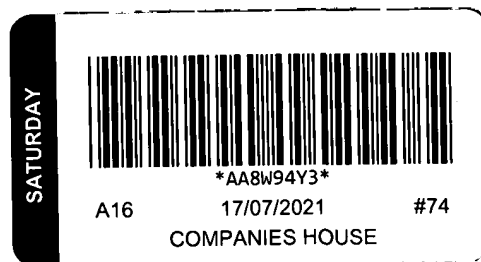


Oxford SJM Financing Limited

Annual Report and Audited Financial Statements

For the year ended 31 December 2020

Company registration no. 08523447



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DIRECTORS, ADVISORS AND OTHER INFORMATION

DIRECTORS

During the year and up to the date of signing the financial statements, the Directors were as follows:

Mrs A J Lambert
Mrs J S McNamara
Mr G E Smart (resigned 15 January 2020)

ADMINISTRATOR

Crestbridge UK Limited
8 Sackville Street
London
W1S 3DG

SECRETARY

Crestbridge UK Limited
8 Sackville Street
London
W1S 3DG

BANKERS

Lloyds Bank Plc.
25 Gresham Street
London
EC2V 7HN

INDEPENDENT AUDITORS

PricewaterhouseCoopers CI LLP
37 Esplanade
St Helier
JE1 4XA

REGISTERED OFFICE

8 Sackville Street
London
W1S 3DG

COMPANY NO.

08523447

DIRECTORS' REPORT

The Directors present their annual report and audited financial statements (the "financial statements") of Oxford SJM Financing Limited (the "Company") for the year ended 31 December 2020.

INCORPORATION AND PRINCIPAL ACTIVITIES

The Company was originally incorporated on 10 May 2013, as a Company under the Companies Act 2006. The principal activity of the Company is the provision of financing to underlying Limited Partnerships, namely Oxford SJM Limited Partnership and Oxford SJM 2 Limited Partnership.

RESULTS AND DIVIDENDS

The results for the year are included on page 8. No dividends were declared or paid in the year ended 31 December 2020 (2019: £nil).

BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

DIRECTORS

The Directors of the Company during the year and at the date of the report were:

Mrs A J Lambert
Mrs J S McNamara
Mr G E Smart (resigned 15 January 2020)

DIRECTORS' INDEMNITIES

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the year and is currently in force. The Company also maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom laws and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under the law the Directors have elected to prepare the financial annual report in accordance with IFRS. 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 for that year.

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 applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 have complied with the above requirements throughout the year and subsequently.

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 are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud, and other irregularities.

In assessing whether the going concern basis of preparation is appropriate to adopt, the Directors have not identified events or conditions that may cast significant doubt on the Company's ability to be a going concern. The Directors recognise the net current liability position as at 31 December 2020 and note that the Company intends to refinance the existing debt in advance of the maturity date. Additionally, the loan is guaranteed by OMERS Administration Corporation ("OMERS"). Taking into consideration the current asset and liability positions and the guarantee from OMERS, the Directors believe the going concern basis of preparation is appropriate.

FUTURE DEVELOPMENTS

The Directors expect the current level of activity to continue into the foreseeable future.

DIRECTORS' REPORT

CAPITAL AND FINANCIAL RISK MANAGEMENT

The Directors define the Company's capital to include share capital.

The Directors objectives when managing capital are as follows:

- to safeguard the Company's ability to continue as a going concern,
- to provide appropriate investment returns to its shareholders, and
- to maintain financial strength in order to preserve its ability to meet financial obligations.

The Directors' approach to financial risk management is outlined in note 13 to the financial statements.

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The Directors confirm that they have complied with the above requirements throughout the year and subsequently.

INDEPENDENT AUDITORS

PricewaterhouseCoopers CI LLP were appointed as the independent auditors to the Company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put forward at a General Meeting.


SECRETARY

The Secretary of the Company who has been Secretary for the whole year under review and up to the date of this report was Crestbridge UK Limited.

