED

CHARTERED CERTIFIED ACCOUNTANTS & CHARTERED TAX ADVISERS

16 KHARTOUM ROAD

ILFORD

IG1 2NP

United Kingdom

Date: 11 September 2020

SMART STUDENT ACCOMMODATION LIMITED

Statement of Financial Position

30 September 2019

		2019	2018
	Note	£	£
FIXED ASSETS			
Tangible assets	5	1,444,463	1,141,555
CURRENT ASSETS			
Debtors	6	192,939	201,367
Cash at bank and in hand		262,801	167,494
		<hr/> 455,740	<hr/> 368,861
Creditors: amounts falling due within one year	7	(856,928)	(767,948)
Net current liabilities		<hr/> (401,188)	<hr/> (399,087)
Total assets less current liabilities		<hr/> 1,043,275	<hr/> 742,468
Creditors: amounts falling due after more than one year	8	(864,971)	(600,000)
Net assets		<hr/> 178,304	<hr/> 142,468
CAPITAL AND RESERVES			
Called up share capital		100	100
Profit and loss account		178,204	142,368
Shareholders funds		<hr/> 178,304	<hr/> 142,468

For the year ending 30 September 2019, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The director acknowledges their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

In accordance with Section 444 of the Companies Act 2006, the income statement has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 11 September 2020, and are signed on behalf of the board by:

MR ANTONAKIS CHRYSANTHOU

Director

Company registration number: 08248558

SMART STUDENT ACCOMMODATION LIMITED

Notes to the Financial Statements

Year ended 30 September 2019

1 GENERAL INFORMATION

The company is a private company limited by shares and is registered in England and Wales. The address of the registered office is 16 KHARTOUM ROAD , ILFORD , IG1 2NP, United Kingdom.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102 Section 1A, 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'.

3 ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain assets.

The financial statements are prepared in sterling, which is the functional currency of the company.

TURNOVER

Turnover is measured at the fair value of the consideration received or receivable for goods and services supplied during the financial year, net of trade discounts and Value Added Tax.

The turnover in the financial statements represents amounts receivable exclusive of Value Added Tax and trade discounts, of letting students' accommodation and ancillary services rendered in the normal course of the business during the financial year.

CURRENT TAX

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

TANGIBLE ASSETS

Tangible assets are initially measured at cost, and are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses or at a revalued amount.

Any tangible assets carried at a revalued amount are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation is recognised in other comprehensive income and accumulated in capital and reserves. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves. If a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess is recognised in profit or loss.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Land and buildings 10% straight line on building improvements on the leasehold property. Investment properties are not depreciated.

Fixtures, fittings and equipment 20% reducing balance.

INVESTMENT PROPERTIES

Investment property is measured initially at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is not available without undue cost or effort it shall be transferred to tangible assets and accounted for under the cost model until it is expected that fair value will be reliably measurable on an on-going basis.

IMPAIRMENT

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

FINANCIAL INSTRUMENTS

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price and are subsequently measured as follows: Debt instruments are subsequently measured at amortised cost and commitments to receive a loan and to make a loan to another entity are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded

or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

All other financial instruments, including derivatives, are initially recognised at fair value, which is normally the transaction price and are subsequently measured at fair value, with any changes recognised in profit or loss.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

All equity instruments regardless of significance, and other financial assets that are individually significant, are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

DEFINED CONTRIBUTION PENSION PLAN

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

OPERATING LEASES

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

4 AVERAGE NUMBER OF EMPLOYEES

The average number of persons employed by the company during the year was 4 (2018: 7.00).

5 TANGIBLE ASSETS

Land and buildings	Plant and machinery etc.	Total
£	£	£

COST

At 1 October 2018	1,087,903	122,628	1,210,531
Additions	307,498	13,610	321,108
At 30 September 2019	1,395,401	136,238	1,531,639

DEPRECIATION

At 1 October 2018	10,347	58,629	68,976
Charge	2,678	15,522	18,200
At 30 September 2019	13,025	74,151	87,176

CARRYING AMOUNT

At 30 September 2019	1,382,376	62,087	1,444,463
At 30 September 2018	1,077,556	63,999	1,141,555

The amount shown under the land and buildings heading, includes the cost relating to improvements made to the leasehold property rented, of £26,784. This cost is depreciated on a 10% straight line basis.

