Registered number: 13650359

THFC SUSTAINABLE FINANCE PLC

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2025

COMPANY INFORMATION

DIRECTORS	G. Blunden (resigned 1 October 2024) S. Bottles (resigned 1 October 2024) J. Coetzee (resigned 9 August 2024) M. Fent (appointed 31 January 2025) A. King (resigned 1 October 2024) F. Macgregor (resigned 1 October 2024) D. Montague (resigned 1 October 2024) P. Nair (appointed 1 April 2024) B. Rick (appointed 4 November 2024) A. Poobalasingam (resigned 21 February 2025) S. Smith (resigned 1 October 2024) D. Stokes (resigned 6 August 2024) G. Teasdale (resigned 1 October 2024) W. Thomas (resigned 1 October 2024) P. Williamson (resigned 1 April 2024)
COMPANY SECRETARY	M. Fent
REGISTERED NUMBER	13650359
REGISTERED OFFICE	3rd Floor 17 St. Swithin's Lane London EC4N 8AL
INDEPENDENT AUDITOR	S&W Partners Audit Limited Chartered Accountants and Statutory Auditor 45 Gresham Street London EC2V 7BG

CONTENTS

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Directors present their Strategic Report, Directors' Report and audited financial statements of THFC Sustainable Finance Plc (the "Company") for the year ended 31 March 2025.

STRATEGIC REPORT

The Strategic Report has been prepared in compliance with the provisions of Section 414C of the Companies Act 2006 and covers matters relating to the Company's future developments and a summary of how the Directors have acted in good faith to promote the success of the Company for the benefit of its stakeholders. The Company is a wholly owned subsidiary of T.H.F.C. (Services) Limited, (the "Immediate Parent Company") and the Ultimate Parent Company is The Housing Finance Corporation Limited ("THFC") and along with THFC's related subsidiaries, are known as the "Group".

PRINCIPAL ACTIVITY

The Company is part of THFC's retrofit funding scheme to provide the unsecured loans element guaranteed by the UK Infrastructure Bank to registered providers of social housing, registered social landlords and registered housing associations, in England, Wales, Scotland and Northern Ireland ("HAs"), through the issue of notes under a Secured Euro Medium Term Note Programme established on 24 March 2024 or through other debt instruments or borrowings.

T.H.F.C. (Services) Limited ("THFCS") provides all services to the Company to ensure it, and its borrower, fulfil their obligations under the respective funding and loan agreements.

The Company expects to continue its principal activity for the foreseeable future.

BUSINESS REVIEW

The Company established a Secured Euro Medium Term Note Programme on 24 March 2024. To date no debt has been raised, as such the Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance, and position of the business.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Directors are responsible for adequate risk management and establishing an integrated and Company-wide risk culture but can delegate general day to day business conduct to a number of Committees that serve both the Company and THFC as they share the same Board.

Detail on the governance structures and processes in place for assessing and managing risk is discussed in greater detail in THFC's group accounts' 'Corporate Governance' section located at: www.thfcorp.com.

The principal risks and uncertainties facing the Group are discussed in greater detail in THFC's group accounts' 'Principal risk and uncertainties' section located at: www.thfcorp.com.

FUTURE TRENDS

For a detailed analysis of the future trends this information is presented at a Group level within THFC's consolidated financial statements. A copy of these financial statements can be obtained at www.thfcorp.com.

DUTY TO PROMOTE THE SUCCESS OF THE COMPANY

Statement by the Directors in performance of their statutory duties in accordance with S172(1) of the Companies Act 2006.

The Company is required to comply with Section 172(1) of the Companies Act 2006. Section 172(1) is a part of the section of the Act which defines the duties of a Company Director and concerns the “duty to promote the success of the Company” for the benefit of its stakeholders whose interests are in the future success of the Company. Stakeholders include shareholders, employees, suppliers, and the local communities affected by the Company’s activities.

A Director of a Company must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its stakeholders as a whole and, in doing so have regard (amongst other matters) to:

- the likely consequences of any decisions in the long-term;
- the interests of the Company’s employees;
- the need to foster the Company’s business relationships with suppliers, customers, and others;
- the impact of the Company’s operations on the community and environment;
- maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

The following paragraphs summarise how the Directors fulfil their duties:

Long-term consequences of decisions made

Due to the nature of the activities of the business there are no employees. There are no plans for the business to hire employees in the foreseeable future.

Foster business relationships

To meet the Company’s principal objective of providing cost-effective long-term funding to HAs, the Board has set a strategy to promote steady, sustainable growth.

Culture and conduct

The Group’s long-term sustainable success relies upon a healthy business culture and high standards of business and workplace conduct. The Group has in place several mechanisms to promote this. Further detail is in THFC’s group accounts' ‘Culture and Conduct’ section located at: www.thfcorp.com.