POLITICAL CONTRIBUTIONS

The Company made no political donations or incurred any political expenses during the year.

In preparing this report, the Directors have taken advantage of the small companies exemption provided by Section 415A of the Companies Act 2006.

DocuSigned by:

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By order of Crestbridge UK Limited

Approved by the Board of Directors and signed by order of the Board

Secretary

Date: April 30, 2021

Registered Office
8 Sackville Street
London
W1S 3DG



Independent auditors' report to the members of Oxford SJM Financing Limited

Report on the audit of the financial statements

Opinion

In our opinion, Oxford SJM Financing Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Audited Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2020; the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Report, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we considered the principal risks of non-compliance with laws and regulations, including those that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, and the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries. Audit procedures performed included:

- enquiring with the management of the company and the directors as to any actual or suspected instances of fraud or non-compliance with laws and regulations;
- checking the minutes of meetings of the board of directors for matters relevant to the audit;
- testing the disclosure in the financial statements, as well as in the Director's Report, for compliance with the requirements of the Companies Act 2006;
- identifying and testing journal entries considered to be higher fraud risk, and the evaluation of any business rationale for any significant or unusual transactions identified as being outside the normal course of business; and
- performing audit procedures to incorporate unpredictability around the nature, timing and extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

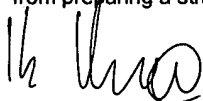
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

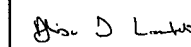


Karl Hairon (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers CI LLP
Chartered Accountants and Statutory Auditors
Jersey, Channel Islands
30 April 2021

STATEMENT OF FINANCIAL POSITION
As at 31 December

	Note	2020 £	2019 £
ASSETS			
Non-current assets			
Investments in associates	5	3,000,010	3,000,010
Loans receivable from related parties	6	42,303,838	44,106,838
		<u>45,303,848</u>	<u>47,106,848</u>
Current assets			
Interest Receivable	7	19,567	—
Loans receivable from related parties	6	135,036	235,036
Trade and other receivables	7	17,059	3,074
Cash and cash equivalents		57,574	81,033
		<u>229,236</u>	<u>319,143</u>
TOTAL ASSETS		<u><u>45,533,084</u></u>	<u><u>47,425,991</u></u>
LIABILITIES & EQUITY			
LIABILITIES			
Current liabilities			
Borrowings	8	49,968,453	49,970,792
Interest payable on borrowings	8	195,068	72,878
Trade and other payables	9	41,351	40,597
Income tax liabilities	11	860,902	1,047,433
		<u>51,065,774</u>	<u>51,131,700</u>
TOTAL LIABILITIES		<u>51,065,774</u>	<u>51,131,700</u>
EQUITY			
Share capital	12	9,604,500	9,604,500
Accumulated losses		<u>(15,137,190)</u>	<u>(13,310,209)</u>
TOTAL EQUITY		<u>(5,532,690)</u>	<u>(3,705,709)</u>
TOTAL LIABILITIES AND EQUITY		<u><u>45,533,084</u></u>	<u><u>47,425,991</u></u>

The financial statements on pages 8 to 22 were approved and authorised for issue by the Board of Directors on 29 April 2021 and were signed on its behalf by:

DocuSigned by:

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 Director

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December

		2020	2019
	Note	£	£
INCOME			
Interest income	6	35,365	36,669
		<u>35,365</u>	<u>36,669</u>
EXPENSES			
Administration fees		(21,820)	(39,461)
Audit fees	10	(10,252)	(12,345)
Legal and professional fees		(18,004)	(21,252)
		<u>(50,076)</u>	<u>(73,058)</u>
FINANCE COSTS - NET			
Interest on borrowings		(879,630)	(707,743)
Amortisation of capitalised financing costs		(53,661)	(56,706)
Bank charges		(3,189)	(1,718)
		<u>(936,480)</u>	<u>(766,167)</u>
LOSS BEFORE INCOME TAX		<u>(951,191)</u>	<u>(802,556)</u>
Income tax expense	11	(875,790)	(1,099,710)
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u><u>(1,826,981)</u></u>	<u><u>(1,902,266)</u></u>

All items relate to continuing operations.

