

Company Registration No. 11259817 (England and Wales)

**SAFALTA VENTURE 2 LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**  
**PAGES FOR FILING WITH REGISTRAR**

**SAFALTA VENTURE 2 LIMITED**

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## SAFALTA VENTURE 2 LIMITED

### BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Current assets</b>					
Debtors	3	14,155,383		40,398,220	
Cash at bank and in hand		668,235		55,620	
		<u>14,823,618</u>		<u>40,453,840</u>	
<b>Creditors: amounts falling due within one year</b>	4	<u>(14,698,344)</u>		<u>(13,200)</u>	
<b>Net current assets</b>			125,274		40,440,640
<b>Creditors: amounts falling due after more than one year</b>	5		-		(40,350,082)
<b>Net assets</b>			<u>125,274</u>		<u>90,558</u>
<b>Capital and reserves</b>					
Called up share capital	6		1		1
Profit and loss reserves			125,273		90,557
<b>Total equity</b>			<u>125,274</u>		<u>90,558</u>

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

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within part 15 of the Companies Act 2006.

The financial statements were approved by the board of directors and authorised for issue on 25 March 2022 and are signed on its behalf by:

Anuj Nehra  
Director

Company Registration No. 11259817

# SAFALTA VENTURE 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

#### Company information

Safalta Venture 2 Limited is a private company limited by shares incorporated in England and Wales. The registered office is Acre House, 11-15 William Road, London, United Kingdom, NW1 3ER.

#### 1.1 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 on a going concern basis under the historical cost convention except fair value treatment of certain financial instruments as discussed in note 1.5. The principal accounting policies adopted are set out below.

Management has applied judgement to recognise deemed loan and made estimates to fair value the deemed loan on its initial recognition and re-measurement at the year end assessed based on future cash flows as disclosed in note 1.5.

#### 1.2 Going concern

Covid has continued to affect economic recovery and business confidence in the UK. This has led to limitations on liquidity in the debt markets and consequences on new lending. Lockdowns, shortage in supply chains, longer response times due to self isolation are some of the challenges resulting in lending businesses focus on their loan portfolios. In these circumstances the company has worked closely with their customers and existing development projects have continued to receive funding support.

The company has access to a credit facility from its shareholder with adequate resources to continue in operational existence for the foreseeable future. The Directors believe that the company is well placed to manage its business risks successfully within the expected economic outlook. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

#### 1.4 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.

## SAFALTA VENTURE 2 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

(Continued)

##### *Impairment of financial assets*

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

##### *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 and loans from fellow group companies, 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.

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.

#### 1.5 Deemed loan

During the period as part of the funding arrangement with a bank the company entered into a mortgage sale agreement with Oblix Capital Limited. The loans sold to the company have not satisfied the criteria for de-recognition of assets under FRS 102 1 A and as a result these assets have been treated as a "deemed loan" due from Oblix Capital Limited.

The company also entered into a subordinated loan agreement with Oblix Capital Limited which has been offset against the deemed loan to show the "net" position. The deemed loan net of the subordinated loan as a single instrument was recognised at fair value which was the deemed net transaction price.

At each year end, the deemed loan has been measured at fair value using the expected future cash flows of the loans discounted at a market rate, with the changes in the fair value taken to the statement of income.

#### 1.6 Taxation

The tax expense represents the tax currently payable.

##### *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.

#### 1.7 Related party transactions

Under FRS 102 sections 33.1A and 33.14, the company is not required to disclose any related party transactions including transactions with directors and inter-company balances.

#### 2 Employees

There were no employees during the year other than the 2 directors of the company.

## SAFALTA VENTURE 2 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

#### 3 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Deemed loan due from Oblix Capital Limited	14,155,382	40,398,219
Amounts owed by group undertakings	1	1
	<u>14,155,383</u>	<u>40,398,220</u>

The deemed loan is secured on the mortgage loans purchased. The subordinated loan has been offset against the deemed loan to show the net position. At the year end, the deemed loan represents the fair value of loan transferred net of subordinated loan.

#### 4 Creditors: amounts falling due within one year

	2021	2020
Notes	£	£
Bank loans (secured)	14,597,733	-
Trade creditors	100,611	2,100
Corporation tax	-	5,700
Accruals	-	5,400
	<u>14,698,344</u>	<u>13,200</u>

#### 5 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loan (secured)	-	40,350,082
	<u>-</u>	<u>40,350,082</u>

The bank loan is secured on the assets of the company. The bank loan has been repaid after the year-end.

#### 6 Called up share capital

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary share of £1 each	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

#### 7 Parent company

The company is a wholly owned subsidiary of Exito Holdings 2 Limited, a company incorporated in England and Wales and wholly owned by Oblix Group Limited with a registered address of Acre House, 11-15 William Road, London, NW1 3ER. The smallest group into which the company is consolidated into is that of Oblix Group Limited.

The ultimate controlling party is Y London International Limited incorporated in the British Virgin Islands.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.