

Company registration number: **08248558**

SMART STUDENT ACCOMMODATION LIMITED

Unaudited Filleted Financial Statements for the
year ended

30 September 2020

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 2020

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 2020 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: 14 September 2021

SMART STUDENT ACCOMMODATION LIMITED

Statement of Financial Position

30 September 2020

		2020	2019
	Note	£	£
FIXED ASSETS			
Tangible assets	5	2,046,109	1,444,463
CURRENT ASSETS			
Debtors	6	80,482	192,939
Cash at bank and in hand		154,770	262,801
		<hr/> 235,252	<hr/> 455,740
Creditors: amounts falling due within one year	7	(882,943)	(856,928)
Net current liabilities		<hr/> (647,691)	<hr/> (401,188)
Total assets less current liabilities		<hr/> 1,398,418	<hr/> 1,043,275
Creditors: amounts falling due after more than one year	8	(1,100,000)	(864,971)
Net assets		<hr/> 298,418	<hr/> 178,304
CAPITAL AND RESERVES			
Called up share capital		100	100
Profit and loss account		298,318	178,204
Shareholders funds		<hr/> 298,418	<hr/> 178,304

For the year ending 30 September 2020, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge 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 14 September 2021, 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 2020

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 other property lettings 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 10% straight line on building improvements on the leasehold property. Freehold investment buildings and properties are not depreciated, unless their estimated residual value is less than their cost.

Fixtures, fittings and equipment 20% reducing balance.

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.

GOVERNMENT GRANTS

The government grants receivable in the financial year are relating to Coronavirus Job Retention Scheme grants (for furloughed employees) which have been accounted under the accrual model as a revenue-based grants and recognised in the Income Statement (i.e. in Profit and Loss account) as Other Operating Income. Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable.

Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

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 7 (2019: 4.00).

5 TANGIBLE ASSETS

	Land and buildings	Plant and machinery etc.	Total
	£	£	£
COST			
At 1 October 2019	1,395,401	136,238	1,531,639
Additions	599,581	21,451	621,032
At 30 September 2020	1,994,982	157,689	2,152,671
DEPRECIATION			
At 1 October 2019	13,025	74,151	87,176
Charge	2,678	16,708	19,386
At 30 September 2020	15,703	90,859	106,562
CARRYING AMOUNT			
At 30 September 2020	1,979,279	66,830	2,046,109
At 30 September 2019	1,382,376	62,087	1,444,463

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 acquisition and development cost of a freehold investment property at historical cost. No valuation has been carried out for the company's investment property in the financial year to 30 September 2020. Under the FRS 102 requirements, If a reliable measure of fair value is not available the investment property 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.

The above freehold investment property is not depreciated, unless its estimated residual value is less than its cost. The company's directors consider the fair value of the property at the end of the financial year to be higher than the property's carrying value disclosed in the accounts, as stated above at historical cost.

6 DEBTORS

	2020	2019
	£	£
Trade debtors	8,537	-
Other debtors	71,945	192,939
	<hr/>	<hr/>
	80,482	192,939
	<hr/>	<hr/>

The amount in other debtors includes the amount of outstanding loans to the company's director/shareholder of £53,000 in 2020 (£138,000 in 2019). Further details are provided under the directors' advances note below.

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans and overdrafts	275,000	290,000
Trade creditors	135,947	266,760
Taxation and social security	125,690	108,647
Other creditors	346,306	191,521
	<hr/>	<hr/>
	882,943	856,928
	<hr/>	<hr/>

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

The amount shown under bank loans and overdrafts includes the outstanding balance of a related party loan of £270,000 in 2020 (£270,000 in 2019), 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

	2020	2019
	£	£
Bank loans and overdrafts	1,100,000	864,971

The loans shown above are all installment loans, mainly secured on the company's assets.

Loans repayable by installments after five years are estimated to be £6,667 in 2020 (none in 2019).

9 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

At the end of the financial year, the company had annual financial commitments of £150,000 for rent payable under an operating lease, which would have been expired on 21 August 2025. However, the company acquired the freehold property on 1 April 2021 and therefore this financial commitment came to an end on that date.

10 DIRECTORS' ADVANCES, CREDIT AND GUARANTEES

LOANS TO COMPANY DIRECTOR/SHAREHOLDER :

In total, loans amounting to £65,000 were advanced to the company's director/shareholder (Mr C. Chrysanthou) during the financial year (£200,000 in 2019). The interest rate charged on the outstanding loans during the financial year was 3% (3% in 2019) and for the financial year, the interest charged was £3,210 (£5,127 in 2019). The amount of loans outstanding as at the end of the financial year was £53,000 (£138,000 in 2019). 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 directors £2,170 (£508 in 2019).

DIVIDENDS :

In the financial year 2020, dividends of £150,000 (£175,000 in 2019) were paid to the company's registered shareholder.

DIRECTORS' REMUNERATION :

The directors' remuneration for the financial year was £11,850 (£11,850 in 2019).

RENT TO LANDLORD :

During the financial year, rent of £150,000 (£150,000 in 2019) was payable to a connected landlord. However, due to Coronavirus disruptions rent discounts were agreed with the landlord amounting to £112,750 in the financial year (none in 2019). There is a family beneficial interest in the landlord's business through a trust.

OUTSTANDING LOAN TO A RELATED PARTY :

At the end of the financial year, there was an outstanding loan of £270,000 (£270,000 in 2019) from a related family member. The loan was advanced due to the company's needs. 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.

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.