STATEMENT OF CHANGES IN EQUITY
 For the year ended 31 December

	Share Capital £	Accumulated losses £	Total Equity £
Balance as at 1 January 2020	9,604,500	(13,310,209)	(3,705,709)
Comprehensive loss			
Loss for the year	—	(1,826,981)	(1,826,981)
Balance as at 31 December 2020	<u>9,604,500</u>	<u>(15,137,190)</u>	<u>(5,532,690)</u>

	Share Capital £	Accumulated losses £	Total Equity £
Balance as at 1 January 2019	9,604,500	(11,407,943)	(1,803,443)
Comprehensive loss			
Loss for the year	—	(1,902,266)	(1,902,266)
Balance as at 31 December 2019	<u>9,604,500</u>	<u>(13,310,209)</u>	<u>(3,705,709)</u>

STATEMENT OF CASH FLOWS
 For the year ended 31 December

		2020	2019
	Note	£	£
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the year before income tax		(951,191)	(802,556)
<i>Adjustments for:</i>			
Interest on borrowings		879,630	707,743
Interest earned on loans receivable		(35,365)	(36,669)
Amortisation of capitalised financing costs		53,661	56,706
OPERATING CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL		(53,265)	(74,776)
Increase in trade and other receivables	7	(13,985)	(1,074)
(Decrease)/increase in trade and other payables		(28,803)	7,233
CASH USED IN OPERATING ACTIVITIES		(96,053)	(68,617)
Income tax paid	11	(1,030,430)	(70,711)
NET CASH USED IN OPERATING ACTIVITIES		(1,126,483)	(139,328)
CASH FLOWS FROM INVESTING ACTIVITIES			
Repayment of loans receivable from related parties		1,903,000	857,000
Interest received from related parties		11,958	35,463
NET CASH GENERATED FROM INVESTING ACTIVITIES		1,914,958	892,463
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing fees paid		(56,000)	—
Interest paid		(755,934)	(702,306)
NET CASH USED IN FINANCING ACTIVITIES		(811,934)	(702,306)
(Decrease)/increase in cash and cash equivalents		(23,459)	50,829
Cash and cash equivalents at the beginning of the year		81,033	30,204
Cash and cash equivalents at the end of the year		57,574	81,033

STATEMENT OF CASH FLOWS

For the year ended 31 December

1. GENERAL INFORMATION

Oxford SJM Financing Limited (the "Company") is a limited liability company whose principal place of business is at 8 Sackville Street, London, W1S 3DG and was incorporated as a Company under the Companies Act 2006 on 10 May 2013. The principal activity of the Company is the provision of financing to underlying Limited Partnerships.

These financial statements have been approved for issue by the Board of Directors on 29 April 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

Basis of preparation

Statement of compliance

The financial statements are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

Statement of Comprehensive Income

The Company has elected to present a Statement of Comprehensive Income and presents its expenses by nature.

Statement of Cash Flows

The Company reports cash flows from operating activities using the indirect method. Interest paid is presented within financing cash flows.

Preparation of the financial statements

The financial statements have been prepared on a going concern basis, applying the historical cost convention.

In assessing whether the going concern basis of preparation is appropriate to adopt, the Directors have not identified events or conditions that may cast significant doubt on the Company's ability to be a going concern. The Directors recognise the net current liability position as at 31 December 2020 and note that the Company intends to refinance the existing debt in advance of the maturity date. Additionally, the loan is guaranteed by OMERS Administration Corporation ("OMERS"). Taking into consideration the current asset and liability positions and the guarantee from OMERS, the Directors believe the going concern basis of preparation is appropriate.

