

SMART CITY PRESTIGE LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2021

SMART CITY PRESTIGE LIMITED

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SMART CITY PRESTIGE LIMITED
REGISTERED NUMBER: 08789854

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	213,759	133,978
		<u>213,759</u>	<u>133,978</u>
Current assets			
Debtors: amounts falling due within one year	5	10,321	5,205
Cash at bank and in hand	6	13,629	39,688
		<u>23,950</u>	<u>44,893</u>
Creditors: amounts falling due within one year	7	(243,910)	(204,238)
Net current liabilities		<u>(219,960)</u>	<u>(159,345)</u>
Total assets less current liabilities		<u>(6,201)</u>	<u>(25,367)</u>
Creditors: amounts falling due after more than one year	8	(192,249)	(138,761)
Net liabilities		<u><u>(198,450)</u></u>	<u><u>(164,128)</u></u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		<u>(199,450)</u>	<u>(165,128)</u>
Shareholders' deficit		<u><u>(198,450)</u></u>	<u><u>(164,128)</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and 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 and delivered 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 Company has opted not to file the profit and loss account and directors report 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 on 20 December 2022.

SMART CITY PRESTIGE LIMITED
REGISTERED NUMBER: 08789854

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

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T Z Usmani

Director

The notes on pages 3 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

The company is a private company limited by shares, and is incorporated in England and Wales. The address of its registered office is 50 Havelock Terrace, London, SW8 4AL.

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

In the view of the deficiency on the balance sheet, the company's principal creditor has assured continued financial support for the foreseeable future and the accounts have, therefore, been prepared on a going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Motor vehicles	-	10%	Reducing balance
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 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.

2.6 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.

2.7 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.

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 Profit and Loss Account.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.8 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.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Profit and Loss Account in the same period as the related expenditure. In this instance, the grants are in relation to income from the furlough scheme due to the Covid-19 pandemic and were recognised within Other Operating Income during the year.

2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

SMART CITY PRESTIGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Employees

The average monthly number of employees, including directors, during the year was 6 (2020 - 6).

4. Tangible fixed assets

	Motor vehicles £
Cost or valuation	
At 1 January 2021	156,700
Additions	339,851
Disposals	(245,184)
At 31 December 2021	<u>251,367</u>
Depreciation	
At 1 January 2021	22,722
Charge for the year on owned assets	14,886
At 31 December 2021	<u>37,608</u>
Net book value	
At 31 December 2021	<u>213,759</u>
At 31 December 2020	<u>133,978</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Motor vehicles	<u>213,759</u>	<u>133,978</u>

5. Debtors

	2021 £	2020 £
Other debtors	<u>10,321</u>	<u>5,205</u>

SMART CITY PRESTIGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>13,629</u>	<u>39,688</u>

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	9,607	1,834
Trade creditors	2,700	-
Other taxation and social security	-	10,803
Obligations under finance lease and hire purchase contracts	30,182	12,460
Other creditors	199,171	174,641
Accruals and deferred income	2,250	4,500
	<u>243,910</u>	<u>204,238</u>

8. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	35,650	46,946
Net obligations under finance leases and hire purchase contracts	156,599	91,815
	<u>192,249</u>	<u>138,761</u>

SMART CITY PRESTIGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	9,607	1,834
Amounts falling due 2-5 years		
Bank loans	35,650	31,847
Amounts falling due after more than 5 years		
Bank loans	-	15,099
	<u>45,257</u>	<u>48,780</u>

The Company obtained a Bounce Back Loan Scheme in 2020. Interest was covered by the government in the first 12 months therefore a government grant of £1,802 (2020: -£1,220) was recognised for the interest in the year.

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	30,182	19,005
Between 1-5 years	156,599	103,270
	<u>186,781</u>	<u>122,275</u>

11. 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	9,195	9,516
Later than 1 year and not later than 5 years	3,816	2,379
	<u>13,011</u>	<u>11,895</u>

SMART CITY PRESTIGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. Related party transactions

At the end of the year, a balance of £198,185 (2020: £174,049) was owed to a company with common directors and shareholders. No interest was charged on this balance.

At the end of the year, a balance of £833 (2020: £200) was owed to the directors. No interest was charged on this balance.

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' not to disclose related party transactions between two or more wholly owned members of a group.

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.