Company registration number 13610224 (England and Wales)

CO-LIVING CAPITAL LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

PAGES FOR FILING WITH REGISTRAR

CO-LIVING CAPITAL LTD

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CO-LIVING CAPITAL LTD

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£
Fixed assets			
Investment property	**4**		5,600,000
Investments	**5**		186
			5,600,186
Current assets			
Debtors	**6**	1,065,914	
Cash at bank and in hand		225,818	
		1,291,732	
Creditors: amounts falling due within one year	**7**	(5,963,877)	
Net current liabilities			(4,672,145)
Total assets less current liabilities			928,041
Provisions for liabilities			(442,130)
Net assets			485,911
Capital and reserves			
Called up share capital			100
Profit and loss reserves			485,811
Total equity			485,911

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial period ended 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

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

The financial statements were approved and signed by the director and authorised for issue on 22 September 2023

Mr D Granat
Director

Company Registration No. 13610224

1 Accounting policies

Company information

Co-Living Capital Ltd is a private company limited by shares incorporated in England and Wales. The registered office is C/O Fylde Tax Accountants, 155 Newton Drive, Blackpool, FY3 8LZ.

1.1 Reporting period

The reporting period of the financial statements is longer than one year as these are the first financial statements for the company.

1.2 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.3 Turnover

Turnover represents amounts receivable for rents.

1.4 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss .

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2022 Number
Total	1

4 Investment property

	2022 £
Fair value	
At 8 September 2021	-
Additions	3,831,479
Revaluations	1,768,521
At 31 December 2022	5,600,000

Investment property comprises of an amount of £2,900,000 for which a first charge over the underlying assets has been given to the lenders. The fair value of the investment property has been arrived at on the basis of a valuation carried out by the directors at the year end.

5 Fixed asset investments

	2022 £
Shares in group undertakings and participating interests	186

Movements in fixed asset investments

	Shares in associates £
Cost or valuation	
At 8 September 2021	-
Additions	186
At 31 December 2022	186
Carrying amount	
At 31 December 2022	186

6 Debtors

	2022 £
Amounts falling due within one year:	
Other debtors	1,065,914

7 Creditors: amounts falling due within one year

	2022 £
Bank loans	982,856
Trade creditors	14,402
Other creditors	4,966,619
	5,963,877

Bank Loans includes £982,856 secured by way of a fixed first charge over the underlying assets.

8 Related party transactions

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	**2022** **£**
4 Cinnaminta Ltd	41,740
Ash Living Ltd	58,761
DCG Property Limited	224,226
Spur Capital Ltd	686,438

The amount outstanding from 4 Cinnaminta Ltd, a company in which Mr D Grant is a director and shareholder, is in respect of a loan provided during the period. No interest was charged on the loan during the period.

The amount outstanding from Ash Living Ltd, a company in which Mr D Grant is a director and shareholder, is in respect of a loan provided during the period. No interest was charged on the loan during the period.

The amount outstanding from DCG Property Limited, a company in which Mr D Grant is a director and shareholder, is in respect of a loan provided during the period. No interest was charged on the loan during the period.

The amount outstanding from Spur Capital Ltd, a company in which Mr D Grant is a director and shareholder, is in respect of a loan provided during the period. No interest was charged on the loan during the period.

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