New and amended standards adopted by the Company

The following standards and amendments have been applied by the Company for the first time for the financial year beginning on 1 January 2020:

- Definition of Material – amendments to IAS 1 and IAS 8
- Definition of a Business – amendments to IFRS 3
- Interest Rate Benchmark Reform – amendments to IFRS 9, IAS 39 and IFRS 7
- Revised Conceptual Framework for Financial Reporting

The amendments listed above did not have any impact on the amounts recognised in prior periods.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Company. The Company is assessing the impact of the following standards:

- Amendments to IAS 1 – Classification of liabilities as current or non-current

Foreign currency translation

Functional and presentation currency

The functional currency of the Company is Pound Sterling ("£"), which is the currency of the primary economic environment in which the Company operates. The reporting currency of the Company for accounting purposes is also Pound Sterling.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Consolidation

The financial statements contain information about the Company as an individual entity. The Company has elected to prepare separate financial statements and the Company is exempt from the requirement to apply equity accounting as it and its investments are included in the consolidated financial statements of Oxford Jersey Holding Company Limited ("OJHCL"), the Company's immediate controlling party. The exemption from preparing consolidated financial statements is also permitted in accordance with section 401 of the Companies Act 2006.

Investments in associates

Investments in associates are those investments over which the Company has significant influence but not control. The financial statements contain information about the Company as an individual entity. The Company has elected to prepare separate financial statements and is exempt from the requirement to prepare economic interest financial statements. In accordance with the exemption, investments in associates are recorded at cost less impairment.

As disclosed above, the Company has met all the criteria to be exempt from preparing consolidated financial statements and as such will only prepare separate financial statements from the associates.

Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with maturity dates of less than 90 days.

Financial instruments

Financial assets and liabilities are recognised when the Company first becomes a party to the contractual rights and obligations in the contract. Financial assets and liabilities are recognised initially at fair value, plus or minus, in the case of financial asset and liabilities carried at amortised cost, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit and loss are expensed. Trade receivables that do not contain a significant financing component, as defined by IFRS 15, Revenue from Contracts with Customers ("IFRS 15"), are measured at the transaction price. Subsequent measurement depends on the initial classification of the financial asset or financial liability.

The classification of financial assets depends on the entity's business model in which the assets are managed and the contractual cash flow characteristics of the asset. Financial assets are classified and subsequently measured based on three categories: (i) amortised cost (ii) fair value through other comprehensive income (FVOCI) with fair value gains or losses recycled to net income on de-recognition or (iii) fair value through profit and loss (FVTPL). Financial assets are recorded at amortised cost only when financial assets are held with the objective of collecting contractual cash flows and those cash flows represent solely payments of principal and interest (SPPI) and are not designated as FVTPL. The Company does not hold any financial assets that are classified as FVOCI or FVTPL. Financial assets carried at amortised cost include cash and cash equivalents, loans receivable from related parties and trade and other receivables.

Financial liabilities are classified and subsequently measured at amortised cost, except for those that are derivative financial instruments or financial liabilities that are held for trading which are classified as FVTPL. The FVTPL option can also be irrevocably elected at initial recognition of financial liabilities: if it eliminates or significantly reduces an accounting mismatch; the financial liability is part of a portfolio that is managed and evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or there is an embedded derivative in the financial or non-financial host contract and the derivative is not closely related to the host contract. Financial liabilities carried at amortised cost include trade and other payables and borrowings.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or the Company transfers substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

Financial assets and liabilities are classified as current assets and current liabilities if payment is due within 12 months, otherwise they are presented as non-current assets and liabilities.

Impairment of financial assets

At each reporting date, the Company assesses each financial asset measured at amortised cost for impairment using the Expected Credit Loss ("ECL") model.

The impairment loss for trade and other receivables and loans from related parties is determined using the simplified ECL model which calculates an impairment loss based on lifetime ECLs. ECLs are based on the difference in cash flows the Company expects to receive and the contractual cash flows due in accordance with the contract, discounted using the asset's original effective interest rate. In determining ECLs, the Company considers its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 For the year ended 31 December 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets (continued)

Loans receivable from related parties

Financial assets are considered by management to be "low credit risk" when they have a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term. The Company's loans receivable from related parties are considered to have low credit risk, and the loss allowance has been evaluated based on expected losses for a period of 12 months from the balance sheet date.

Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Income tax

Income tax expense comprises current and deferred income tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in equity, in which case the tax is recognised in equity.

The Company is subject to UK Income tax at an effective rate of 19% (2019: 19%) on its current profits. Refer to note 11 for further details of the Company's taxation status.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the date of the consolidated Statement of Financial Position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised.

3. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with IFRS requires the Directors to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Although these estimates are based on the Directors best knowledge of the events and amounts involved, actual results ultimately may differ from those estimates. There are no significant estimates of judgments in the financial statements.

4. RELATED UNDERTAKINGS

Related undertakings include, direct, and indirect, subsidiaries, joint ventures, associates and other significant holdings. All related undertakings incorporated in England have a registered office at 1 St. James's Market, London, SW1Y 4AH. All related undertakings incorporated in Jersey have a registered office at 47 Esplanade, St Helier, Jersey, JE1 0BD. The principal activities of all related undertakings relate to the investment in or the development of commercial real estate properties.

The related direct undertakings of the Company are listed below.

Name of undertaking	Country of Incorporation	Share Class	% Held by Company
Oxford SJM Limited Partnership	England	n/a	49.95
Oxford SJM 2 Limited Partnership	England	n/a	49.95

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2020

4. RELATED UNDERTAKINGS (CONTINUED)

The related indirect undertakings of the Company are listed below.

Name of undertaking	Country of Incorporation	Share Class	% Held by Company
Oxford South Block Unit Trust	Jersey	n/a	49.87
Oxford Haymarket Unit Trust	Jersey	n/a	49.64
Oxford Regent Street Unit Trust	Jersey	n/a	49.78
St. James's Market Haymarket GP Limited	England	Ordinary	24.98
St. James's Market Regent Street GP Limited	England	Ordinary	24.98
St James's Market Development Limited	England	Ordinary	24.98
SJM Four (South Block) GP Limited	England	Ordinary	24.98
St. James's Market Haymarket Limited Partnership	England	n/a	24.98
St. James's Market Regent Street Limited Partnership	England	n/a	24.98
SJM Four (South Block) Limited Partnership	England	n/a	24.98
St James's Market Development (No. 2) Limited	England	Ordinary	24.98

5. INVESTMENTS IN ASSOCIATES

	2020 £	2019 £
Oxford SJM Limited Partnership	3,000,005	3,000,005
Oxford SJM 2 Limited Partnership	5	5
	<u>3,000,010</u>	<u>3,000,010</u>

During the year, the Company invested £nil (2019: £nil) in Oxford SJM Limited Partnership ("SJM LP") and £nil (2019: £nil) in Oxford SJM 2 Limited Partnership ("SJM 2 LP").

6. LOANS RECEIVABLE FROM RELATED PARTIES

	2020 £	2019 £
Non-current		
Oxford SJM 2 Limited Partnership (a)	41,100,462	41,425,462
Oxford Jersey Holdings Company Limited ("OJHCL") (b)	780,000	2,258,000
Oxford SJM 2 Limited Partnership (a)	<u>423,376</u>	<u>423,376</u>
Total non-current loans receivable	<u>42,303,838</u>	<u>44,106,838</u>
Current		
Oxford SJM Limited Partnership (c)	<u>135,036</u>	<u>235,036</u>
Total current loans receivable	<u>135,036</u>	<u>235,036</u>

a) On 20 December 2017, the Company refinanced an existing non-interest bearing loan arrangement with SJM 2 LP with a capacity of £44,774,118 and an original maturity date of 14 November 2019. Following the refinancing, the non-interest bearing loan was extended to 19 December 2022 with a capacity of £49,774,118. During 2020, the Company received principal repayments of £325,000 (2019: £785,000).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2020

