

Grand Union Group Funding PLC

Annual report and financial statements

For the year ended 31 March 2025

Company Number: 08757850

Grand Union Group Funding PLC

Annual report and financial statements

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Company Information

Directors	Brendan Whitworth (appointed 9 July 2024, appointed chair 31 August 2024) John Edwards (Chair) (resigned 31 August 2024) Aileen Evans (resigned 16 December 2024) Mona Shah (resigned 2 May 2025) Steve Benson (resigned 14 April 2024) Rob Griffiths (appointed 2 May 2025) Tony Oakley (appointed 12 February 2025)
Company Secretary	Suzanne Maguire (appointed 27 January 2025, resigned 22 August 2025) Rob Griffiths (appointed 22 August 2025)
Registered Office	K2 Timbold Drive Kents Hill Milton Keynes Bucks MK7 6BZ
Company Number	08757850
Solicitors	Trowers & Hamlins 3 Bunhill Row, London EC1Y 8YZ
External Auditors	Beever and Struthers One Express 1 George Leigh Street Manchester M4 5DL
Bankers	U.S. Bank 125 Old Broad Street London EC2N 1AR

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Strategic Report

The Directors are pleased to present the strategic report for the year ended 31 March 2025.

Principal activities

The Company's principal activity is to raise private finance for Amplus Living ('Amplus') and its subsidiaries.

Review of the business

On 4 December 2013, the Company successfully issued a £150m bond, which included a retained element of £35m, at a coupon of 4.625% with repayment after 30 years (4 December 2043). The 2043 bond was issued at a discount, so funds received totalled £114.3m.

The keen pricing demonstrated the Group's strong financial position which had been reflected in the A2 (Stable) credit rating issued by Moody's Investor Services. The rating outlook was changed to A2 (Negative) on 29 June 2016 following the result of the UK's referendum to leave the European Union. This change applied across all sub sovereign organisations and reflected the uncertain future for the UK Government and closely related businesses. This rating was changed by Moody's Investor Services to A3 (Stable) in October 2018, then in November 2022 to A3 (Negative) following rating action against the UK Government and most recently an upgrade in November 2023 back to A3 (Stable).

The cost of issuing the bond was £1.4m leaving a balance of £112.9m which was immediately on-lent to Amplus under a facility arrangement between the Company (as lender) and Amplus (as borrower), following this the effective interest rate on the £112.9m is 4.715%. The bond is listed on the London Stock Exchange.

The bond is for a period of 30 years and secured on assets owned by Amplus, with a covenant that requires a minimum level of asset cover of 105% on an Existing Use Value – Social Housing basis or 115% on a Market Value subject to Tenancies basis. Amplus pays 4.625% interest on its borrowing from the Company. A trust deed, entered at the time of the bond issue, required that the retained bond (£35m) be cancelled if not sold by the Company within three years of the issue date i.e. by 4 December 2016. The Company reviewed the funding requirements at that date in line with the Group's strategic objectives and cancelled the retained bond.

On 15 December 2020, the Company successfully tapped the 2043 Bond for a further £56m, which included a retained element of £35m. The Bonds were issued at a premium, so funds received totalled £30.3m. Since incorporation the Company has not carried out any business or activities other than incidental to the financing of Amplus. As the Company's activities are limited to the raising and management of private finance for Amplus, it employs no staff, and all administration functions are carried out by the finance team of Amplus. As a result, there is no significant information to report on regarding environmental matters, employees or social and community issues.

On 16 December 2024, Grand Union Housing Group and Longhurst Group merged via a Transfer of Engagements of Longhurst Group to Grand Union. At the same date, the trading name Grand Union was changed to Amplus Living. The company is now a subsidiary of Amplus.

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Strategic Report (Continued)

Section 172 Statement

The company was formed for the sole purpose of raising debt finance for Amplius. It is a wholly owned subsidiary and does not have any employees. The directors, accordingly, do not consider that the impact of the company's operations on the community and the environment or the need to act fairly between members of the company are relevant to the proper discharge of their duty under section 172, each of which is considered by the wider group.

