

Housing Growth Partnership Manager Limited

(England & Wales: 09507116)

Annual Report and Financial Statements

For the year ended 31 March 2023



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GENERAL INFORMATION

Directors	J Crie V Hepburn K Packard JF Perritt AT Rougier
Secretary	P Gittins
Registered Office	Lloyds Banking Group Plc 25 Gresham Street London, EC2V 7HN
Solicitor	Pinsent Masons LLP 30 Crown Place London, EC2A 4ES
Banker	Lloyds Banking Group Plc 25 Gresham Street London, EC2V 7HN
Independent Auditor	Deloitte LLP 1 New Street Square London, EC4A 3HQ

DIRECTORS' REPORT

The Directors submit their report together with the audited Financial Statements of Housing Growth Partnership Manager Limited (the 'Company') for the year ended 31 March 2023.

The Company was incorporated on 24 March 2015. On 1 June 2016 the Company received approval from the Financial Conduct Authority to act as a Small UK Approved Alternative Investment Fund Manager.

The Company's principal activity is to act as manager to three investment trading funds (the "Partnerships"). The Partnerships are Housing Growth Partnership LP, Housing Growth Partnership II LP and Housing Growth Partnership III LP.

Dividends

No dividends were paid or proposed during or in respect of the year ended 31 March 2023 (2022: £nil).

Directors

The Directors of the Company who were in office at the date of signing the financial statements are shown on page 3.

The following changes have taken place during the year:

J Croie (appointed 15 June 2022)

The Directors have received £12,000 remuneration in the year (2022: £12,000). These costs are borne by the Company.

Business Review

The Company is an investment fund manager.

The result after tax for the year to 31 March 2023 was £nil (2022: £nil). The total assets at 31 March 2023 were £1,132,417 (2022: £835,596). The Directors are satisfied that the financial position of the Company will enable it to continue with its principal activity as manager to the Partnerships.

The Directors expect the business to remain unchanged in the coming year.

Going Concern

As set out in Note 2c of the notes to the Financial Statements, the Directors are satisfied that the Company has adequate resources to continue in business for the foreseeable future, being at least twelve months from the date of approval, and consequently the going concern basis continues to be appropriate in preparing the Financial Statements. No changes to the Partnerships' activities are envisaged.

Directors' Indemnities

Lloyds Banking Group plc has granted to the Directors of the Company a deed of indemnity through deed poll which constitutes 'qualifying third party indemnity provisions' for the purposes of the Companies Act 2006. The deed was in force during the whole of the financial year and at the date of approval of the Financial Statements or from the date of appointment in respect of the Director who joined the board of the Company during the financial year. Directors no longer in office but who served on the Board of the Company at any time in the financial year had the benefit of this deed of indemnity during that period of service. The indemnity remains in force for the duration of a Director's period of office. The deed indemnifies the Directors to the maximum extent permitted by law. The Deed for existing Directors is available for inspection at the registered office of Lloyds Banking Group plc. In addition, the Group has in place appropriate Directors and Officers Liability Insurance cover which was in place throughout the financial year.

DIRECTORS' REPORT (Continued)

Basis of Preparation

This Annual Report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. This Annual Report has taken an exemption from the presentation of a strategic report through the small companies exemption.

Financial Risk Management Objectives and Policies

The Company is exposed to a variety of financial risks as a result of its activities. These risks include credit risk and liquidity risk. These risks have been considered by the Directors in forming their judgement to adopt a going concern basis in preparing the Financial Statements of the Company. These risks are further detailed in Note 4.

Current and Future Developments

The current conflict between Russia and Ukraine, which has led to sanctions being imposed on Russia and Belarus, has the potential to affect UK and world economies in the coming months. There have been changes to the macro-economic environment with interest rate increases and inflationary pressure in the year. The current macro-economic and geo-political environment are not expected to result in any changes to the Company's activities.

Streamlined Energy and Carbon Reporting

The Company has taken an exemption from Streamlined Energy and Carbon Reporting (SECR) in its own Directors' Report as it is included within the SECR report given in the Lloyds Banking Group plc 2022 Annual Report and Accounts, available on the Lloyds Banking Group plc website. Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using KPI is not necessary for an understanding of the development, performance or position of the business.