6. LOANS RECEIVABLE FROM RELATED PARTIES (CONTINUED)

On 18 July 2017, the Company entered into a non-interest bearing loan with SJM 2 LP for an amount of £423,376, which was fully drawn on that date. The maturity date of the loan is 17 July 2022.

b) On 18 July 2017, the Company entered into an interest bearing loan with OJHCL for an initial amount of £1,200,000 with a total capacity of £6,200,000. The loan has a maturity date of 17 July 2022 and bears interest at 0.75% plus 3 month LIBOR. During 2020, the Company received loan repayments of £1,478,000 (2019: £72,000). Interest income of £35,365 was earned during the year (2019: £36,669).

c) On 25 November 2014, the Company entered into a non-interest bearing loan with SJM LP. The loan facility is for £115,000,000 and the initial maturity date of the loan was 11 September 2018. The non-interest bearing loan was subsequently converted to be due on demand. During the year, loan advances to SJM LP totalled £nil (2019: £nil) and a repayment of £100,000 (2019: £nil). As at 31 December 2020, the amount owing on the loan is £135,036 (2019: £235,036).

7. TRADE AND OTHER RECEIVABLES

	2020	2019
	£	£
Interest receivable	19,567	—
Amounts due from Oxford SJM Limited Partnership II ("SJM II LP")	17,059	—
Prepayments	—	3,074
	<u>17,059</u>	<u>3,074</u>

The amounts due from SJM II LP relate to professional fee invoices that Oxford SJM Financing Limited paid on its behalf. The interest receivable relates to the interest-bearing intercompany loan with OJHCL.

8. BORROWINGS

	2020	2019
	£	£
Current		
Bank loans (a)	50,000,000	50,000,000
Capitalised financing costs	(31,547)	(29,208)
Total borrowings	<u>49,968,453</u>	<u>49,970,792</u>
Interest payable on borrowings	<u>195,068</u>	<u>71,540</u>

a) On 6 July 2017, the Company entered into a £50,000,000 interest bearing loan facility with the Canadian Imperial Bank of Commerce (CIBC). The principal loan amount bore interest at 0.60% plus 3 month LIBOR. On 6 July 2020 the Company secured a renewal of the full £50,000,000 facility with CIBC and TD Bank for a period of one year, expiring 6 July 2021. The Company incurred financing fees of £56,000 (2019: £nil) which are being amortised over the term of the loan. The renewed principal loan amount bears interest at 1.40% plus 3 month LIBOR. The Company intends to extend its existing bank loan in advance of the maturity date.

The fair value of the CIBC facility approximates its carrying value.

Following the recommendations of the Financial Stability Board, a fundamental review and reform of the major interest rate benchmarks, including LIBOR, continues across the world's largest financial markets. In some cases, the reform will include replacing interest rate benchmarks with alternative Risk Free Rates ("RFRs"). The Company is in the process of assessing the impact of this review on its existing contracts.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2020

9. TRADE AND OTHER PAYABLES

	2020	2019
	£	£
Accrued costs	26,021	21,168
Accrued audit costs	4,660	9,320
Other payables	10,670	6,010
Amounts payable to OJHCL	—	4,099
	<u>41,351</u>	<u>40,597</u>

The amounts payable to OJHCL related to the overpayment of the interest receivable. The carrying value of trade and other payables approximates fair value due to their relatively short maturity.

10. AUDIT FEES

During the year, the Company was charged audit fees of £10,252 (2019: £12,345) of which £4,660 (2019: £9,320) was outstanding as an accrual at the year end. No non-audit services were provided

11. INCOME TAXES

The Company is subject to UK Corporation Tax at a rate of 19% (2019: 19%). Deferred tax assets are only recognised to the extent that future taxable profits will be available against which the temporary differences can be utilised.