Governance

Detail on the governance structures and processes in place for assessing and managing risk is discussed in greater detail in THFC’s group accounts ‘Corporate Governance’ section located at: www.thfcorp.com.

Interests of employees

The Company benefits from the services of the Immediate Parent Company as defined under the MSA. The Company has no employees, the executive directors are employed by the Immediate Parent Company. The Immediate Parent Company has a Board Committee structure which provides oversight to the activities and risk profile of the Company under the MSA. All management services are provided to the Company by the Immediate Parent Company, in accordance with the MSA.

Diversity equity and inclusion

The Company has adopted THFC's 'Diversity, Equity and Inclusion' ("DEI") ambition.

Key initiatives undertaken include:

- DEI training sessions for all staff and Board members;
- A review of policies, procedures and structures to ensure these can support DEI ambitions;
- DEI focus groups and interviews engaging both staff and Board members on what good DEI practice should look like for the Group; and
- Review of the Group's values and culture, ensuring that DEI considerations are embedded throughout the organization.

See the Group report at www.thfcorp.com for more detail.

Fostering business relationships

The Board is aware of the need to foster on-going business relationships to ensure the success of the business.

The Board ensures that THFCS, the Company's service provider and Immediate Parent Company, has the appropriate skill set amongst employees to allow for an operational structure that incorporates the following:

- Relationship Management (for liaison with borrowers to whom funds have been on-lent as well as potential new borrowers);
- Treasury (who maintain relationships with current and potential investors in the Company's bonds through regular updates and meetings);
- Finance (who manage relationships with suppliers and ensure the efficient collection and distribution of coupons between the borrower and investors (or their duly appointed agent)); and
- Secretarial (who manage compliance obligations with various stakeholders).

Lending requires a constant focus on maintaining stakeholder relationships and the service provider has a wealth of experience in all relevant areas. THFCS fosters close relationships with sector specialists, such as valuers, lawyers, accountancy firms, treasury advisers and maintains close relationships with its investment banks and the investor community at large.

The Board receives regular presentations from key stakeholders as part of a 'Stakeholder Speaker Series'. This was introduced in the previous financial year and allows the Board to develop its knowledge of the landscape in which the Company operates; ensures Board members are familiar with the Company's key stakeholders and their objectives; and provides an opportunity for the Company to strengthen these relationships.

Impact of operations on community and environment

The Board makes every effort to minimise its carbon footprint, aided by the move to new premises in 2019. Staff of THFCS are encouraged to cycle for all or part of their commute to the office and effective recycling policies have been implemented to minimise office waste.

In delivering cost-effective funding to housing associations the Company aims to boost the number and quality of affordable housing for the benefit of tenants and communities throughout the UK.

The Board ensures the service provider's employees are aware of the changing landscape of regulation and best practice, whether environmental or social in nature. Every effort is made to consider the environmental impact of decisions taken, although due to the nature of its activities the Company's direct environmental impact is limited.

See the Group report at www.thfcorp.com for more detail.

Maintaining reputation for high standards of business conduct

The Board operates the business responsibly and in line with good industry practice and the highest level of governance expected of a lending business and in so doing maintains an exceptional reputation amongst investors and borrowers alike. High levels of integrity are key in the success of our business and delivery of our objectives. This includes:

- A code of conduct based on the seven principles of public life identified by the Nolan Committee;
- The Company complies with relevant legislation beyond its statutory obligations as best practice; and
- Regular compliance training for Directors including anti-money laundering and data protection.

Acting fairly between members of the Company

As a Board of Directors, we have a responsibility to act fairly between members of the Company. The entire issued share capital of the Company is held by the Immediate Parent Company, THFCS. THFCS and the Company have common Board membership. Each Director of the holding Company is therefore closely involved in the key strategic decisions and has the right to challenge on a regular basis.

This report was approved by the board on 8 August 2025 and signed on its behalf:

Martin Fent

M. Fent
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Directors present their report and the financial statements for the year ended 31 March 2025.

GOING CONCERN

The Directors have concluded that the Company has adequate resources to continue in operations from the date on which the financial statements are approved. For this reason, the Company will continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS

The Directors who served during the year were:

G. Blunden (resigned 1 October 2024)
S. Bottles (resigned 1 October 2024)
J. Coetzee (resigned 9 August 2024)
M. Fent (appointed 31 January 2025)
A. King (resigned 1 October 2024)
F. Macgregor (resigned 1 October 2024)
D. Montague (resigned 1 October 2024)
P. Nair (appointed 1 April 2024)
B. Rick (appointed 4 November 2024)
A. Poobalasingam (resigned 21 February 2025)
S. Smith (resigned 1 October 2024)
D. Stokes (resigned 6 August 2024)
G. Teasdale (resigned 1 October 2024)
W. Thomas (resigned 1 October 2024)
P. Williamson (resigned 1 April 2024)

RESULTS AND DIVIDENDS

THFC Sustainable Finance Plc (“the Company”) made neither a profit nor a loss for the year (2024: £Nil). The Directors do not propose the payment of a dividend (2024: £Nil).