Employees

The Company had no employees during the year to 31 March 2023 (2022: 0 employees). The key management personnel have been identified as the Directors of the Company. One Director, JF Perritt, received £12,000 (2022: £12,000) in remuneration, but the other Directors received no remuneration for their services to the Company.

Disclosure of Information to the Auditor

Each of the persons who is a Director at the date of this report confirms that:

- as far as each of them is aware, there is no information relevant to the audit of the Company's Financial Statements for the year ended 31 March 2023 of which the auditor is unaware; and
- the Director has taken all steps that he ought to have taken in his duty as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Directors confirm that the requirements in the Statement of Directors' Responsibilities have been met in preparing these Financial Statements.

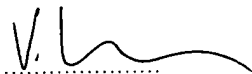
This confirmation is given and should be interpreted in accordance with provisions of section 418 of the Companies Act 2006.

Independent Auditor

Deloitte LLP are deemed to be re-appointed as auditors under section 489 of the Companies Act 2006.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. The Company has taken the exemption to prepare a strategic report.

Approved by the board of directors and signed on its behalf by:



V Hepburn
Director

7 September 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom adopted international accounting standards. The financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the IASB. 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 these financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOUSING GROWTH PARTNERSHIP
MANAGER LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Housing Growth Partnership Manager Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2023 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 International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the cash flow statement;
- the statement of accounting policies; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law, and international accounting standards in conformity with the requirements of the Companies Act 2006 and IFRSs as issued by the IASB.

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 Financial Reporting Council's (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 AUDITORS' REPORT TO THE MEMBERS OF HOUSING GROWTH PARTNERSHIP MANAGER LIMITED (continued)

Responsibilities for the financial statements and the audit

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

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 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.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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 considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the company's obligations under the Financial Conduct Authority (FCA) Handbook and regulatory capital requirements.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOUSING GROWTH PARTNERSHIP
MANAGER LIMITED (continued)

Report on other legal and regulatory requirements

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

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 any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept; 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.
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

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.

Tom Millar, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
September 2023

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

		Year ended 31 March 2023	Year ended 31 March 2022
	Note	£	£
Management fee income	6	3,507,408	3,429,583
Administrative expenses	7	(3,502,256)	(3,427,019)
Finance income / (costs)		1,292	(2,564)
Profit before tax for the year		6,444	-
Taxation	5	(6,444)	-
Result after tax for the year		-	-
Other comprehensive income		-	-
Total comprehensive result for the year		-	-

The accompanying Notes to the Financial Statements on pages 14 to 18 form an integral part of these Financial Statements.

All of the above are related to continuing operations and there has been no other comprehensive income in either period.

HOUSING GROWTH PARTNERSHIP MANAGER LIMITED
(England and Wales: 09507116)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

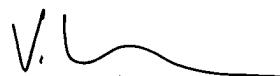
		As at 31 March 2023	As at 31 March 2022
ASSETS	Note	£	£
Current assets			
Trade and other receivables	8	1,098,216	586,708
Cash and cash equivalents	9	34,201	248,888
Total current assets		1,132,417	835,596
Total assets		1,132,417	835,596
EQUITY AND LIABILITIES			
Equity			
Share capital	11	5,001	5,001
Total equity		5,001	5,001
Current liabilities			
Trade and other payables	10	1,122,743	830,595
Current tax liability	5	4,673	-
Total liabilities		1,127,416	830,595
Total equity and liabilities		1,132,417	835,596

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 accompanying Notes on pages 14 to 18 form an integral part of these Financial Statements.

The Financial Statements on pages 10 to 18 were approved by the Board on September 2023.

Signed for and on behalf of the Board of Directors



V Hepburn
Director

7 September 2023

HOUSING GROWTH PARTNERSHIP MANAGER LIMITED
(England and Wales: 09507116)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Retained earnings	Total equity
	£	£	£
As at 1 April 2021	5,001	-	5,001
Total comprehensive result for the year	-	-	-
As at 31 March 2022	<u>5,001</u>	<u>-</u>	<u>5,001</u>
Total comprehensive result for the year	-	-	-
As at 31 March 2023	<u>5,001</u>	<u>-</u>	<u>5,001</u>