Income tax expense	2020	2019
	£	£
Current tax expense	875,790	1,035,212
Deferred tax recovery	—	64,498
	<u>875,790</u>	<u>1,099,710</u>
	2020	2019
	£	£
Loss before tax	<u>(951,191)</u>	<u>(802,557)</u>
UK corporation tax at 19% (2019: 19%)	(180,726)	(152,486)
Effects of:		
Non trading loan relationship deficits	(403,050)	(446,849)
Allocation of rental business profits	1,527,754	1,713,165
Brought forward losses set against property income	—	(54,142)
Management expenses relief	(31,800)	(34,281)
Group Relief	(4,231)	(8,139)
Adjustments in respect of prior years	(32,156)	17,944
Deferred tax adjustment	—	64,498
Income tax expense	<u>875,790</u>	<u>1,099,710</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2020

11. INCOME TAXES (CONTINUED)

Income tax liabilities	2020	2019
	£	£
Current tax		
Tax liability brought forward	1,047,433	82,932
Current income tax expense for the year	875,790	1,017,268
Adjustments in respect of prior years	(32,156)	17,944
Tax paid during the year	(1,030,165)	(70,711)
Current tax liability at the end of the year	<u>860,902</u>	<u>1,047,433</u>
	2020	2019
	£	£
Deferred tax		
Deferred tax asset brought forward	—	(64,498)
Deferred tax recovery for the year	—	64,498
Deferred tax recovery carried forward	<u>—</u>	<u>—</u>

The current income tax expense relates to income earned in the UK. The Company has tax losses arising during the current year of £980,748 (2019: £802,557).

12. SHARE CAPITAL

	2020	2019
	£	£
Authorised, Allotted, called up and fully paid		
Ordinary shares of £1 each	9,604,500	9,604,500

13. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: liquidity risk, credit risk, market risk (including foreign exchange risk, cash flow and interest rate risk and other price risk). The financial risks relate to the following financial instruments: trade and other receivables, loans receivable from related parties, cash and cash equivalents, trade and other payables, and borrowings. The accounting policies with respect to these financial instruments are described in note 2. The Company's risk management policies employed to manage these risks are discussed below.

(a) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit bank facilities. The risk is monitored quarterly by the Directors by reviewing the cash requirements of the entity and requesting funding from the parent company, OHJCL, where required. The Company receives interest income from OJHCL and the entity is also dependent upon OJHCL to provide funding for interest payments on the loan facility with CIBC.

A summary table with the maturities of the financial assets and liabilities, presented below, is used by key management personnel to manage liquidity risks:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 For the year ended 31 December 2020

13. FINANCIAL RISK MANAGEMENT (CONTINUED)

As at 31 December 2020	Up to 1 year £	1 to 2 years £	3 to 5 years £	Total
Assets				
Current financial assets				
Cash and cash equivalents	57,574	—	—	57,574
Trade and other receivables	17,059	—	—	17,059
Loans receivable from related parties	135,036	—	—	135,036
	<u>209,669</u>	<u>—</u>	<u>—</u>	<u>209,669</u>
Non-current financial assets				
Loans receivable from related parties	—	42,303,838	—	42,303,838
	<u>—</u>	<u>42,303,838</u>	<u>—</u>	<u>42,303,838</u>
Liabilities				
Current financial liabilities				
Borrowings	50,000,000	—	—	50,000,000
Trade and other payables	41,351	—	—	41,351
	<u>50,041,351</u>	<u>—</u>	<u>—</u>	<u>50,041,351</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 For the year ended 31 December 2020

13. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Liquidity risk (continued)

As at 31 December 2019	Up to 1 year £	1 to 2 years £	3 to 5 years £	Total £
Assets				
Current financial assets				
Cash and cash equivalents	81,033	—	—	81,033
Trade and other receivables	3,074	—	—	3,074
Loans receivable from related parties	235,036	—	—	235,036
	<u>319,143</u>	<u>—</u>	<u>—</u>	<u>319,143</u>
Non-current financial assets				
Loans receivable from related parties	—	—	44,106,838	44,106,838
	<u>—</u>	<u>—</u>	<u>44,106,838</u>	<u>44,106,838</u>
Liabilities				
Current financial liabilities				
Borrowings	50,000,000	—	—	50,000,000
Interest payable on borrowings	72,878	—	—	72,878
Trade and other payables	40,597	—	—	40,597
	<u>50,113,475</u>	<u>—</u>	<u>—</u>	<u>50,113,475</u>

(b) Credit risk

Credit risk is the risk that a counter party will be unable to meet a commitment that it has entered into with the Company.

