

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Registered Company Number 08933813

Financial Statements

For the year ended 31 December 2016

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Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Directors' Report for the year ended 31 December 2016

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Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Directors' Report for the year ended 31 December 2016

The Directors present their Report and the Financial Statements for the year ended 31 December 2016.

Principal activity

The company is incorporated in the United Kingdom and the principal activities are the provision of management services to Group companies that invest in student accommodation in Ireland and Spain.

Business review

The Company was incorporated on 11 March 2014. The financial statements for the accounting year ended 31 December 2016 and the comparative period ended 31 December 2015 are unaudited.

For the year ended 31 December 2016 the company made a loss before tax of £446,000 (2015: loss of £418,000) and had net liabilities of £1,117,000 (2015: net liabilities of £576,000).

The Group companies and properties that the Company provides management services to in Ireland and Spain were sold on 19 December 2016 and 20 June 2017 respectively and all of the management agreements have been terminated.

In both current and prior years ended 31 December 2016 and 2015 respectively the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. For the financial year ended 31 December 2016, 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 Company's financial statements for the prior year ended 31 December 2015 were not audited.

Future outlook

Following the termination of the management agreements for the Group companies and properties that were serviced in Ireland and Spain the company has ceased trading and will be wound down. The financial statements have therefore been prepared on a break up basis and the assets and liabilities have been included in the statement of financial position at net realisable value.

Dividends

The company did not pay any dividends during the year (2015: £nil). The Directors do not recommend the payment of a dividend.

Directorships

The following were directors of the company during the year:

Nael Khatoun
Justin Bickle
Mario Adario
Robert Crompton
Matthew Taylor

Accounting principles

Details of the main accounting principles adopted are disclosed in Notes 1 and 2 in these financial statements.

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Directors' Report for the year ended 31 December 2016

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 100 Gray's Inn Road, London WC1X 8AL.

By order of the Board



M Taylor
Director

26 SEPT 2017

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

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 period. Under that law they have elected to prepare the financial statements in accordance with 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 and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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

M Taylor
Director

26 SEPT 2017

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Statement of comprehensive income
For the year ended 31 December 2016

		2016 £000	2015 £000
	Note		
Operating expenses		(440)	(418)
Net operating loss		<u>(440)</u>	<u>(418)</u>
Net finance costs		(6)	-
Loss before tax		<u>(446)</u>	<u>(418)</u>
Income tax (expense) / credit	6	(95)	82
Loss for the period		<u>(541)</u>	<u>(336)</u>
Loss for the period attributable to:			
Owners of the Company		(541)	(336)
Non-controlling interest		-	-
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive loss for the year		<u>(541)</u>	<u>(336)</u>
Total comprehensive loss attributable to:			
Owners of the Company		(541)	(336)
Non-controlling interest		-	-

All of the results stated above relate to discontinued operations.

The notes on pages 10 to 16 form an integral part of these financial statements.

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Statement of financial position as at 31 December 2016

	Note	2016 £'000	2015 £'000
Assets			
Current assets			
Trade and other receivables	7	12	16
Amounts due from related parties	15	845	4
Corporation tax receivable	6	-	85
Cash and cash equivalents	8	289	66
		<hr/>	<hr/>
Total assets		1,145	171
		<hr/>	<hr/>
Liabilities			
Current liabilities			
Trade and other payables	9	54	60
Amounts due to related parties	15	2,198	687
Corporation tax payable	6	10	-
		<hr/>	<hr/>
		2,262	747
		<hr/>	<hr/>
Total liabilities		2,263	747
		<hr/>	<hr/>
Net liabilities		(1,117)	(576)
		<hr/>	<hr/>
Equity attributable to equity holders			
Share capital	10	-	-
Retained earnings		(1,117)	(576)
		<hr/>	<hr/>
Total equity		(1,117)	(576)
		<hr/>	<hr/>

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Statement of financial position as at 31 December 2016

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 5 to 16 were approved by the board of directors and authorised for issue on 26 SEPT 2017 and are signed on its behalf by:



M Taylor
Director

The notes on pages 10 to 16 form an integral part of these financial statements

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Statement of changes in equity
For the year ended 31 December 2016

	Share capital £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2016	-	(576)	(576)
Total comprehensive loss for the period	-	(541)	(541)
Balance at 31 December 2016	<u>-</u>	<u>(1,117)</u>	<u>(1,117)</u>

	Share capital £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2015	-	(240)	(240)
Total comprehensive loss for the period	-	(336)	(336)
Balance at 31 December 2015	<u>-</u>	<u>(576)</u>	<u>(576)</u>

The notes on pages 10 to 16 form an integral part of these financial statements.