The rest of the amount is relating to the investment property acquired in the previous financial year, of which details are shown below.

INVESTMENT PROPERTY

Included in land and buildings are the following amounts in relation to investment properties:

	2019
	£
Carrying amount at 1 October 2018	1,061,119.00
Additions	307,498
Carrying amount at 30 September 2019	1,368,617

The investment property was acquired in the previous financial year and it was still under development in this financial year.

6 DEBTORS

2019	2018
£	£

Trade debtors	-	33,641
Other debtors	192,939	167,726
	<hr/>	<hr/>
	192,939	201,367
	<hr/>	<hr/>

The amount in other debtors includes the amount of outstanding loans to the company's director/shareholder of £138,000 in 2019 and £113,000 in 2018. Further details are provided under the director's advances note below.

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts	290,000	405,000
Trade creditors	266,760	231,425
Taxation and social security	108,647	54,722
Other creditors	191,521	76,801
	<hr/>	<hr/>
	856,928	767,948
	<hr/>	<hr/>

The amount in trade creditors includes deferred income i.e. rent receivable which is partly relating to the next financial period and also rent deposits which are held at the end of the financial period.

The amounts shown under bank loans and overdrafts include the outstanding balance of a related party loan (£270,000 in 2019 and £400,000 in 2018) which is repayable on demand when the lender serves the company with a three months written notice to do so. For further details of this loan see the related party transactions notes below.

8 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts	864,971	600,000

The loans shown above are installment loans, secured on the company's assets. All the loans fall due for repayment between two to five years. There are no debts that fall due for repayment after five years.

9 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The company had annual financial commitments of £150,000 for rent payable under an operating lease, which expired in February 2019. Afterwards, the company is responsible to pay the quarterly rent due in advance for as long as it occupies the leasehold property, which at the end of the financial year was £37,500 per quarter.

10 DIRECTOR'S ADVANCES, CREDIT AND GUARANTEES

LOANS TO COMPANY DIRECTOR/SHAREHOLDER :

In total, loans amounting to £200,000 were advanced to the company's director/shareholder (Mr C. Chrysanthou) during the financial year (£150,000 in 2018). The interest rate charged on the outstanding loans during the financial year was 3% (3% in 2018) and for the financial year, the interest charged was £5,127 (£3,760 in 2018). The amount of loans outstanding as at the end of the financial year was £138,000 (£113,000 in 2018). The outstanding loans are repayable on demand.

11 RELATED PARTY TRANSACTIONS

LOANS TO COMPANY DIRECTOR/SHAREHOLDER - As per note above relating to directors' advances.

DIRECTORS' CURRENT ACCOUNT :

At the end of the financial year the company owed its director £508 (£5,211 in 2018).

DIVIDENDS :

In the financial year 2019, dividends of £175,000 (£155,000 in 2018) were paid to the company's registered shareholder.

DIRECTORS' REMUNERATION :

The directors' remuneration for the financial year was £11,850 (£11,425 in 2018).

RENT TO LANDLORD :

During the financial year, rent of £150,000 (£150,000 in 2018) was payable to the landlord. There is a family beneficial interest in the landlord's business through a trust.

LOAN RECEIVED FROM A RELATED PARTY :

The outstanding loan which was received (in 2018 of £400,000) from a family related person, due to the company's needs, was £270,000 at the end of the financial year (£400,000 in 2018). It is an interest free loan and the loan is repayable on demand when the lender serves the company with a three months written notice to do so.

PROPERTY ACQUISITION FROM A RELATED PARTY :

In the financial year 2018, a property was acquired from a related entity (there was a family relation between the two entities) at market value for the amount of £1,000,000 based on a professional valuation obtained before the acquisition.

12 CONTROLLING PARTY

The ultimate controlling party at the end of the financial year was Mr Chrisanthos Chrysanthou who held 100% of the company's share capital.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.