Given the purpose of the company the relevant stakeholder groups are therefore the investors in the listed debt and the parent group. The Boards of Amplius and Grand Union Group Funding plc consider, both individually and together that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of those stakeholders, and in doing so have regard, amongst other matters to:

- The likely consequences of any decision in the long term
- The need to foster the company's business relationships with suppliers, customers and others, and
- The desirability of the company maintaining a reputation for high standards of business contact.

The Board considers the following to be the key decisions and considerations it has made during the year to 31 March 2025.

Board decision	Consideration
The Board considered and agreed the long-term treasury strategy for the sole customer, Amplius.	The need to put in place long-term business plans. This impacts all stakeholders, as a robust strategy is the foundation for maintaining the trust of external stakeholders.
The Board reviews the security position of Amplius and cashflows at each meeting.	The Board has ensured that sufficient liquidity and security has been maintained throughout the year. Oversight is delegated to the Finance and Treasury Committee.
Review of the Amplius business plan and cash flow forecasts.	The Board have monitored the operating surplus and cash flow forecasts of Amplius and performance against the business plan and covenants. Oversight is delegated to the Finance and Treasury Committee.
Engaging with investors.	Meetings are held with investors on an on-going basis, the last investor meetings took place in November 2024. Regulatory News Service updates are published when required.

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Strategic Report (Continued)

Principal risks and uncertainties

All the proceeds received from capital market transactions are immediately on-lent by the Company to Amplius. The key risks facing the Company are dependent on the trading position of Amplius and its ability to repay the long term debt.

As published by Moody's on 17 February 2025, in their periodic credit rating review, Amplius' unchanged A3 stable rating is reflective of its operating margin, social housing lettings interest coverage ratios, and strong liquidity metrics. The publication also acknowledges that Amplius' substantial development programme will keep its gearing at higher levels than peers. Amplius also benefits from the strong regulatory framework governing English housing associations, and the Moody's assessment that there is a strong likelihood that the UK government would act in a timely manner to prevent a default.

The Company is an integral part of the Amplius structure and funding strategy. Amplius has a long-term business plan which shows that it is able to service these debt facilities, whilst continuing to comply with lenders' covenants, and the Directors have a reasonable expectation that these will be funded by Amplius over the going concern period.

Key performance indicators

The Company operates as one of Amplius' funding vehicles and as such has no specific key performance indicators.

Other information

The Company has no direct employees and it exists solely to on-lend the proceeds of capital market transactions. The Company had three directors as at 31 March 2025.

The Strategic Report was approved by the Directors on 22 August 2025 and signed on their behalf by:



Brendan Whitworth
Chair
24 September 2025

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Directors' Report

The Directors are pleased to present their report and the financial statements of the Company for the year ended 31 March 2025.

Directors

The Company's directors are listed on page 2.

Key Strategic Risks

The key risks for the Company relate to its inability to meet its obligations to bondholders and the inability of the Amplius subsidiaries to meet their obligations to the Company Agreement. These risks are highlighted in the Strategic Report.

The Audit and Risk Committee and Finance and Treasury Committee as part of their oversight of the Group's funding and financing risks keep the risks under review.

Financial risk management

Risk management objectives and policies

The directors acknowledge their responsibility for establishing and maintaining a sound system of internal control and for reviewing its effectiveness. The directors have delegated the on-going review of controls to the Amplius Audit and Risk Committee. The directors receive regular updates from the Committee on the risk register and control framework.

The system of internal control is designed to manage, rather than eliminate the risk of failure to achieve business objectives, and to provide reasonable and not absolute assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Group was on-going throughout the year and to the date of approval of these financial statements.

The Group has a formal Treasury Management Policy ensuring that the member companies have sufficient resources to meet on-going capital and revenue commitments and to protect against adverse movement in interest rates. The Group acknowledges that effective treasury management will support the delivery of the business and service objectives. The Group is committed to the principles of achieving value for money in treasury management within the context of effective risk management.

