

Registered number: 07380468

ASH8 (175 CORP ST) LIMITED
UNAUDITED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021



LUBBOCK FINE LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

ASH8 (175 CORP ST) LIMITED

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ASH8 (175 CORP ST) LIMITED

COMPANY INFORMATION

DIRECTORS	S McKeown G Shweiry
REGISTERED NUMBER	07380468
REGISTERED OFFICE	3rd Floor Paternoster House 65 St.Paul's Churchyard London EC4M 8AB
ACCOUNTANTS	Lubbock Fine LLP Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Current assets			
Stocks	4	-	2,372
Debtors	5	4,499,842	4,688,485
Cash at bank and in hand		54,076	-
		<u>4,553,918</u>	<u>4,690,857</u>
Creditors: amounts falling due within one year	6	(4,439,256)	(4,273,628)
Net current assets		<u>114,662</u>	<u>417,229</u>
Net assets		<u>114,662</u>	<u>417,229</u>
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account		<u>114,661</u>	<u>417,228</u>
		<u>114,662</u>	<u>417,229</u>

The Directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Sean McKeown

S McKeown
Director

Date: 27 January 2023

The notes on pages 3 to 8 form part of these financial statements.

ASH8 (175 CORP ST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. GENERAL INFORMATION

ASH8 (175 Corp St) Limited is a company limited by shares and incorporated in England and Wales with registered number 07380468. Its registered office address is 3rd Floor, Paternoster House, 65 St. Paul's Churchyard, London, EC4M 8AB. Its principal place of business is 66 St James's Street, London, SW1A 1NE.

The Company's functional and presentational currency is GBP.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

Management monitor the Company's and the Group's working capital requirements and regularly updates the Group's cashflow forecasts and operating model which reviews the operations of the Group for the foreseeable future including the 12 months from the date of signing the financial statements. The operating model and forecasts are also subject to the extent of the impact of the COVID-19 outbreak on the ongoing financial performance of the Company and the Group and this will continue to depend on future outbreaks and related restrictions and the impact of COVID-19 on the financial markets and the overall economy, all of which are uncertain and cannot be reliably predicted.

During the year ended 31 December 2021 the Group breached its loans financial covenants and received a waiver from the lender covering previous breaches and anticipated further breaches up to 31 December 2021. The current forecast position of the group shows that the cash available for debt service continues to require support from its parent company to cover the period over the next 12 months from signing the financial statements with a further breach of loan covenants in respect of debt service coverage expected in this period. Management are confident that further waivers will be granted by the lenders and are reviewing options including relying on the support of its' parent undertaking to inject equity to remedy any breaches and additional collateral and or partial repayment of the loans. The directors are confident that any additional conditions agreed between the lenders and the group in terms of remedying any breaches by injecting equity, additional collateral and or partial repayment of the loans can be met through support from its parent undertaking, fellow group companies and if necessary, through external finance. After this the forecasts anticipate a net cash surplus will start to be generated again, and constructive conversations continue with the lender in order to seek the covenant waivers required to transition back to this net positive cashflow position. Though it is expected that future loan waivers will be granted, because of this and uncertainty over the forecasts being achieved over the next 12 months there is a material uncertainty that exists that may cast significant doubt on the Company's and the Group's ability to continue as a going concern, but given the continued support of the lender and the group's parent, the improved position in respect of COVID-19, and continued strong support for the student accommodation sector, the directors consider it appropriate to prepare the accounts on a going concern basis.

This assumes that the Company will continue in operational existence with the continued support of its parent company and related entities and lenders for the foreseeable future and for at least 12 months after the signing of the financial statements.

2. ACCOUNTING POLICIES (continued)

2.3 REVENUE

Turnover represents rental income receivable and sale of services from property lettings. All properties are situated in the United Kingdom. Rental income is recognised on a straight line basis over the term of the lease. Any rental incentive or rent free period given is spread over the period of the lease. Sale of services is recognised at the point the service is provided and it is probable the Company will receive the previously agreed upon payment.

2.4 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 TAXATION

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.6 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

ASH8 (175 CORP ST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (continued)

2.7 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. ACCOUNTING POLICIES (continued)

2.10 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ASH8 (175 CORP ST) LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2021****3. EMPLOYEES**

There were no employees during the current or prior period. However, a fellow group company employed 59 (2020 - 41) staff during the period who also carry out services for the Company. Appropriate salary recharges have been recognised in the financial statements.

4. STOCKS

	2021 £	2020 £
Finished goods and goods for resale	-	2,372

5. DEBTORS

	2021 £	2020 £
Amounts owed by group undertakings	4,494,826	4,685,502
Other debtors	1	778
Prepayments and accrued income	5,015	2,205
	<u>4,499,842</u>	<u>4,688,485</u>

6. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	5,045	-
Amounts owed to group undertakings	4,285,740	3,935,019
Other creditors	-	98
Accruals and deferred income	148,471	338,511
	<u>4,439,256</u>	<u>4,273,628</u>

7. SHARE CAPITAL

	2021 £	2020 £
Allotted, called up and fully paid		
1 (2020 - 1) Ordinary share of £1.00	1	1

ASH8 (175 CORP ST) LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2021**

8. GUARANTEES

The Company, along with other group companies, have guaranteed bank borrowings by fixed and floating charges over the assets of the Company for a fellow group company. At the period end the liabilities covered by these guarantees totalled £105,016,231 (2020 - £105,517,644).

9. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	450,000	450,000
Later than 1 year and not later than 5 years	1,800,000	1,800,000
Later than 5 years	6,004,110	6,454,110
	<u>8,254,110</u>	<u>8,704,110</u>

10. PARENT UNDERTAKINGS

Up until July 2021, the ultimate parent undertaking was Arlington Student Holdings (No. 8) Limited, a company registered in Jersey. From July 2021 and as at the balance sheet date, the ultimate parent undertaking became ASAF (No. 1) Limited, a company incorporated in Jersey.

The largest and smallest group in which the results of the Company are consolidated is ASH8 UK Hold Co Plc, a company registered in England and Wales. It's registered office is 3rd Floor Paternoster House, 65 St. Paul's Churchyard, London, EC4M 8AB. The consolidated financial statements are publicly available from Companies House.