The accompanying Notes on pages 14 to 18 form an integral part of these Financial Statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Note	Year ended 31 March 2023	Year ended 31 March 2022
		£	£
Operating activities			
Profit before tax		6,444	-
Tax paid		(1,771)	-
(Increase)/ decrease in trade and other receivables	8	(511,508)	370,005
Increase/ (decrease) in trade and other payables	10	292,148	(216,252)
Cash flow (used in)/generated from operating activities		(214,687)	153,753
Net cash flow (used in)/generated from operating activities		(214,687)	153,753
Net (decrease) / increase in cash and cash equivalents		(214,687)	153,753
Cash and cash equivalents at the beginning of the year		248,888	95,135
Cash and cash equivalents at the end of the year	9	34,201	248,888

The accompanying Notes on pages 14 to 18 form an integral part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 GENERAL INFORMATION

Housing Growth Partnership Manager Limited (the 'Company') is a company limited incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales.

The Company has been established to act as a manager to the Partnerships. The registered office is at 25 Gresham Street, London, EC2V 7HN. The Company was incorporated on 24 March 2015.

2 ACCOUNTING POLICIES

a) Basis of preparation

The Financial Statements of the Company have been prepared on a going concern basis, applying the historical cost basis. The Financial Statements are presented in Great British Pounds (£) which is the functional and presentational currency. The Financial Statements have been prepared in accordance with IFRS as issued by the IASB, and in accordance with the Companies Act 2006. All figures in the financial statements are rounded to zero decimal places.

All references to "net assets" throughout these Financial Statements refer to the net assets attributable to the shareholders unless otherwise stated.

These Financial Statements are prepared for the year ended 31 March 2023.

b) Cash flow statement

The Company reports cash flows from operating activities using the indirect method. Interests received and paid are presented within financing cash flows.

c) Going concern – Principles underlying going concern assumption

The Directors have received a letter of support from Lloyds Banking Group Plc that its subsidiaries, including the Company, will continue to have access to liquidity and capital resources for the foreseeable future and, accordingly, the Financial Statements have been prepared on a going concern basis. The management fee income is always equal to the total expenses.

d) New and amended standards adopted by the Company

The Company has adopted all the Standards and Interpretations of the IASB and the IFRS Interpretations Committee of the IASB that are relevant to its operations and effective for accounting periods beginning from 1 April 2022.

e) New standards, amendments and interpretations issued, but not yet effective

As at 31 March 2023, the following new or amended standards and interpretations had been issued by the IASB but are yet to become effective.

Standard	Content	Effective Date
Amendments to IFRS 4	Extension of the Temporary Exemption from Applying IFRS 9	Annual periods beginning on or after 1 January 2023
Amendments to IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021	Annual periods beginning on or after April 2021
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	Annual periods beginning on or after 1 January 2024
IFRS 17	Insurance Contracts	Annual periods beginning on or after 1 January 2023
Amendments to IFRS 17	Initial Application of IFRS 17 and IFRS 9 — Comparative Information	Annual periods beginning on or after 1 January 2023
Amendments to IAS 1	Non-current Liabilities with Covenants	Annual periods beginning on or after 1 January 2024
Amendments to IAS 1	Classification of liabilities as Current or Non-current	Annual periods beginning on or after 1 January 2023
Amendments to IAS 1	Classification of Liabilities as Current or Non-current — Deferral of Effective Date	Annual periods beginning on or after 1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of accounting policies	Annual periods beginning on or after 1 January 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

2 ACCOUNTING POLICIES (Continued)

Standard	Content	Effective Date
Amendments to IAS 8	Definition of accounting estimates	Annual periods beginning on or after 1 January 2023
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Annual periods beginning on or after 1 January 2023

The Company will consider the impact of these new financial standards and amendments in the next financial year.

f) Income

Income in the Statement of Comprehensive Income represents management fee receivable recognised as it accrues. Income is invoiced quarterly in advance based on contractual arrangements with each Partnership. There are no significant judgements.

g) Expenditure

All expenses are accounted for on an accruals basis and charged through the Statement of Comprehensive Income in the period to which they relate. When the Company incurs capital expenditure it will result in movement of capital value in the Statement of Financial Position.

h) Trade and other receivables

Trade and other receivables are recognised and carried at amortised cost.

i) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank.

j) Trade and other payables

Trade and other payables are recognised initially at amortised cost. Where the time value of money is material, payables are subsequently carried at amortised cost.

k) Share capital

The share capital reserve represents contributions paid by the shareholders.

l) Capital

The Company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern and provide an adequate return to its shareholders through pricing services commensurately with the level of risk.

m) Taxation

Tax expense comprises current and deferred tax. Current and deferred tax are charged or credited in the Statement of Comprehensive Income except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, outside the Statement of Comprehensive Income (either in other comprehensive income, directly in equity, or through a business combination), in which case the tax appears in the same statement as the transaction that gave rise to it.