Interest rate risk and hedging

As at 31 March 2025, 100% of the Company's debt was on fixed rate terms. There is no intention to repay any debt prior to maturity, therefore any movement in the market value of debt due to changes in interest rates is deemed immaterial to the ongoing operations of the Company.

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Directors' Report (Continued)

Liquidity risk

The Company actively lends the full amount it has borrowed, thus the assets fully offset its liabilities and Amplius pays to the Company the interest on the due dates. There is considered to be no net exposure to either liquidity risk from repayment or interest risk. Further quantitative information and sensitivity analysis is not provided as these risks are considered to be immaterial.

Credit risk

As at 31 March 2025 the Company had lent all its funds to Amplius and therefore the main risk is that Amplius will be unable to pay interest or principal when they fall due. The underlying assets of issuance belong to Amplius through a security trust arrangement with the Prudential Trustee Company Limited. The loan to Amplius is made under the terms of an agreement between the Company and Amplius.

The maximum exposure to credit risk is represented by the total carrying amount of the Company's assets at the reporting date.

All amounts loaned to other members of the Group are considered recoverable, and therefore no impairment of these assets is considered necessary.

Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, the directors' 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law). 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, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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Directors' Report (Continued)

the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Corporate Governance Statement

Grand Union Group Funding Plc has a listed security in issue and complies with the applicable sections of the Disclosure and Transparency Rule ('DTR') 7.1 and DTR 7.2, of the Financial Conduct Authority ("FCA") handbook.

The Company does not have a Premium Listing and is not required to comply with the UK Corporate Governance Code (the "Code"). The Company's corporate governance arrangements are reported by reference to relevant good practice including the National Housing Federation ("NHF") Code of Governance - Promoting board excellence for housing associations (2020 edition) (the "NHF Code"), which has been adopted and complied with by Amplius. In fulfilling its obligations under the NHF Code, the Company follows good practice drawn from supporting guidance. A number of the provisions of the NHF Code mirror the equivalent provisions of the UK Corporate Governance Code. The NHF Code is available on the NHF website: www.housing.org.uk.

Parental control is exercised by Amplius through powers contained in the rules or (as the case may be) articles of association of each of its subsidiaries and in intra-group agreements ("IGAs") which together enable Amplius to appoint all or a majority of board members or to remove all or any board members and to approve business, funding, operational and other financial plans of Amplius and its subsidiaries. The IGAs also provide for dispute resolution between the parties, however none of the group members can leave the group without the consent of Amplius and notifying the Regulator of Social Housing.

Companies within the group do not have external shareholders. All companies in the group (including the Company) comply with equivalent provisions in the NHF Code which relate to communications with stakeholders. The remuneration arrangements for housing associations differ from those of listed public companies (for example, the absence of share based incentives). However, Amplius complies with the provisions of the NHF Code on board and executive pay.

Internal Controls Assurance Statement

Grand Union Group Funding Plc Board acknowledges its ultimate responsibility for ensuring that the Company has in place a system of internal control that is appropriate to the business environment in which it operates. This is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide Grand Union Group Funding Plc with reasonable and not absolute assurance against material misstatement or loss. The processes

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Directors' Report (Continued)

in place for identifying, evaluating, and managing the significant risks faced by the Company are on-going and have been in place for the full year under review and up to the date of approval of the financial statements.

