

Company Registration No. 15061842 (England and Wales)

**SOPHOMORE PROPERTY 2B LTD
UNAUDITED ACCOUNTS
FOR THE PERIOD FROM 10 AUGUST 2023 TO 30 JUNE 2024**

SOPHOMORE PROPERTY 2B LTD
UNAUDITED ACCOUNTS
CONTENTS

	Page
<u>Company information</u>	<u>3</u>
<u>Statement of financial position</u>	<u>4</u>
<u>Notes to the accounts</u>	<u>5</u>

SOPHOMORE PROPERTY 2B LTD
COMPANY INFORMATION
FOR THE PERIOD FROM 10 AUGUST 2023 TO 30 JUNE 2024

Directors	Abiola Modupeola Motajo Emma Jane Morton Jennifer Elizabeth Lambkin
Secretary	Mourant Governance Services (UK) Limited
Company Number	15061842 (England and Wales)
Registered Office	10th Floor, 110 Cannon Street London EC4N 6EU United Kingdom

SOPHOMORE PROPERTY 2B LTD
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Notes	2024 £
Fixed assets		
Investment property	4	16,034,847
Current assets		
Debtors	5	981,948
Cash at bank and in hand		2,288,341
		<u>3,270,289</u>
Creditors: amounts falling due within one year	6	(410,190)
Net current assets		<u>2,860,099</u>
Total assets less current liabilities		18,894,946
Creditors: amounts falling due after more than one year	7	(9,167,376)
Net assets		<u>9,727,570</u>
Capital and reserves		
Called up share capital	8	6,606
Share premium		9,812,810
Profit and loss account		(91,846)
Shareholders' funds		<u>9,727,570</u>

For the period ending 30 June 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts 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 profit and loss account has not been delivered to the Registrar of Companies.

The financial statements were approved by the Board of Directors and authorised for issue on 31 March 2025 and were signed on its behalf by

Jennifer Elizabeth Lambkin
Director

Company Registration No. 15061842

SOPHOMORE PROPERTY 2B LTD
NOTES TO THE ACCOUNTS
FOR THE PERIOD FROM 10 AUGUST 2023 TO 30 JUNE 2024

1 Statutory information

Sophomore Property 2b Ltd is a private company, limited by shares, registered in England and Wales, registration number 15061842. The registered office is 10th Floor, 110 Cannon Street, London, EC4N 6EU, United Kingdom.

2 Compliance with accounting standards

The financial statements give a true and fair view, have been prepared in accordance with United Kingdom Accounting Standards including Financial Reporting Standard 102 Section 1A, The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and they are in compliance with the UK Companies Act 2006. The financial statements have been prepared under the historical cost convention, modified to include investment property and certain financial instruments at fair value and as the Company meets the small companies threshold, have been prepared under FRS102 Section 1A.

3 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have been consistently applied within the same accounts.

Basis of preparation

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

Presentation currency

The accounts are presented in pound sterling (£), which is the functional currency of the Company.

Measurement convention

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investment property at fair value through profit or loss.

Going concern

On the basis of their assessment of the Company's financial position and enquiries made regarding financial support, the directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing these annual Financial Statements.

Financial instruments

(i) Debtors / creditors

Debtors are recognised initially at transaction price less attributable transaction costs. Creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest.

(ii) Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii) Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

SOPHOMORE PROPERTY 2B LTD
NOTES TO THE ACCOUNTS
FOR THE PERIOD FROM 10 AUGUST 2023 TO 30 JUNE 2024

Investment property

Investment property is property which is held either to earn rental income or for capital appreciation or for both. Investment property is recognised initially at cost which includes purchase cost and any directly attributable expenditure.

Investment property is subsequently measured at fair value at each reporting date with changes in fair value recognised in the Income Statement.

Investment property is derecognised on disposal or when no future economic benefits are expected.

Rent free and capital incentives given to tenants are amortised over the term of the lease. The fair value of the property is adjusted by the amount of the unamortised lease incentives and capital incentives in place at the period end.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Rental income

Rental income from operating leases is recognised on a straight-line basis over the lease term, on an accruals basis.