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Statement of cash flows for the year ended 31 December 2016

	Note	2016 £'000	2015 £'000
Cash flows from operating activities			
Loss from operations		(440)	(418)
Operating cash flows before movement in working capital		<u>(440)</u>	<u>(418)</u>
(Increase) in trade and other receivables		(836)	(18)
Increase in trade and other payables and related parties		1,505	432
Cash inflow / (outflow) from operations		<u>229</u>	<u>(4)</u>
Corporation tax paid		-	(3)
Interest paid		(6)	-
Net cash inflow / (outflow) from operating activities		<u>223</u>	<u>(7)</u>
		<u><u>223</u></u>	<u><u>(7)</u></u>
Net increase / (decrease) in cash and cash equivalents		223	(7)
Cash and cash equivalents at the beginning of the period	8	66	73
Cash and cash equivalents at the end of the period	8	<u>289</u>	<u>66</u>
		<u><u>289</u></u>	<u><u>66</u></u>

The notes on pages 10 to 16 form an integral part of these financial statements.

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Notes to the financial statements for the year ended 31 December 2016

1. Basis of preparation

Threesixty Developments (Europe) Limited is a company incorporated and domiciled in the UK.

These financial statements have been prepared and approved by the directors on a break up basis, in accordance with International Financial Reporting Standards as adopted by the European Union (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 (rounded to the nearest thousand), which is the functional currency of the Company, and under the historical cost convention. A summary of the significant accounting policies, which have been applied consistently, is set out in Note 2 below.

2. Significant accounting policies

(a) Standards and Interpretations recently issued but not yet effective

The sections below represent new or amended EU endorsed accounting standards relevant to the Company's results that are issued but not effective.

IFRS 9 Financial Instruments

This standard is the first step in the process to replace IAS 39 "Financial Instruments; Recognition and Measurement". The effective date has been delayed to annual periods beginning on or after 1 January 2018. Early adoption is permitted, however the standard has not yet been endorsed by the EU. Management has yet to assess the full impact of IFRS 9 to the Company.

IFRS 15 Revenue from Contracts with Customers

This standard is effective for accounting periods beginning on or after 1 January 2018. Management has yet to assess the full impact of IFRS 15 to the Company.

IAS 7 Statement of Cash Flows

The International Accounting Standards Board (IASB) has published amendments to IAS 7 'Statement of Cash Flows'. The amendments are intended to clarify IAS 7 to improve information provided to users of financial statements about an entity's financing activities. They are effective for annual periods beginning on or after 1 January 2017, with earlier application being permitted. Management has yet to assess the full impact of IAS 7 to the Company.

IAS 12 Income Tax

The International Accounting Standards Board (IASB) has published final amendments to IAS 12 'Income Taxes'. The IASB had concluded that the diversity in practice around the recognition of a deferred tax asset that is related to a debt instrument measured at fair value is mainly attributable to uncertainty about the application of some of the principles in IAS 12. Therefore the amendments consist of some clarifying paragraphs and an illustrating example. The amendments are effective for annual periods beginning on or after 1 January 2017.

IFRS 16 Leases

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. The standard is effective for annual periods beginning on or after 1 January 2019. Management has yet to assess the full impact of IAS 7 to the Company.

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Notes to the financial statements for the year ended 31 December 2016 (continued)

2. Significant accounting policies (continued)

IAS 16 Property, Plant and Equipment

The International Accounting Standards Board (IASB) has published 'Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)'. The amendments provide additional guidance on how the depreciation or amortisation of property, plant and equipment and intangible assets should be calculated. They are effective for annual periods beginning on or after 1 January 2016, with earlier application being permitted.

(b) 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.

(d) 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.

(e) 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.

(f) Expenses

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

(g) 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 comprehensive income.

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Notes to the financial statements for the year ended 31 December 2016 (continued)

2. Significant accounting policies (continued)

(h) Corporation tax

Corporation tax in the statement of comprehensive income comprises current and deferred tax for the year. Tax is recognised in the statement of 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 balance sheet date, and any adjustment to the tax payable in respect of previous years.

Deferred tax is provided in full where a potential liability exists using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled.

