



**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

31 MARCH 2020

**Housing Plus Group Finance Limited
Acton Court, Acton Gate, Stafford, ST18 9AP**

Registration No. 12100621

A member of The Housing Plus Group

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DIRECTORS, AUDITORS, ADVISORS AND BANKERS

Housing Plus Group Finance Limited

Registered Company No: 12100621

Registered Office

Acton Court,
Acton Gate, Stafford,
ST18 9AP

Directors

S L Boden – appointed 12 July 2019
P J Ingle – appointed 12 July 2019
R Bowden - appointed 12 July 2019
G E Evans - appointed 12 July 2019
S Jennings – appointed 23 July 2020
A J Hadden - appointed 1 October 2019, resigned 26 March 2020
R Levesley - appointed 12 July 2019, resigned 1 October 2019
P S Philips - appointed 12 July 2019, resigned 1 October 2019

Company Secretary

I E Molyneux – appointed 12 July 2019

Bankers

Barclays Bank PLC,
~~One Snowhill,~~
~~Birmingham, B3 2WN~~

Internal Auditors

Mazars LLP (to 31 March 2020)
45 Church Street,
Birmingham, B3 2RT

Beever and Struthers (appointed 1 April 2020)
20 Colmore Circus Queensway,
Birmingham, B4 6AT

External Independent Auditors

BDO LLP,
Chartered Accountants and Statutory Auditors,
Two Snowhill,
Birmingham, B4 6GA

Legal Advisors

Anthony Collins LLP
134 Edmund Street
Birmingham, B3 2ES

DWF LLP
2 Hardman Street
Manchester, M3 3AA

Trowers & Hamlin LLP
55 Princess Street
Manchester, M2 4EW

DIRECTORS, AUDITORS, ADVISORS AND BANKERS (CONTINUED)

Funders

Nationwide Building Society
Kings Park Road, Moulton Park,
Northampton, NN3 6NW

Clydesdale Bank plc (trading as Yorkshire Bank)
30 St Vincent Place
Glasgow, GH1 2HL

**BAE Systems Pension Funds Investment
Management Ltd**
Burwood House, 14/16 Caxton Street
London, SW1H 0QT

Canada Life Investments Ltd
1-6 Lombard Street,
London, EC3V9JU

REPORT OF THE BOARD

The Directors' Report and Audited Financial Statements for the 8 month period ended 31 March 2020 is presented herewith for Housing Plus Group Finance Limited ('the company'), Registered Company number 12100621.

The company is a subsidiary of ultimate parent The Housing Plus Group Limited ('Housing Plus'). Housing Plus is a holding company which provides central services for the company and other group members such as finance, human resource advice, information technology, development advice, legal services, health and safety advice and corporate publicity.

Housing Plus has prepared a Group Strategic Report to accompany the consolidated financial statements.

Principal activities

The company's principal activity is to source funding on behalf of The Housing Plus Group Limited directly from banks, building societies and capital markets and on-lend the proceeds to asset-owning subsidiaries of The Housing Plus Group.

Directors

The directors who served the company during the year were:

S L Boden (appointed 12 July 2019);
P J Ingle (appointed 12 July 2019);
R Bowden (appointed 12 July 2019);
G E Evans (appointed 12 July 2019);
S Jennings (appointed 23 July 2020);
A J Hadden (appointed 1 October 2019 and resigned 26 March 2020);
R Levesley (appointed 12 July 2019 and resigned 1 October 2019); and
P S Philips (appointed 12 July 2019 and resigned 1 October 2019).

Business review

The company was incorporated on 12 July 2019. The Company entered into a secured loan facility agreement with Nationwide Building Society on 22 August 2019 using property owned by fellow subsidiaries of The Housing Plus Group Limited as security. On 31 October 2019, the Company entered into three further secured loan facility agreements with Clydesdale Bank Plc, BAE Systems Pensions Funds Investment Management Ltd and Canada Life Investments respectively, using property owned by fellow subsidiaries of The Housing Plus Group Limited as security.