The Group's arrangements in respect of the system of risk management and internal control cover the entire Group, including Grand Union Group Funding Plc. Key elements of the Group's system of risk management and internal control throughout the period included:

- approved terms of reference and delegated authorities for the Group Audit and Risk, People, Remuneration and Nominations Committee, Development and Asset Investment Committee, Keystone Board, Finance and Treasury Committee and treasury vehicle Boards;
- a review of regulatory compliance arrangements at least twice a year to the Amplius Board;
- clearly defined management responsibilities for the identification, evaluation and control of significant risks;
- robust strategic and business planning processes, with detailed financial budgets and forecasts;
- formal recruitment, retention, training and development policies for all staff;
- an annual review of compliance with the NHF Code;
- established authorisation and appraisal procedures for significant new initiatives and commitments;
- a detailed Group approach to treasury management;
- regular reporting to the appropriate committee and/or Board on key business objectives, targets and outcomes;
- regular monitoring of loan covenants and requirements for loan facilities; and
- policies and arrangements to reduce the risk of fraud, bribery and money laundering.

The Board has delegated to the Audit and Risk Committee the regular review of the effectiveness of the Group's system of internal control (which includes Grand Union Group Funding Plc), whilst maintaining ultimate responsibility for the system of internal control. The Committee carries out the functions required by DTR 7.1.3 R. on behalf of the Board.

The Committee monitors the effectiveness of the Group's internal controls, (including financial, operational and compliance controls), internal audit and risk management in accordance with the requirements of DTR 7.1.3. R. The Committee considers financial and operational reports from management and reports from internal audit, to consider whether significant risks are identified, evaluated, managed and controlled and whether any significant weaknesses are promptly remedied or indicate a need for more extensive monitoring.

The Committee also monitors the financial reporting process and the statutory audit of the Group's annual accounts. The Committee also reviews and monitors the independence of the statutory auditor and considers the relationship with Amplius and its subsidiaries as part of its assessment.

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Directors' Report (Continued)

The Committee reviewed the effectiveness of the system of internal control in existence across the Group (including Grand Union Group Funding Plc) for the period under review and up to the date of approval of the financial statements, having regard to the annual review of the effectiveness of the Group system of internal control by the Amplius Executive Leadership Team and the annual report of the internal auditor, and reported to the Grand Union Group Funding Plc Board that it found no significant weaknesses in the system of internal control.

Going concern

After making all reasonable enquiries, the directors have a reasonable expectation that Grand Union Group Funding PLC has adequate resources to continue in operational existence for the foreseeable future. For this reason, they have adopted the going concern basis in preparing the accounts.

Matters presented in the strategic report

As permitted by paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report. These matters relate to:

- information regarding the future developments of the Company
- information regarding directors' indemnity provisions.

Statement as to disclosure of information to the auditor

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

As far as each Director is aware, there is no relevant audit information of which the auditors are unaware. The Directors have taken all steps they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Directors' Report was approved by the Directors on 22 August 2025 and signed on their behalf by:



Brendan Whitworth
Chair
24 September 2025

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Independent Auditor's Report to the Members of Grand Union Group Funding plc

Opinion

We have audited the financial statements of Grand Union Group Funding plc ('the Company') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit and Risk Committee.

We were first appointed as auditor by the directors for the period ending 31 March 2020. The period of total uninterrupted engagement is for six financial years for the year ended 31 March 2025. We have fulfilled our ethical responsibilities under, and we remain independent of the Company in accordance with UK ethical requirements, including the FRC's Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

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.

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- assessing the recoverability of the long-term debtors balance.
- reviewing the assumptions used in the Group's budget for the financial year 2025/26.
- reviewing the Group's long term business plan and assessing the reasonableness of the assumptions used within it, along with reviewing the results of the various stress testing scenarios on loan covenants, and the reasonableness of mitigating actions identified by client.
- considering the facilities and loans in place against capital commitments and expected loan repayment dates.
- reviewing the disclosures around going concern within the financial statements.

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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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. We summarise below the key audit matter in arriving at our audit opinion above, together with our key audit procedures to address this matter and, as required for public interest entities, our results from those procedures. This matter was addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on this matter.

Recoverability of Long-Term Debtors

Long Term Debtors (amounts falling due in more than one year) £143.038M. Refer to Note 1 (accounting policy) and Note 8 (financial disclosures).