Current tax is the amount of corporate income taxes expected to be payable or recoverable based on the profit for the period as adjusted for items that are not taxable or not deductible, and is calculated using tax rates and laws that were enacted or substantively enacted at the balance sheet date.

Current tax includes amounts provided in respect of uncertain tax positions when management expects that, upon examination of the uncertainty by His Majesty's Revenue and Customs (HMRC) or other relevant tax authority, it is more likely than not that an economic outflow will occur. Provisions reflect management's best estimate of the ultimate liability based on their interpretation of tax law, precedent and guidance, informed by external tax advice as necessary. Changes in facts and circumstances underlying these provisions are reassessed at each balance sheet date, and the provisions are re-measured as required to reflect current information.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparation of the Company's Financial Statements requires the Directors to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected.

Judgements

There are no significant judgements in the preparation of the Financial Statements in the current or prior year.

Estimates

There are no significant sources of estimation in the preparation of the Financial Statements in the current or prior year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks as a result of its activities. These risks include credit risk, liquidity risk and market risk. These risks have been considered by the Directors in forming their judgement to adopt a going concern basis in preparing the Financial Statements of the Company.

a) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's exposure to credit risk is therefore the risk of the General Partner of each Partnership not being able to meet its obligations towards the Company as well as to cash deposits with banks and financial institutions. The Directors are satisfied that the general partners of each Partnership continue to have the support of Lloyds Banking Group plc and credit risk has therefore been assessed as low.

The Company's maximum exposure to credit risk arises from the carrying amount of the respective financial assets as stated in the statement of financial position.

b) Liquidity risk

The Company monitors its risk of a shortage of funds using detailed cash flow monitoring. The Company's objective is to ensure that the expenses incurred are covered by the forecast management fee income from the General Partners.

The maturity analysis of financial liabilities is as follows:

As at 31 March 2023	Less than 1 month	From 1 to 3 months	From 3 to 12 months	TOTAL
	£	£	£	£
Financial liabilities				
Trade and other payables	-	-	1,122,743	1,122,743
	-	-	1,122,743	1,122,743
As at 31 March 2022	Less than 1 month	From 1 to 3 months	From 3 to 12 months	TOTAL
	£	£	£	£
Financial liabilities				
Trade and other payables	-	-	830,595	830,595
	-	-	830,595	830,595

c) Market risk

Market risk relates to the potential loss in value or income arising from changes in external market factors. The Directors are closely monitoring the same and for this year ended 31 March 2023, similar to the comparative year, the Company has not been exposed to currency risk, interest rate risk or price risk.

5 TAXATION

A reconciliation between tax charge and the product of loss before tax multiplied by the standard rate is as follows:

	For the Year Ended 2023	For the Year Ended 2022
	£	£
Current tax on profits for the year	6,444	-

A reconciliation between tax charge and the profit before tax is as follows:

Profit before tax	6,444	
Tax on profit at standard UK rate of 19% (2022: 19%)	(1,224)	-
Effects of:		
Current tax on taxable profit in the year	(3,449)	-
Adjustments in respect of prior years	(1,771)	-
Tax charge for the year	(6,444)	-

No provision for deferred tax is required under IAS 12-Income Taxes as no timing differences have arisen which would result in deferred tax on assets and liabilities.

The Finance Bill 22-23 which was enacted on 15 March 2023 confirmed that going forward the 19% corporation tax rate would be used on profits below £50,000 with effect from 1 April 2023. Any profits over this amount but less than £250,000 would be subject to a marginal rate of corporation tax and any profits over £250,000 would be subject to a rate of 25% also effective as from 1 April 2023.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

6 MANAGEMENT FEE INCOME

	Year ended 31 March 2023	Year ended 31 March 2022
	£	£
Management fee income	3,507,408	3,429,583
Total Management fee income	3,507,408	3,429,583

Management fee income is received from the General Partners for management services to the Partnerships solely within the United Kingdom.

