

Split Living Limited

Registered number: 10267040

Unaudited financial statements

For the year ended 30 June 2019

SPLIT LIVING LIMITED

Registered number: 10267040

BALANCE SHEET AS AT 30 JUNE 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	214,272	186,129
Tangible assets	5	8,446	14,943
		<u>222,718</u>	<u>201,072</u>
Current assets			
Debtors: amounts falling due within one year	6	1,668,031	1,997,958
Cash at bank and in hand		1,046,741	431,700
		<u>2,714,772</u>	<u>2,429,658</u>
Creditors: amounts falling due within one year	7	(2,408,891)	(2,279,724)
Net current assets		<u>305,881</u>	<u>149,934</u>
Total assets less current liabilities		<u>528,599</u>	<u>351,006</u>
Net assets		<u><u>528,599</u></u>	<u><u>351,006</u></u>
Capital and reserves			
Called up share capital		10	10
Profit and loss account		528,589	350,996
		<u>528,599</u>	<u>351,006</u>

SPLIT LIVING LIMITED

Registered number: 10267040

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2019

The director considers 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 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 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 comprehensive income 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 19 March 2020.

A Tate

Director

The notes on pages 3 to 11 form part of these financial statements.

SPLIT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1. General information

Split Living Limited (the "Company") is a private company, limited by shares and registered in England and Wales, registered number 10267040. The registered office is Kollider, Castle House, Castle Street, Sheffield, S3 8LU.

The principal activity in the year was the management of utilities and broadband for shared homes.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

These financial statements have been presented in pound sterling which is the functional currency of the company, and rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Going concern

The use of the going concern basis of accounting is appropriate because the director is not aware of any material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern.

SPLIT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.4 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.

SPLIT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income 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.

2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 Finance costs

Finance costs are charged to the Statement of Comprehensive Income 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.

2.8 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 the Statement of Comprehensive Income 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.

SPLIT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.9 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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.

2.10 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Development expenditure	-	3	years
Goodwill	-	10	years

SPLIT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.11 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, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures & fittings	-	25% straight line
Office equipment	-	33.3% straight line
Other fixed assets	-	33.3% straight line

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 the Statement of Comprehensive Income.

2.12 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.

2.13 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.

2.14 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.

SPLIT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.15 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 non-puttable 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 Statement of Comprehensive Income.

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.

3. Employees

The average monthly number of employees, including directors, during the year was 41 (2018 - 50).

4. Intangible assets

	Development	Goodwill	Total
	£	£	£
Cost			
At 1 July 2018	187,430	64,034	251,464
Additions	104,596	-	104,596
At 30 June 2019	<u>292,026</u>	<u>64,034</u>	<u>356,060</u>
Amortisation			
At 1 July 2018	52,529	12,806	65,335
Charge for the year	70,049	6,404	76,453
At 30 June 2019	<u>122,578</u>	<u>19,210</u>	<u>141,788</u>
Net book value			
At 30 June 2019	<u>169,448</u>	<u>44,824</u>	<u>214,272</u>
At 30 June 2018	<u>134,901</u>	<u>51,228</u>	<u>186,129</u>

SPLIT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

5. Tangible fixed assets

	Fixtures & fittings £	Office equipment £	Other fixed assets £	Total £
Cost or valuation				
At 1 July 2018	664	9,938	12,808	23,410
Additions	-	-	1,712	1,712
Disposals	-	-	(3,989)	(3,989)
At 30 June 2019	664	9,938	10,531	21,133
Depreciation				
At 1 July 2018	235	4,647	3,585	8,467
Charge for the year on owned assets	166	2,485	3,804	6,455
Disposals	-	-	(2,235)	(2,235)
At 30 June 2019	401	7,132	5,154	12,687
Net book value				
At 30 June 2019	263	2,806	5,377	8,446
At 30 June 2018	429	5,291	9,223	14,943

SPLIT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

6. Debtors

	2019 £	2018 £
Trade debtors	379,941	573,808
Amounts owed by group undertakings	1,115,605	1,114,855
Amounts owed by entities under common control	-	25,000
Other debtors	3,159	58,091
Prepayments	54,684	61,534
Tax recoverable	114,642	164,670
	<u>1,668,031</u>	<u>1,997,958</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	230,521	80,458
Corporation tax	8,138	-
Other taxation and social security	82,929	132,686
Other creditors	1,938,146	1,174,863
Accruals and deferred income	149,157	891,717
	<u>2,408,891</u>	<u>2,279,724</u>

8. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £18,265 (2018 - £5,195). Contributions totalling £3,108 (2018 - £3,162) were payable to the fund at the balance sheet date and are included in creditors.

9. Commitments under operating leases

At 30 June 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	<u>15,066</u>	<u>16,864</u>

SPLIT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

10. Related party transactions

The Company has taken advantage of the exemption conferred by FRS102 - Section 1A not to disclose transactions or balances with other wholly owned members of the group.

At 30 June 2019 the following balances were due from related parties.

	2019 £	2018 £
Amounts due from entities under common control	<u>6,063</u>	<u>6,063</u>

11. Controlling party

The ultimate parent undertaking is STB Group Limited, a company registered in England & Wales. The ultimate controlling party is Mr A Tate (director).

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