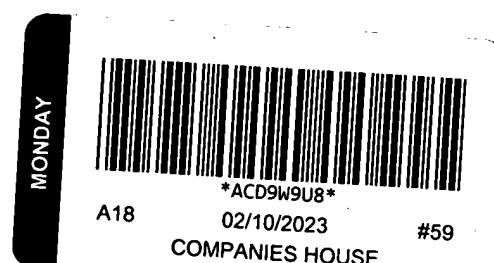


The Student Housing Company (Exeter) Limited

Registered Company Number 10946879

Financial Statements

For the year ended 31 December 2022



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The Student Housing Company (Exeter) Limited
Directors' report
For the year ended 31 December 2022

The Directors present the Report and the Financial Statements of The Student Housing Company (Exeter) Limited (the "Company") for the year ended 31 December 2022.

Principal activity

The Company is incorporated in the United Kingdom and the principal activities are to provide operating services to GSA SJP Limited (previously known as "GSA HSRE SJP Limited"), which invests in student accommodation.

Business review

The Company was incorporated on 5 September 2017 and is a subsidiary of GSA SJP Limited. For the year ended 31 December 2022, the Company made a profit before tax of £752,791 (2021: £429,778) and had net assets of £1,032,186 (2021: £422,425).

Dividends

The Company did not pay any dividends during the period (2021: £nil). The Directors do not recommend the payment of a dividend.

Directorships

The following were directors of the Company for the full period, and subsequently, unless otherwise stated:

Robert Waterhouse

Ben Harvie

Thomas Walker

Appointed 3 February 2022

Resigned 3 February 2022

Accounting principles

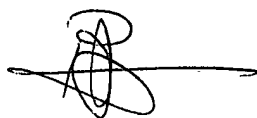
Details of the significant accounting principles adopted are disclosed in Note 2 to these financial statements.

Strategic Report exemption

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small company exemption. Accordingly, no strategic report has to be prepared.

Registered Office

The registered office of the Company is 4th Floor 3 More London Riverside, London, United Kingdom, SE1 2AQ .



By order of the Board

R Waterhouse

Director

26th September 2023

The Student Housing Company (Exeter) Limited
Directors' report
For the year ended 31 December 2022

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the United Kingdom (IFRSs as adopted by the EU) and applicable law.

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 estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the Board

A handwritten signature in black ink, consisting of a stylized 'R' followed by a horizontal line and some loops.

R Waterhouse
Director
26th September 2023

The Student Housing Company (Exeter) Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2022

		1 January 2022 to 31 December 2022 £	1 January 2021 to 31 December 2021 £
	Note		
Rental income	6	3,031,453	2,295,685
Direct and other operating expenses	7	(2,292,634)	(2,074,623)
Net operating profit		<u>738,819</u>	<u>221,062</u>
Administration expenses		13,972	209,111
Net finance costs	8	-	(395)
Profit before tax		<u>752,791</u>	<u>429,778</u>
Income tax expense	9	(143,030)	(81,658)
Profit for the period		<u>609,761</u>	<u>348,120</u>
Other comprehensive income		-	-
Total comprehensive income for the year/period		<u>609,761</u>	<u>348,120</u>

The accompanying notes on pages 7 to 15 form an integral part of these financial statements.

The Student Housing Company (Exeter) Limited
Statement of financial position
31 December 2022

		31 December 2022 £	31 December 2021 £
	Note		
Assets			
Current assets			
Trade and other receivables	10	486,667	957,851
Amounts due from related parties	11	2,611,184	1,829,031
Cash and cash equivalents	12	390,933	914,110
		<u>3,488,784</u>	<u>3,700,992</u>
Total assets		<u>3,488,784</u>	<u>3,700,992</u>
Liabilities			
Current liabilities			
Trade and other payables	13	1,931,407	2,373,211
Corporation tax payable		240,149	99,087
Amounts payable to related parties	14	283,609	806,269
		<u>2,455,165</u>	<u>3,274,567</u>
Total liabilities		<u>2,455,165</u>	<u>3,274,567</u>
Net assets		<u>1,033,619</u>	<u>422,425</u>
Equity attributable to equity holders			
Share capital	15	1	1
Retained earnings		1,033,618	422,424
		<u>1,033,618</u>	<u>422,425</u>
Total equity		<u>1,033,618</u>	<u>422,425</u>

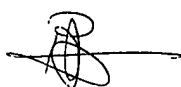
For the financial year in question, the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 3 to 16 were approved by the board of directors and authorised for issue on 26th September 2023 and were signed on its behalf by:

R Waterhouse
Director
September 2023



The accompanying notes on pages 7 to 15 form an integral part of these financial statements.