7 ADMINISTRATIVE EXPENSES

	Year ended 31 March 2023	Year ended 31 March 2022
	£	£
Management fees	(3,163,167)	(3,012,925)
Legal and professional fees	(259,741)	(334,883)
Audit fees	(54,244)	(53,511)
Non audit fees	(25,104)	(25,700)
Total administrative expenses	(3,502,256)	(3,427,019)

8 TRADE AND OTHER RECEIVABLES

	As at 31 March 2023	As at 31 March 2022
	£	£
Amounts due from shareholders	-	5,001
Amounts due from Housing Growth Partnership Ltd	7,920	7,920
Amounts due from Housing Growth Partnership LP	21,290	17,690
Amounts due from Housing Growth Partnership II LP	76,697	39,968
Amounts due from Housing Growth Partnership III LP	144,876	21,200
Amounts due from LBG Equity Investments Limited	847,433	494,929
Total trade and other receivables	1,098,216	586,708

These balances are short term in nature, repayable on demand and not interest bearing. There were no past due or impaired receivables as at 31 March 2023 (2022: £nil).

9 CASH AND CASH EQUIVALENTS

	As at 31 March 2023	As at 31 March 2022
	£	£
Cash at bank	34,201	248,888
Total cash and cash equivalents	34,201	248,888

10 TRADE AND OTHER PAYABLES

	As at 31 March 2023	As at 31 March 2022
	£	£
Amounts due to Housing Growth Partnership GP LLP	(53,851)	(178,114)
Amounts due to Housing Growth Partnership II GP LLP	(689,869)	(225,788)
Amounts due to Housing Growth Partnership III GP LLP	(49,872)	(78,081)
Accrued expenses	(329,151)	(348,612)
Total trade and other payables	(1,122,743)	(830,595)

Trade and other payables are not interest bearing and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

11 SHARE CAPITAL

	As at 31 March 2023	As at 31 March 2022
	£	£
Allocated and called up 5,001 (2022: 5,001) ordinary shares of £1 each	<u>5,001</u>	<u>5,001</u>
The share capital has been settled during the year (2022: £5,001).		

12 STAFF COSTS

The average monthly number of employees (excluding non-executive directors) was nil (2022: nil). The aggregate employee remuneration was £nil (2022: £nil).

	Year ended 31 March 2023	Year ended 31 March 2022
	£	£
Aggregate non-executive directors' remuneration	£	£
Salaries, fees, bonuses and benefits in kind	<u>12,000</u>	<u>12,000</u>

13 TRANSACTIONS WITH RELATED PARTIES

The Company's cash and cash equivalents balance is held with Lloyds Banking Group Plc.

a) Key management compensation

The members of the Board of Directors are considered to be the key management of the Company.

There are no amounts receivable from or payments due to members of the Board of Directors. JF Perritt received Directors emoluments of £12,000 (2022: £12,000), which was paid by another company in Lloyds Banking Group Plc. All other key management personnel are employed by other companies in Lloyds Banking Group Plc and consider that their services to the Company are incidental to their other activities within Lloyds Banking Group Plc. The Directors' emoluments were therefore £12,000 (2022: £12,000).

b) Services provided to related parties

During the year, management fee income of £3,507,408 (2022: £3,429,583) was charged and received from the General Partners. As at 31 March 2023 £793,592 (2022: £481,983) remained payable.

c) Services provided by related parties

During the year, £3,163,167 (2022: £3,012,925) was recognised as management fees payable to LBG Equity Investments Limited, of which £847,433 (2022: £494,929) remained due at year end. In addition at year end, £nil was due from LBG Equity Investments Limited (2022: £5,001) in relation to share capital. Transactions with related parties are at arms length and repayable on demand.

The Company was owed £7,920 (2022: £7,920) from Housing Growth Partnership Ltd.

14 ULTIMATE CONTROLLING ENTITY

As at 31 March 2023, LBG Equity Investments Limited is the immediate parent company. The Company regarded as the ultimate parent company and controlling party is Lloyds Banking Group plc (incorporated in Scotland), which is also the parent undertaking of the smallest and largest group of undertakings for which group financial statements are drawn up and of which the Company is a member. Copies of the group financial statements may be obtained from Group Secretariat, Lloyds Banking Group plc, 25 Gresham Street, London, EC2V 7HN.

15 SUBSEQUENT EVENTS

No events have occurred subsequent to the reporting date that require adjustment to or disclosure in the financial statements.