Operating lease

Leases are classified as operating leases where a significant portion of the risks and rewards of ownership is retained by the lessor. Payments (excluding costs for services and insurance) made under operating leases are recognised in the Income Statement on a straight-line basis over the term of the lease.

Expenses

Direct expenses and other overheads are recognised in the Income Statement on an accruals basis.

Interest receivable and similar income

Interest receivable and similar income include interest receivable on funds invested. Interest income is recognised in the Income Statement as it is earned.

Interest payable and similar charges

Interest payable and similar charges include interest payable and finance charges on borrowings classified as liabilities. Interest payable is recognised in the Income Statement as it accrues, using the effective interest method.

Taxation

Until 1 April 2023, the Company was subject to UK corporation tax at 19%. The corporation tax rate increased from 19% to 25% from 1 April 2023, with a rate of 19% available for companies eligible for small profit rate.

Taxation expense for the year comprises current tax recognised in the reporting period. Tax is recognised in the Income Statement.

Current tax

Current tax is the amount of tax payable in respect of the taxable profit for the period. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total income and expenses as stated in the financial statements. The timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets

SOPHOMORE PROPERTY 2B LTD
NOTES TO THE ACCOUNTS
FOR THE PERIOD FROM 10 AUGUST 2023 TO 30 JUNE 2024

are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Current and future amendments to accounting standards

The directors have considered the amendments to FRS102 that will become effective in future years. They have concluded that there are no changes pending that would have a significant impact on the Company's financial statements.

Accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on experience and other factors, including expectations of future events that are believed to be reasonable under these circumstances.

(a) Estimates of fair value of investment properties

The fair value of investment property is determined by using valuation techniques. For further details of the judgements and assumptions made, see note 4.

(b) Current tax

The Company recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax.

4 Investment property	2024
	£
Additions	16,034,847
At 30 June 2024	<u>16,034,847</u>

As at 30 June 2024, the directors deem the cost of the investment property to be equal to fair value.

5 Debtors	2024
	£
Amounts falling due within one year	
VAT	829
Trade debtors	15,693
Amounts due from group undertakings etc.	824,601
Accrued income and prepayments	60,825
Other debtors	80,000
	<u>981,948</u>

6 Creditors: amounts falling due within one year	2024
	£
Trade creditors	199,693
Amounts owed to group undertakings and other participating interests	86,902
Other creditors	41
Accruals	77,090
Deferred income	46,464
	<u>410,190</u>

SOPHOMORE PROPERTY 2B LTD
NOTES TO THE ACCOUNTS
FOR THE PERIOD FROM 10 AUGUST 2023 TO 30 JUNE 2024

7 Creditors: amounts falling due after more than one year	2024
	£
Bank loans	6,787,376
Other creditors	2,380,000
	<u>9,167,376</u>

On 17 May 2024, the Company entered into a facilities agreement with Santander UK PLC in respect of a £7,480,000 committed secured term facility. It bears an interest of an aggregate of a margin of 2.4% per annum and SONIA rate. The loan is repayable on the third anniversary of the utilisation date.

As per the facility agreement, the Company maintains an interest cover account amounting to £582,700 from which the Lender is allowed to make interest payment in case of the Company's inability to make any interest payment. This has been netted off against the bank loan.

The facility also bears loan arrangement fees of £114,632 out of which £4,707 has been amortised for the period ended 30 June 2024.

On 17 May 2024, the Company entered into a shareholder loan agreement with Sophomore Midco 2B Limited (shareholder) for £2,380,000. Interest is charged on the loan at a fixed rate of 11.07%. The loan is repayable on 12 October 2028.

8 Share capital	2024
	£
Allotted, called up and fully paid: 6,606 Ordinary shares of £1 each	<u>6,606</u>

9 Controlling party

The parent company is Sophomore Midco 2B Limited. The ultimate controlling party is Investcorp Holdings B.S.C.(c).

10 Average number of employees

During the period the average number of employees was 0.