The Student Housing Company (Exeter) Limited
Statement of changes in equity
For the year ended 31 December 2022

	Share Capital £	Retained Earnings £	Total £
Balance at 1 January 2022	1	422,424	422,425
Total comprehensive income for the year	-	611,194	611,194
Balance at 31 December 2022	<u>1</u>	<u>1,033,618</u>	<u>1,033,619</u>
Balance at 1 January 2021	1	74,304	74,305
Total comprehensive income for the period	-	348,120	348,120
Balance at 31 December 2021	<u>1</u>	<u>422,424</u>	<u>422,425</u>

The accompanying notes on pages 7 to 15 form an integral part of these financial statements.

The Student Housing Company (Exeter) Limited
Statement of cash flows
For the year ended 31 December 2022

		1 January 2022 to 31 December 2022 £	1 January 2021 to 31 December 2021 £
	Note		
Cash flows from operating activities			
Loss before tax		611,194	429,778
Adjustments for:			
Finance costs	7	-	395
Operating cash flows before movement in working capital		611,194	430,173
Change in trade and other receivables and related parties		(310,969)	(1,036,108)
Change in trade and other payables and related parties		(823,402)	751,156
Net cash from operations		(1,134,371)	(284,952)
Finance costs paid	7	-	(395)
Net cash from operating activities		(523,177)	144,826
Net increase in cash and cash equivalents		(523,177)	144,826
Cash and cash equivalents at the beginning of the period	11	914,110	769,284
Cash and cash equivalents at the end of the period	11	390,933	914,110

The accompanying notes on pages 7 to 15 form an integral part of these financial statements.

The Student Housing Company (Exeter) Limited
Statement of cash flows
For the year ended 31 December 2022

1. Company Information

Reporting entity

The Student Housing Company (Exeter) Limited (the “Company”) is incorporated and domiciled in the UK.

The Company was incorporated on 5 September 2017 and is a subsidiary of GSA SJP Limited (previously known as “GSA HSRE SJP Limited”) (the “Parent Company”).

The principal activities of the Company are to provide operating services to GSA SJP Limited, which invests in student accommodation.

2. Basis of preparation

These financial statements have been prepared and approved by the directors and in accordance with International Financial Reporting Standards as adopted by the United Kingdom (IFRSs as adopted by the EU), IFRIC Interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared in Sterling, which is the functional currency of the Company, and under the historical cost convention.

2.1 New accounting standards and interpretations

As outlined below, a number of new standards are effective in the year 2022, but they do not have a material effect on the Company’s financial statements.

Accounting standard	Effective date (periods beginning)
Amendments to IFRS 2 Business Combinations	01-Jan-22
Amendments to IAS 16 Property, Plant and Equipment	01-Jan-22
Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets	01-Jan-22
Amendments to Annual Improvements 2018-2020	01-Jan-22

In the opinion of the Manager, there are no other standards that are yet effective that would be expected to have material impact on the Company.

2.1 Standards not yet effective, but available for early adoption

Accounting Standard	Effective date
IFRS 17: Insurance contracts	1 January 2023
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current and Classification of Liabilities as Current or Non-Current – Deferral Of Effective Date (issued on 23 January 2020 and 15 July 2020 respectively)	1 January 2023

In the opinion of the Manager, there are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact of the Company.

The Student Housing Company (Exeter) Limited
Statement of Directors' responsibilities
For the year ended 31 December 2022

3. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

(a) Trade and other receivables

Other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company includes in this category short-term receivables and prepayments. The Company considers that the carrying amount of other receivables is approximately equal to their fair value.

If collection is expected in more than one year, they are classified as non-current assets. The carrying value of trade and other receivables is considered to approximate to fair value.

(b) Cash and cash equivalents

Cash and cash equivalents comprises cash balances, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or fewer. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are deducted from cash and cash equivalents for the purpose of the statement of cash flows.

(c) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, they are measured at amortised cost, using the effective interest method. The carrying value of trade and other payables is considered to approximate to fair value.

(h) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting, where the effect is expected to be material, the expected future flows at a pre-tax rate which reflects current market assessments of the time value of money and the risk specific to the liability. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

(i) Share capital

Ordinary shares are classed as equity. External costs, if any, directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds, net of any tax effects.

(j) Expenses

Expenses are recognised on an accruals basis and recorded in profit or loss as incurred.

(k) Revenue

The Company recognises revenue on an accruals basis when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company. Revenue comprises rental income and other recoveries from tenants of the investment property, which the Company manages on behalf of the Parent Company. Rental income includes income from ancillary operations such as retail and other ancillary services.

The Student Housing Company (Exeter) Limited
Statement of cash flows
For the year ended 31 December 2022

3. Significant accounting policies (continued)

(h) Impairment

Impairment – financial assets

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the liability of the tenants to settle the receivable.