All of the drawn funding was on-lent to two of the Group's asset owning Registered Provider subsidiaries, South Staffordshire Housing Association Limited ('SSHA') and Severnside Housing ('Severnside'). The Company has undrawn revolving credit facilities which have been secured for the benefit of any asset owning Registered Provider within the Group. Non-utilisation fees in relation to undrawn facilities are re-charged to the Group's asset owning Registered Provider subsidiaries.

The statement of comprehensive income shows a result of £nil for the period. This is in line with the Company's role as a special purpose lending vehicle which does not seek to generate significant financial returns.

REPORT OF THE BOARD (continued)

The Company benefits from the Group-centralised Treasury service with policies and procedures approved by the Group Board. These cover funding, interest rate exposures, cash management and the investment of surplus cash.

Principal risks and uncertainties

Housing Plus Group Finance Limited on-lends all of its drawn debt to asset owning subsidiaries of The Housing Plus Group Limited under a guarantee and security trust basis. Where debt has been on-lent, the underlying assets securing the debt belong to the relevant asset owning (i.e. homes for rent) subsidiary of The Housing Plus Group Limited – being South Staffordshire Housing Association Limited and Severnside Housing and are secured through a Security Trust arrangement with the Prudential Trustee Company Limited.

As Housing Plus Group Finance Limited is not obliged to provide incremental funding to any Group asset owning subsidiaries, Housing Plus Group Finance Limited is not at risk if it cannot obtain further funding for the Housing Plus Group. All of Housing Plus Group Finance Limited's costs relating to providing funding services are billed to the relevant asset-owning subsidiary of The Housing Plus Group Limited.

Financial performance

The Company is a special purpose lending vehicle and does not seek to generate significant financial returns. The Company makes neither a profit nor a loss in line with its role as a special purpose lending vehicle. The Company therefore does not have financial key performance indicators.

Going Concern

After reviewing the budget for 2020/21 and long term financial plans based on normal business planning and control procedures and having received confirmation of continued support from the Group, the members of the Board have a reasonable expectation that Housing Plus Group Finance Limited has adequate resources to continue in operational existence for the foreseeable future.

The impact of the Covid 19 outbreak has been considered by the Directors, and as their main customer is the asset-owning subsidiaries of The Housing Plus Group, who have confirmed their continued support, the outbreak does not pose a material uncertainty that would cast doubt on the Company's ability to continue as a going concern. The board, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

Future development, performance and position

The Company has £31.5m of undrawn revolving credit facilities as at 31 March 2020. The Company's future financial performance is expected to show neither a profit nor a loss.

REPORT OF THE BOARD (continued)

Other information

The Company has no direct employees and it exists solely to on-lend debt which has been sourced through loan facility agreements with banks, building societies and capital markets for the benefit of the Group.

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the Board 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 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 judgements 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 the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

The Directors who held office at the date of approval of this Report of the Board confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

REPORT OF THE BOARD (continued)

Independent auditors

A resolution to appoint External Auditors will be proposed at the next Annual General Meeting.


This report was approved by the Board and signed on its behalf on 23 July 2020 by:



S L Boden
Director



P J Ingle
Director



I E Molyneux
Company Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOUSING PLUS GROUP FINANCE LIMITED

Opinion

We have audited the financial statements of Housing Plus Group Finance Limited ("the Company") for the period ended 31 March 2020 which comprise the statement of comprehensive income, statement of changes in equity, statement of financial position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2020 and of its result for the period 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 are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOUSING PLUS GROUP FINANCE LIMITED (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report 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 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.

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 Director's 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOUSING PLUS GROUP FINANCE LIMITED (continued)

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 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 at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors report.

Use of our report

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

BDO LLP

Kyla Bellingall (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Birmingham

Date 9 September 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF COMPREHENSIVE INCOME
for the 8 month period ended 31 March 2020

	Note	Period ended 31 March 2020 £'000
Turnover	6	8,414
Operating expenditure	7	<u>(8,414)</u>
Profit on ordinary activities before taxation		-
Taxation on profit on ordinary activities	8	<u>-</u>
Total comprehensive income for the period		<u><u>-</u></u>

All of the above results derive from the continuing operations of the company.