The table below outlines the maximum exposure to credit risk in the Company.

	2020 £	2019 £
Loans receivable from related parties	42,438,874	44,341,874

The Company recognises lifetime expected credit losses ("ECL") for intercompany receivables. Oxford SJM 2 LP accounts for £41,523,838 of the intercompany receivables. As Oxford SJM 2 LP has sufficient net assets to cover the obligation, the probability of default is minimal, and as such no ECL impact has been recognized.

The Company's cash balances are held with the following entity and the Directors monitor the credit rating of this entity on an ongoing basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2020

13. FINANCIAL RISK MANAGEMENT (CONTINUED)

	Credit rating (Standard and Poor's)		2020 £	2019 £
	2020	2019		
Lloyds Bank plc	A+	A+	57,574	81,033

There are no financial assets which are past due (2019: nil).

(c) Market risk

The Company's exposure to market risk is comprised of the following risks:

(i) Foreign exchange risk

As at the year end, the Company is not exposed to material foreign exchange risk, as the majority of the Company's transactions are in Pound Sterling which is the Company's functional and presentation currency. It is also the Company's policy not to enter into any currency hedging transactions.

(ii) Cash flow and interest rate risk

The Company has interest-bearing loans receivable from OJHCL (note 6). The loan bears interest at a variable rate of 75 basis points plus 3 month LIBOR. The interest income and the corresponding interest rate risk on this loan is not significant to the Company. The Company's operating cash flows are substantially independent of changes in market interest rates. Trade payables are interest-free and have settlement dates within one year.

The Company's interest rate risk arises from long-term borrowings (note 8). Borrowings issued at variable rates expose the Company to cash flow interest rate risk.

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Interest expense £	Impact on post-tax profit £
Interest rates – increase in LIBOR by 70 basis points *	881,043	(3,510)
Interest rates – decrease in LIBOR by 100 basis points *	872,520	5,014

*Holding all other variables constant

(iii) Other price risk

The Company is not exposed to other price risk with respect to financial instruments as it does not hold any traded equity securities.

(d) Capital risk management

When managing capital, the Company's objectives are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company aims to deliver these objectives by aiming to achieve consistent returns from its assets, maintaining sufficient liquidity to meet the expenses of the Company and monitoring the lending to achieve the most effective cost of capital.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2020

14. ULTIMATE CONTROLLING PARTY

The Company's immediate parent undertaking is OJHCL, a company in which OMERS Administration Corporation ("OMERS") has a full beneficial interest. OMERS is the ultimate parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2020. OMERS is a corporation without share capital, continued under the Ontario Municipal Employees Retirement System Act, 2006. The consolidated financial statements of OMERS are available from 900-100 Adelaide Street West, Toronto, Ontario, M5H 0E2, Canada.

15. RELATED PARTY DISCLOSURES AND EMPLOYEES

The immediate parent owns 100% of the Company's ordinary shares. As disclosed in notes 6 & 9, the Company has related party transactions with its parent and associates.

A J Lambert and J S McNamara are Directors of the Company and are employees of Oxford Properties (Management) UK Limited, a related entity. As at 31 December 2020, the Company had no employees other than the Directors (2019: no employees), all of whom did not receive remuneration during the current year. The Directors are considered to be key management personnel of the Company.

16. EVENTS AFTER THE REPORTING YEAR

There were no events after the reporting year up to the date of signing of these financial statements.