The risk – low risk high value

The Company's primary activity is to issue bonds and on-lend to other Group entities. It therefore has long term liabilities which relate to the bonds issued and long-term intercompany debtors which relate to the loans provided to Group Members.

The carrying amount of the long-term intercompany debtor balance represents 98% of the Company's total assets. Its recoverability is not at a high risk of significant misstatement or subject to significant judgement. However, due to their materiality in the context of the Company financial statements, this is considered to be the area that had the greatest effect on our overall Company audit. Whilst there are small amounts of financial income and financial expense during the loan period, the risk mainly stems from the expectation of the ability of the fellow Group Members to repay the bond at maturity.

Our response

Our procedures included:

- **Assessment of recoverability:** Assessing 100% of intercompany long-term debtors by considering the financial viability of the Group, in particular whether the Group has sufficient liquidity to meet interest payments as they fall due, and sufficient longer term cash flows to repay the debt. We have reviewed the Group's internal assessment of going concern, and management information relating to actual and forecast financial performance after the year end. We have reviewed the Group's long term financial plans, and the stress testing of those plans. We have considered the potential impact of these matters on the Group's financial viability into the foreseeable future, and on its status as a going concern.

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Independent Auditor's Report to the Members of Grand Union Group Funding plc

- **Test of detail:** Assessing the creditor recognised by the fellow Group Members and comparing it to the debtor recognised by the Company.
- **Test of detail:** Assessing the balance on-loaned to the fellow Group Members with reference to the bond issue funds.
- **Confirmation of value:** Agreeing the bond value to the bond issue documentation.

Our results

Based on the audit work performed, we are satisfied that there are no matters which cause material uncertainty in the ability of the Group to repay its debt to the Company, and we are satisfied with the assessment of the Company's directors that the Company is a going concern.

Our Application of Materiality and an Overview of the Scope of the Audit

The materiality for the audit of the Company for the year ended 31 March 2025 was £730K determined with reference to a benchmark of 0.5% of gross assets (2024: £730K with reference to a benchmark of 0.5% of gross assets). We consider gross assets to be the most appropriate benchmark to use. Gross assets represent the carrying value of the bond, which reflects the Company's primary purpose as a treasury vehicle for the Group.

Performance materiality was set at £550K, or 75% of the materiality figure, based on our understanding of the Company and our expectations in relation to misstatements (2024: £550K or 75% of the materiality figure). We agreed to report to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding 5% of materiality (2024: 5% of materiality), in addition to other identified misstatements that warranted reporting on qualitative grounds.

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.

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

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Independent Auditor's Report to the Members of Grand Union Group Funding plc

- 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 Statement of Directors' responsibilities set out on page 7, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council'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:

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- We obtained an understanding of laws and regulations that affect the Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006.
- We enquired of the directors and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed the controls the directors have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the directors have in place to prevent and detect fraud. We enquired of the directors about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the directors about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Use of our report

This report is made solely to the Company's member, 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 member 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 member as a body for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

Sue Hutchinson FCCA (Senior Statutory Auditor)

For and on behalf of

Beever and Struthers

Statutory Auditor

One Express

1 George Leigh Street

Manchester

M4 5DL

Date: 25 September 2025

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Statement of Comprehensive Income For the year ended 31 March 2025

	Note	2025 £'000	2024 £'000
Interest receivable and similar income	3	5,968	5,975
Interest payable and similar charges	4	(5,968)	(5,975)
Operating profit	5	<u>-</u>	<u>-</u>
Profit on ordinary activities before taxation		<u>-</u>	<u>-</u>
Taxation	8	-	-
Profit for the year		<u>-</u>	<u>-</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>-</u></u>	<u><u>-</u></u>

All of the activities of the company are classed as continuing.

The notes on pages 19 to 26 are an integral part of these financial statements.