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.

3. Going concern

The Group companies and properties that the Company provided management services to in Ireland and Spain were sold on 19 December 2016 and 20 June 2017 respectively and all of the management agreements have been terminated.

Following the termination of the management agreements for the Group companies and properties that were serviced in Ireland and Spain the company has ceased trading and will be wound down. The Directors believe that the going concern basis is no longer appropriate and the 2016 financial statements have therefore been prepared on a break up basis and the assets and liabilities have been included in the statement of financial position at net realisable value.

4. Significant judgements, key assumptions and estimates

The preparation of financial statements in conformity with IFRSs as adopted by the EU requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis; revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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.

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Notes to the financial statements for the year ended 31 December 2016 (continued)

5. Staff numbers and costs

	2016	2015
	£'000	£'000
Salaries and wages	364	281
Social Security costs	30	40
	<u>394</u>	<u>321</u>
	No.	No.
Average number of staff employed for the year (excluding directors)	<u>3</u>	<u>4</u>
Average number of directors employed	<u>-</u>	<u>-</u>

None of the directors received any remuneration for their services to the company.

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Notes to the financial statements for the year ended 31 December 2016 (continued)

6. Income tax expense

	2016 £'000	2015 £'000
Analysis of tax charge / (credit) for the period		
Current tax:		
UK corporation tax at 20.00% (2015: 20.25%)	5	(85)
Adjustments in respect of prior periods	90	3
Total current tax charge / (credit)	95	(82)
Deferred tax:		
Deferred tax not recognised	-	-
Total deferred tax charge	-	-
Tax on loss on ordinary activities	95	(82)
The tax charge / (credit) can be reconciled to the loss per the income statement as follows:		
Tax on UK loss at 20.00% (2015: 20.25%)	(89)	(85)
Transfer pricing adjustment	94	-
Prior year adjustment	90	3
Current year tax charge / (credit)	95	(82)

Deferred tax liabilities

The Company has applied the main rate of corporation tax of 20.00% for the year ending 31 December 2016 (2015: 20.25%).

7. Trade and other receivables

	2016 £'000	2015 £'000
Trade and other receivables	12	16

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Notes to the financial statements for the year ended 31 December 2016 (continued)

8. Cash and cash equivalents

	2016 £'000	2015 £'000
Cash at bank and in hand	289	66
	<u> </u>	<u> </u>

9. Trade and other payables

	2016 £'000	2015 £'000
Trade and other payables	54	60
	<u> </u>	<u> </u>

10. Share capital

	2016 £	2015 £
Issued and fully paid:		
Ordinary share – 100 ordinary share of £1	100	100
	<u> </u>	<u> </u>

11. Contingent liabilities

There are no material contingent liabilities at 31 December 2016 (2015: £nil).

12. Capital commitments

The company had no capital commitments as at 31 December 2016 (2015: £nil).

13. Operating lease commitments

At 31 December 2016 the company had no commitments for operating leases (2015: £nil).

Threesixty Developments (Europe) Limited (formerly The Student Housing Company (Europe) Limited)

Notes to the financial statements for the year ended 31 December 2016 (continued)

14. Subsequent events

The Group companies and properties that the Company provided management services to in Ireland were sold on 19 December 2016. Subsequent to the year end the Group companies and properties that the Company provided management services to in Spain were sold on 20 June 2017. All of the management agreements have been terminated and it is the intention of the Directors to wind down the Company.

15. Related party transactions

At 31 December 2016, the Company had the following receivable balance with related parties;

	2016	2015
	£'000	£'000
KSH Netherlands Holdings BV	-	4
Threesixty Developments Limited	813	-
KSH Europe Holdings S.à r.l.	1	-
Targeted Investment Opportunities ICAV	1	-
Gibson Investments SL	4	-
The Binary Student Housing Company (Ireland)	26	-
	<u>845</u>	<u>4</u>

At 31 December 2016, the Company had the following payable balance with related parties;

	2016	2015
	£'000	£'000
KSH Europe Holdings S.à r.l.	2,198	687
	<u>2,198</u>	<u>687</u>

16. Ultimate controlling party

The company is a subsidiary undertaking of KSH Europe Holdings S.à r.l which is the immediate parent company and is incorporated in Luxembourg. The ultimate controlling party is Oaktree European Principal Fund III, L.P. incorporated in Cayman, which is the ultimate parent.