Trade receivables are written off when there is no reasonable expectation of recovery. Impaired debts are derecognised when they are assessed as uncollectible.

(l) Foreign currency transactions

Transactions in foreign currencies are translated into Pound Sterling at exchange rates approximating to the exchange rate ruling at the day of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Pound Sterling at the exchange rate ruling at that date.

Differences on translation are recognised in the statement of profit or loss and other comprehensive income.

(j) Corporation tax

Corporation tax in the statement of profit or loss and other comprehensive income comprises current tax for the year. Tax is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to the items recognised directly in equity, in which case it is recognised in equity. Current tax is the tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to the tax payable in respect of previous years.

No provision is made for temporary differences arising on the initial recognition of assets or liabilities, which affect neither accounting nor taxable profit to the extent that they will not reverse in the foreseeable future.

4. Going concern

During the period ended 31 December 2022, the Company recorded a net profit before tax of £754,560 (2021: profit of £429,778) and had net assets of £1,033,619 (2021: £422,425) at 31 December 2021.

Based on the above the directors believe that it is appropriate to prepare the financial statements on a going concern basis.

5. Significant judgements, key assumptions and estimates

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

In the opinion of the directors, there are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have a significant effect on the amounts recognised in these financial statements.

The Student Housing Company (Exeter) Limited
Statement of cash flows
For the year ended 31 December 2022

6. Rental and other income

(a) Rental income	1 January 2022 to 31 December 2022	1 January 2021 to 31 December 2021
	£	£
Rental income from investment properties	3,031,453	2,295,685
	<u> </u>	<u> </u>

The rental income arises on a combination of one-year lets to students representing three educational terms and summer rent.

Details of amounts due under non-cancellable operating leases is disclosed in Note 18.

The rental income included in the statement of profit or loss and other comprehensive income arises on the investment property for which the Company provides services.

7. Direct and other operating expenses

(a) Direct and other operating expenses	1 January 2022 to 31 December 2022	1 January 2021 to 31 December 2021
	£	£
Lease expense	1,845,638	1,517,961
Salaries and wages	279,793	244,261
Utilities	83,660	126,530
Property management costs	-	6,960
Marketing expenses	37,798	41,789
General administration	35,260	124,354
Material	10,485	12,768
	<u>2,292,634</u>	<u>2,074,623</u>
	<u> </u>	<u> </u>

A lease expense of £1,845,638 (2021: £1,517,961) to the Parent Company has been recognised in accordance with the lease entered in to on 26 July 2019. See Note 18.

(b) Staff numbers	1 January 2022 to 31 December 2022	1 January 2021 to 31 December 2021
	£	£
	No.	No.
Average number of staff employed (excluding directors)	-	-
	<u> </u>	<u> </u>

No director's remuneration was paid during the period (2021: £nil).

The Student Housing Company (Exeter) Limited
Statement of cash flows
For the year ended 31 December 2022

8. Net finance costs

	1 January 2022 to 31 December 2022 £	1 January 2021 to 31 December 2021 £
Bank charges	-	395
	<u> </u>	<u> </u>

9. Income tax expense

	1 January 2022 to 31 December 2022 £	1 January 2021 to 31 December 2021 £
Income tax expense	143,336	81,658
	<u> </u>	<u> </u>

The tax expense is equivalent to the statutory tax rate of 19% and applied to the Company's profit before tax.

The Company has no tax losses in 2022 available to offset future profits chargeable to tax in the UK (2021: nil).

10. Trade and other receivables

	31 December 2022 £	31 December 2021 £
Trade receivables	486,667	957,851
	<u> </u>	<u> </u>
	486,667	957,851
	<u> </u>	<u> </u>

Rent for the total tenancy period is recognised as a receivable on commencement of the lease as it establishes the contractual right to receive the rent. Trade receivables of £486,667 (2021: £957,851) are neither past due nor impaired as of the period end and represent rents that are payable by instalments over the lease term of not more than twelve months.

11. Amounts due from related parties

	31 December 2022 £	31 December 2021 £
GSA SJP Limited	2,611,184	1,829,031
	<u> </u>	<u> </u>
	2,611,184	1,829,031
	<u> </u>	<u> </u>

The Student Housing Company (Exeter) Limited
Statement of cash flows
For the year ended 31 December 2022

12. Cash and cash equivalents

	31 December 2022	31 December 2021
	£	£
Cash at bank and in hand	390,933	914,110
	<u> </u>	<u> </u>

13. Trade and other payables

	31 December 2022	31 December 2021
	£	£
Deferred income	1,794,613	1,616,764
Trade payables	22,690	440,197
Other creditors	13,255	18,763
Accruals	100,849	297,487
	<u> </u>	<u> </u>
	1,931,407	2,373,211
	<u> </u>	<u> </u>

Deferred income of £1,792,613 relates to rent recognised in advance from students.