SHARE CAPITAL AND COMPANY STRUCTURE

The Company is incorporated and domiciled in England and Wales. The entire issued share capital is owned by T.H.F.C. (Services) Limited, (the “Immediate Parent Company”) or (“THFCS”).

INSURANCE OF DIRECTORS

The Company maintains third-party liability insurance in respect of proceedings brought by third parties in respect of their duties as Directors of the Company.

CHARITABLE AND POLITICAL CONTRIBUTIONS

There were no charitable donations nor any contributions for political purposes made by the Company during the year (2024: £nil).

FUTURE DEVELOPMENTS

The Company’s outline on future developments is set out within the Strategic Report.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

STATEMENT IN RELATION TO SUPPLIERS, CUSTOMERS AND OTHERS

The Company's approach to fostering business relationships is set out within the Strategic Report.

STREAMLINED ENERGY AND CARBON REPORTING ("SECR")

In line with the SECR reporting requirements, the Company has elected to report on its energy use. The Company shares its premises with THFC, the Company's Ultimate Parent Company and this information is presented at a Group level within THFC's consolidated financial statements. A copy of these financial statements can be obtained at www.thfcorp.com.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements, in accordance with applicable law.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the UK.

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 of the company for that period. In preparing the 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 they have been prepared in accordance with IFRS as adopted by the UK, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

The auditor, S&W Partners Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 8 August 2025 and signed on its behalf:

Martin Fent

M. Fent
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THFC SUSTAINABLE FINANCE PLC

Opinion

We have audited the financial statements of THFC Sustainable Finance Plc (the 'company') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its result for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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.

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THFC SUSTAINABLE FINANCE PLC (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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:

We obtained a general understanding of the Company's legal and regulatory framework through enquiry of management concerning: their understanding of relevant laws and regulations; the entity's policies and procedures regarding compliance; and how they identify, evaluate and account for litigation or claims. We also drew on our existing understanding of the Company's industry and regulation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THFC SUSTAINABLE FINANCE PLC (CONTINUED)

We understand that the company complies with requirements of the framework through:

- The Directors ensuring that the wider The Housing Finance Corporation Limited Group management implement, monitor and update operating procedures, manuals and internal controls as legal and regulatory requirements change; and
- The Directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Company's ability to conduct business and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the Company:

- The Companies Act 2006 and international accounting standards in respect of the preparation and presentation of the financial statements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- Performing a review of Board minutes to identify any indicators of known or suspected non compliance with significant laws and regulations;
- Performing a review of any legal correspondence with the Company's legal advisors;
- We made enquiries of management; and
- We obtained written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were with regard to the manipulation of the financial statements through manual journals. This was communicated to the other members of the engagement team who were not present at the discussion.

The procedures carried out to gain evidence in the above areas included;

- Testing a sample of manual journal entries, selected based on specific risk assessments applied based on the Company's processes and controls surrounding manual journals.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THFC SUSTAINABLE FINANCE PLC (CONTINUED)

L Manson

Lindsay Manson

Senior Statutory Auditor, for and on behalf of

S&W Partners Audit Limited
Chartered Accountants and Statutory Auditor

45 Gresham Street
London
EC2V 7BG

08/08/2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
OPERATING INCOME			
Interest on bank deposits		**648**	*856*
OPERATING PROFIT		**648**	*856*
Management fees charged by group companies	5	**(648)**	*(856)*
PROFIT BEFORE TAX		**-**	-
Tax expense		**-**	-
PROFIT FOR THE YEAR		**-**	-

There is no other comprehensive income (2024: £Nil).

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Assets			
CURRENT ASSETS			
Cash and cash equivalents		**14,004**	*13,356*
TOTAL ASSETS		**14,004**	*13,356*
Liabilities			
CURRENT LIABILITIES			
Intercompany creditors		**1,504**	*856*
TOTAL LIABILITIES		**1,504**	*856*
Net assets		**12,500**	*12,500*
ISSUED CAPITAL AND RESERVES			
Share capital	4	**12,500**	*12,500*
TOTAL EQUITY		**12,500**	*12,500*

The financial statements on pages 12 to 16 were approved and authorised for issue by the board of Directors on 8 August 2025 and were signed on its behalf by:

Priya Nair

P. Nair
Director

The notes on pages 14 to 16 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. GENERAL INFORMATION

THFC Sustainable Finance Plc ("the Company"), a wholly owned subsidiary of T.H.F.C. (Services) Limited ("THFCS"), raises debt for the purpose of on-lending to provide funding to registered providers of social housing, registered social landlords and registered housing associations, in England, Wales, Scotland and Northern Ireland ("HAs") through the issue of notes under a Secured Euro Medium Term Note Programme established on 24 March 2024 or through other secured debt instruments or borrowings.