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Statement of Financial Position

As at 31 March 2025

Company number 08757850

	Note	2025 £'000	Restated 2024 £'000
Current assets			
Debtors: amounts falling due within one year	9	2,400	2,393
Debtors: amounts falling due after one year	9	143,038	143,367
Cash and cash equivalents		12	12
		145,450	145,772
Creditors: amounts falling due within one year	10	(2,362)	(2,355)
Net current assets		143,088	143,417
Creditors: amounts falling due after one year	10	(143,038)	(143,367)
Net assets		50	50
Share Capital and reserves			
Called up share capital		50	50
Revenue reserve		-	-
Total equity		50	50

2024 is restated to align debtors and creditors classifications in line with the classifications in 2025.

The financial statements were approved and authorised for issue by the Board of Directors on 22 August 2025 and were signed on its behalf by:



Brendan Whitworth
Chair
24 September 2025

The notes on pages 19 to 26 are an integral part of these financial statements.

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Statement of Changes in Equity For the year ended 31 March 2025

	Called up share capital £'000	Revenue Reserve £'000	Total equity £'000
At 1 April 2023	50	-	50
Profit for the year	-	-	-
At 31 March 2024	<u>50</u>	<u>-</u>	<u>50</u>
Profit for the year	-	-	-
At 31 March 2025	<u>50</u>	<u>-</u>	<u>50</u>

Reserves

Revenue Reserve

The revenue reserve represents cumulative profits and losses and gains and losses of the Company.

The notes on pages 19 to 26 are an integral part of these financial statements.

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Notes to the financial statements (Continued) For the year ended 31 March 2025

1. Accounting policies

1.1 General information

Grand Union Group Funding PLC (the Company) is a public limited company incorporated in the United Kingdom. The address of its registered office and principal place of business is K2, Timbold Drive, Kents Hill, Milton Keynes, Bucks, MK7 6BZ

These financial statements have been presented in Pound Sterling (to the nearest thousand) as this is the Company's functional currency, being the currency of the primary economic environment in which the Company operates.

1.2 Basis of preparation

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 applicable legislation, as set out in the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. These financial statements have been prepared under the historical cost convention.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. The Company is included in the consolidated financial statements of its parent undertaking Amplius. Note 11 provides details of where those consolidated financial statements may be obtained from.

In preparing the financial statements, the Company has taken advantage of the following exemptions:

- from disclosing key management personnel compensation, as required by paragraph 7 of Section 33 *Related Party Disclosures*
- from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by paragraph 12 of Section 4 *Statement of Financial Position*
- from presenting a statement of cash flows, as required by Section 7 *Statement of Cash Flows*.

On the basis that equivalent disclosures are given in the consolidated accounts of the parent company, the Company has also taken advantage of the exemption not to provide certain disclosures as required by Section 11 *Basic Financial Instruments* and Section 12 *Other Financial Instrument Issues*.

1.3 Interest receivable

Interest receivable and similar income is recognised as interest accrued using the effective interest rate method.

Grand Union Group Funding PLC

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Notes to the financial statements (Continued) For the year ended 31 March 2025

1.4 Taxation

The tax expense for the year comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated based on the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, that is expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred tax assets are recognised only to the extent that, based on all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.5 Financial instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds only basic financial instruments, which comprise cash and cash equivalents, debtors and creditors. The Company has chosen to apply the measurement and recognition provisions of Section 11 *Basic Financial Instruments* and Section 12 *Other Financial Instrument Issues* in full.

Financial assets – classified as basic financial instruments

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held with banks, other short-term highly liquid investments with original maturities of three months or less.

Debtors

Debtors are initially recognised at the transaction price and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Issue costs are excluded from the effective interest method as these are due by Amplius and represented separately in that entity's financial statements.

Amounts that are receivable within one year are measured at the undiscounted amount expected to be receivable, net of any impairment.

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Notes to the financial statements (Continued) For the year ended 31 March 2025

Where a financial asset constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

At each reporting date, the Company assesses whether there is objective evidence that any financial asset may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the financial assets. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows. The amount of the provision is recognised immediately in profit or loss.