14. Amounts payable to related parties

	31 December 2022	31 December 2021
	£	£
Uninest UK	283,609	806,269
	<u> </u>	<u> </u>
	283,609	806,269
	<u> </u>	<u> </u>

15. Share capital

	31 December 2022	31 December 2021
	£	£
Issued and unpaid:		
Ordinary shares – 1 ordinary shares of £1 each	1	1
	<u> </u>	<u> </u>

16. Financial risk management

The Company's risk management policies and practices are set out below. The Board of Directors monitors these risks through the use of regular management reporting and regularly reviews the status of these risks to ensure that they continue to be managed appropriately.

Foreign currency management

All operational income, costs and bank accounts are denominated in Pound Sterling (£). Therefore, the Company considers the impact of foreign currency transactions to be low.

The Student Housing Company (Exeter) Limited
Statement of cash flows
For the year ended 31 December 2022

16. Financial risk management (continued)

Cash management and liquidity

Cash levels are monitored to ensure sufficient resources are available to meet the Company's operational requirements.

Sensitivity analysis

The Company considers its exposure to exchange rate risks as low because all bank accounts are denominated in Pound Sterling, most suppliers are based in the UK, and as such, obligations are settled in Pound Sterling.

Credit risk

The Company's principal financial assets are bank and cash balances, trade and other receivables and amounts due from related parties. The Company's credit risk is attributable to its trade and other receivables, cash balances and amounts due from related parties.

Trade receivables consist principally of rents due from tenants. The tenant base is diversified geographically, with tenants generally of good financial standing. Tenant leases require all tenants to either pay fully in advance or in three instalments. Rental deposits and personal guarantees are held in respect of some leases. Taking these factors into account, the risk to the Company of individual tenant default and the credit risk of trade receivables is considered low.

The credit risk on cash balances is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Company's maximum exposure to credit risk is represented by the balance of accounts receivable and the balance of other current assets disclosed in the Company's statement of financial position.

Financial maturity analysis

The table below analyses the Company's financial liabilities in their relevant maturity groupings based on the period remaining until the contractual maturity date.

	Carrying amount £	Contractual cash flows £	Under 1 year £	1 to 2 Years £	Between 2 and 5 Years £	More than 5 years £
31 December 2022						
Trade and other payables*	136,794	136,794	136,794	-	-	-
	<u>136,794</u>	<u>136,794</u>	<u>136,794</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>136,794</u></u>	<u><u>136,794</u></u>	<u><u>136,794</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
31 December 2021						
Trade and other payables*	756,447	756,447	756,447	-	-	-
	<u>756,447</u>	<u>756,447</u>	<u>756,447</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>756,447</u></u>	<u><u>756,447</u></u>	<u><u>756,447</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

*Excludes deferred income, which is not a financial liability.

The Student Housing Company (Exeter) Limited
Notes to the financial statements
For the year ended 31 December 2022

17. Contingent liabilities

There are no material contingent liabilities at 31 December 2022 (2021: nil).

18. Capital commitments

The Company had no capital commitments as at 31 December 2022 (2021: nil).

19. Operating leases

Leases as lessor

The Company's investment property is let under operating leases. The future minimum lease payments under non-cancellable leases are as follows:

	31 December 2022	31 December 2021
	£	£
Less than one year	1,794,613	1,616,764
Total	<u>1,794,613</u>	<u>1,616,764</u>

No tenants are on leases greater than one year. Only committed income has been disclosed in the current year from rooms let directly to tenants, representing one educational term.

Leases as lessee

At 31 December 2022, the Company had operating lease commitments to related parties.

On 15 October 2019, the Company entered into a lease agreement with GSA HSRE SJP Limited (now known as "GSA SJP Limited") in connection with the investment property at St James Park, Stadium Way, Exeter for a term of 22 years from 26 July 2019.

20. Related party transactions

Amounts due from related parties

GSA SJP Limited is considered a related party as it is the 100% shareholder of the Company.

The Company incurred and accrued lease expenses under the management lease agreement with GSA SJP Limited of £1,845,638 during the period. The Company also had a balance payable to Uninest UK of £283,609 (2021: £806,269).

The Student Housing Company (Exeter) Limited
Notes to the financial statements
For the year ended 31 December 2022

21. Ultimate controlling party

The Company is a subsidiary undertaking of GSA SJP Limited, which is the immediate parent company and is incorporated in Jersey. The ultimate controlling party as at 31 December 2022 was GSAF Holdco GBP Limited, domiciled in Jersey.

22. Significant and subsequent events

Subsequent events have been evaluated up to the date of the signing of the financial statements and there are no further material events to be adjusted or disclosed in these financial statements