The Company is a public limited liability company incorporated in England and Wales. The address of the registered office is 3rd Floor, 17 St. Swithin's Lane, London, EC4N 8AL.

2. ACCOUNTING POLICIES

a) Significant accounting policies

The accounting policies applied in the preparation of the financial statements of the Company are described in this note. These policies have been consistently applied to all years presented unless otherwise stated.

The Company had no recognised gains or losses nor material cash movements in the year ended 31 March 2025. No Statement of Changes in Equity nor Statement of Cashflows have therefore been prepared.

Presentational currency

The Company's financial statements are presented in pound sterling, which is also the Company's functional currency with no transactions in foreign currency.

Basis of preparation

The financial statements have been prepared in accordance with UK-adopted international accountin g standards in conformity with the requirements of the Companies Act 2006. The financial statements h ave been prepared under the historical cost convention.

Going concern

The Company continues to adopt the going concern basis, as disclosed in the Directors' Report on page 5. At the date of signing the accounts there is no evidence to suggest that the Company will be unable t o meet its covenants in the foreseeable future. Having reviewed its own financial position the Board has a reasonable expectation that the Company has adequate resources to continue its operation for t he foreseeable future from approval of these financial statements. The Company therefore continues to adopt the going concern basis in preparing the financial statements.

Other interest

Interest income on cash and cash equivalents as well as short-term deposits is recognised on an accruals basis.

Cash and cash equivalents

Cash and cash equivalents comprise balances with an original maturity of three months or less, including cash and money market products.

2. ACCOUNTING POLICIES (CONTINUED)

Equity Instruments

Equity instruments issued by the Company are recorded at proceeds received net of direct issue costs.

Changes in accounting policies and disclosures

(b) New standards, interpretations and amendments effective from 1 April 2024

The following new and amended Standards and Interpretations effective for the financial year beginning 1 April 2024 have been adopted:

- IFRS 16 Leases: Lease Liability in a Sale and Leaseback - IAS 1 Presentation of Financial Statements: Classification of Liabilities; and
- IAS 1 Presentation of Financial Statements: Non current liabilities with Covenants.

The adoption of these standards has not had any material impact on the disclosures or on the amounts reported in these financial statements.

(c) Effective for periods beginning on or after 1 April 2025

As at the date of authorisation of these accounts, there were a number of Standards and Interpretations that were in issue but not yet effective.

- Amendments to IAS 21 The Effects of changes in Foreign Exchange Rates: Lack of Exchangeability;
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7);
- Annual Improvements to IFRS Accounting Standards – Volume 11; and
- IFRS 18 – Presentation and Disclosure in Financial Statements.

The effect of all new and amended Standards and Interpretations which are in issue but not yet mandatorily effective is not expected to materially impact the company.

3. ADMINISTRATION EXPENSES

The Company employed no staff during the year. All administrative services, including audit and Directors' services, are provided under a management agreement with T.H.F.C. (Services) Limited ("THFCS").

The fee for auditing the Company's financial statements with costs incurred by THFCS £4,236 (2024: £4,713).

4. SHARE CAPITAL

The company's capital comprises only its share capital of 50,000 (2024: 50,000) ordinary shares which the Directors consider adequate for its ongoing working capital requirements in relation to its obligations under the bonds. The company is not subject to externally imposed capital requirements.

Allotted and part paid

	2025 Number	**2025 £**	*2024 Number*	*2024 £*
Ordinary shares of £1 each of which 25p per share is paid	**50,000**	**12,500**	*50,000*	*12,500*

5. RELATED PARTY TRANSACTIONS

The Company incurs a management charge annually from THFCS, a fellow subsidiary. The charge is for the services of staff and other office overheads not incurred directly by the Company. The charge in 2025 was £648 (2024: £856). The amount due to THFCS at 31 March 2025 was £1,504 (2024: £856).

6. ULTIMATE PARENT UNDERTAKING AND INCORPORATION

The Company's immediate parent company is T.H.F.C. (Services) Limited which is incorporated and registered in England and Wales. The Company's ultimate parent undertaking and controlling party is The Housing Finance Corporation Limited ("THFC") which is incorporated and registered in England and Wales under the Co-operative and Community Benefit Societies Act 2014. THFC is the only company to prepare consolidated financial statements which include the Company. The consolidated financial statements of THFC may be obtained from the Company Secretary, The Housing Finance Corporation Limited, 3rd Floor, 17 St. Swithin's Lane, London EC4N 8AL, the Company's registered office.