Financial liabilities – classified as basic financial instruments

Creditors

Creditors are initially measured at the transaction price and are subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount expected to be payable.

In accordance with the loan facility agreement between Grand Union Group Funding Plc and Amplius any costs of issue fall due on the Original Borrower (Amplius). Consequently, the £1.4m issue costs incurred on the original bond issue in 2013 are represented in the financial statements of Amplius.

Where a financial liability constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

2. Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

2.1 Critical judgements in applying the Company's accounting policies

The critical judgements that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below.

Assessing whether the Company meets the definition of a financial institution - The directors have performed an assessment to conclude whether the Company meets the definition of a financial institution as set out by FRS 102. Entities that meet this definition are

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Notes to the financial statements (Continued) For the year ended 31 March 2025

required to present additional disclosures as required by FRS 102 Section 34 Specialised Activities.

A financial institution includes entities “whose principal activity is to generate wealth or manage risk through financial instruments”. The principal activity of the Company is deemed by the directors to be the sourcing of funding directly from the capital markets to on-lend to other Group members. Funding obtained is secured on the assets of other group members, and interest charges are passed to other Group members, hence the Company itself does not generate profit from the arrangement.

As such, the directors do not regard the Company falls within the definition of a financial institution; this being on the basis that the Company’s use of financial instruments is not primarily for the generation of wealth or for the management of risk, but rather for the purpose of raising finance on behalf of the parent company.

Calculation of the fair value of bonds - Bonds are stated in the statement of financial position at amortised cost. Management use a third-party valuation to minimise the risk of uncertainty in valuation.

Going concern - Going concern is assessed at both group and Company level. Sufficient, appropriate information is provided to Board to enable them to consider the ability of each entity to continue as a going concern for the foreseeable future. Judgement is exercised in assessing the existence of any material uncertainties, of which none were identified.

2.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The directors have not identified any such sources of estimation uncertainty.

3. Interest receivable and similar income

	2025 £'000	2024 £'000
Interest receivable from parent company	5,968	5,975
	<u>5,968</u>	<u>5,975</u>

4. Interest payable and similar charges

	2025 £'000	2024 £'000
Interest payable to bond holders	5,968	5,975
	<u>5,968</u>	<u>5,975</u>

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Notes to the financial statements (Continued) For the year ended 31 March 2025

5. Operating profit

During the period, the Company recharged interest paid on loans to Amplius, to whom the proceeds of the capital market issue were on-lent. The Company's operating costs are also met by its ultimate parent undertaking Amplius. Consequently, during the current and prior year, the Company made neither a profit nor a loss.

Audit and non-audit fees charged by Beever and Struthers relating to Grand Union Group Funding PLC are expensed by Amplius in accordance with the loan agreement and disclosed within its consolidated accounts. The proportion of the audit fee attributable to the Grand Union Group Funding PLC is £9,500 (2024: £8,840). All figures are net of VAT.

6. Employee benefits

The Company does not have any employees. All employees acting on behalf of the Company are employed by Amplius, whose costs are disclosed in the Group financial statements.

7. Directors' emoluments

The directors of Grand Union Group Funding PLC did not receive any emoluments for their duties as directors of the Company for the year ended 31 March 2025 (2024: £nil). Aileen Evans (resigned 16 December 2024), and Mona Shah (resigned 2 May 2025) were directors, employed and remunerated by Amplius during the year. Full accounting disclosures on directors' remuneration are therefore included within the Group financial statements.

8. Taxation

	2025 £'000	2024 £'000
UK corporation tax		
Current tax on profit / (loss) for the year	-	-
Adjustment in respect of previous periods	-	-
	<u>-</u>	<u>-</u>
Deferred tax	-	-
Tax on profit / (loss) on ordinary activities	<u>-</u>	<u>-</u>

The aggregate current and deferred tax relating to items recognised in other comprehensive income is a charge of nil (2024: nil).

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Notes to the financial statements (Continued) For the year ended 31 March 2025

9. Debtors

	2025 £'000	Restated 2024 £'000
Amounts due within one year:		
Unpaid share capital	38	38
Amounts due from parent company	2,362	2,355
	<u>2,400</u>	<u>2,393</u>
Amounts due after one year:		
Loan due from parent company	143,038	143,367
	<u>143,038</u>	<u>143,367</u>

2024 is restated to align debtors and creditors classifications in line with the classifications in 2025. The terms of the on-lending agreement underlying the intra-group debtor mirror those of the Company's bond liability shown within creditors. Further information in respect of these instruments are set out in note 9.

10. Creditors

	2025 £'000	Restated 2024 £'000
Amounts due within one year:		
Interest due to bondholders	2,033	2,033
Bond premium	347	339
Bond discount	(18)	(17)
	<u>2,362</u>	<u>2,355</u>
Amounts falling due in more than one year:		
Issue 4/12/43 (Semi-annual coupon) – Bond repayable	136,000	136,000
Bond premium	7,536	7,882
Bond discount	(498)	(515)
	<u>143,038</u>	<u>143,367</u>

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Notes to the financial statements (Continued)

For the year ended 31 March 2025

On 4 December 2013 Grand Union Group Funding PLC successfully issued a £150m bond this included £115.0m immediately issued at a coupon of 4.625% with repayment after 30 years in 2043 and a £35m retained element.

The bond was issued at a discount of 0.578% so that funds of £114.3m were received, this was on-lent to Grand Union Housing Group Ltd (GUHG) to enable it to repay some of its existing loans and to fund future development. The cost of issuing the bond was £1.4m which has been funded by GUHG (now part of Amplius). The effective interest rate, and actual interest rate, associated with the 2013 listed bond and on-lent funds is 4.728% and 4.625% respectively.

2024 restated to align debtors and creditors classifications in line with the classifications in 2025.

On 15 December 2020, the Company successfully tapped the 2043 Bond for a further £56m, which included a retained element of £35m. The Bonds were issued at a premium of 44.22%, so funds received totalled £30.3m, this was on-lent to GUHG to fund future development. The effective interest rate, and actual interest rate, associated with the 2020 bond tap and on-lent funds is 2.187% and 4.625% respectively.

Any bond discount/premium and costs of issue are amortised over the term of the bond, 30 years, with Amplius being liable to Grand Union Group Funding PLC for both.

The underlying assets of the issuance belong to Amplius through a security trust arrangement with the M&G Trustee Company Ltd.

11. Called up share capital

	Number 2025	Number 2024	2025 £'000	2024 £'000
Issued share capital:				
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50</u>	<u>50</u>

Amplius is the registered holder of 50,000 shares of £1, of which £12,500 has been paid. The shares were issued on incorporation of the Company on 1 November 2013.

Amplius acquired its 50,000 ordinary shares on 1 November 2013 and paid £12,500. The remaining balance of unpaid share capital (£37,500) is shown within debtors (note 8).

The holders of the ordinary shares are each entitled to one vote per share. The shares carry no right to fixed income and are non-redeemable.

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Notes to the financial statements (Continued) **For the year ended 31 March 2025**

12. Parent undertaking and ultimate controlling party

The immediate and ultimate parent undertaking and controlling party is Amplius, a registered provider and a registered society under the Co-operative and Community Benefit Societies Act 2014 with registration number 7853 and registered with the Regulator for Social Housing pursuant to sections 111 and 112 of the Housing and Regeneration Act 2008 (Registration No. 5060). Copies of Group accounts can be obtained at www.amplius.co.uk.

13. Related parties

The Company is a wholly owned subsidiary of Amplius, a Community Benefit Society, registered under the Co-operative and Community Benefit Act 2014 and a Registered Provider of Social Housing.

The Directors have taken advantage of the exemption in Financial Reporting Standard 102 from disclosing related party transactions with group companies on the grounds that consolidated accounts are publicly available.