The notes on pages 13 to 20 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
31 March 2020

	Period ended 31 March 2020
	Profit and loss account £'000
Balance at 22 August 2019	-
Profit for the financial period	-
Balance at 31 March 2020	-

The notes on pages 13 to 20 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 31 March 2020

	Note	As at 31 March 2020 £'000
Current assets		
Debtors due within one year	9	5,333
Debtors due after more than one year	9	280,600
Cash and cash equivalents		-
		285,933
Creditors		
Amounts falling due within one year	10	(5,333)
		280,600
Net current assets		
		280,600
Creditors		
Amounts falling due after more than one year	11	(280,600)
		-
Total net assets		
		-
Capital and reserves		
Profit and loss account		-
		-
Total capital and reserves		
		-

The financial statements (registered number 12100621) were approved and authorised for issue by the Board of Directors on 23 July 2020 and signed on its behalf by:



S L Boden
Director



P J Ingle
Director



I E Molyneux
Company Secretary

The notes on pages 13 to 20 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Legal status

Housing Plus Group Finance Limited is incorporated in England under the Companies Act 2006 as a private limited company (limited by guarantee).

2. Accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (FRS102). The financial statements comply with the Companies Act 2006.

The financial statements have been prepared under the historic cost convention.

The financial statements are presented in pounds sterling (£).

The Directors have reviewed the 30 year business plans for SSHA and Severnside as part of their normal annual review and budget approval process, asset owning subsidiaries of The Housing Plus Group Limited to whom all of the drawn debt in Housing Plus Group Finance Limited is on-lent. The financial plans were stress tested against 3 different scenarios including economic, welfare and compliance changes and a 'perfect storm' scenario was performed combining all of the other 3 scenarios. Mitigations were only needed in this 'perfect storm' scenario in the first 2 years of the plan. Under this scenario SSHA and Severnside needed mitigations of £5.9m which could be found from within the £39.1m of uncommitted developments included in the SSHA and Severnside plans or the planned annual spend of £4.4m on kitchen and bathroom improvements.

The impact of the Covid 19 outbreak has been considered by the Directors. The Group continues to operate effectively with the majority of support staff working from home and other staff abiding by social distancing. Contrary to expectations, SSHA and Severnside have performed well to date. Rental income collection has remained strong during the period with little change in the arrears figure to date with performance at 2.65% which is below the corporate target of 3%. Voids performance suffered during the 'lockdown' period, but performance has since improved, and it is anticipated that void loss will be controlled around the budget level. Development work was also suspended during the start of the 2020/21 financial year but has since resumed.

As such the outbreak does not pose a material uncertainty that would cast doubt on the company's ability to continue as a going concern.

As at 31st March 2020 the company had undrawn loan facilities of £31.5 million ready to draw down. Despite some uncertainty in future cashflow forecasts there is not a material uncertainty that would cast doubt on the company's ability to continue as a going concern.

Based on the above the Board and Directors are satisfied that the company can continue to meet its obligations as they fall due. The Board, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)

b) FRS102 Exemptions

The company is a wholly owned subsidiary and is exempt from the requirement to prepare consolidated financial statements. In preparing separate financial statements the company has taken advantage of the disclosure exemption in FRS 102 and has not prepared a cash flow statement.

The company's results are consolidated into The Housing Plus Group Limited consolidated financial statements which are publicly available.

c) Turnover

Turnover represents interest receivable and other financing costs in relation to facilities lent to members of the Group. All turnover arose on activities undertaken in the UK.

d) Taxation

Any charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

e) Debtors and creditors

Debtors and creditors receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in other operating expenditure.

f) Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability of another entity. The company accounts for its financial instruments using sections 11 'Basic Financial Instruments' and 12 'Other Financial Instruments Issues' of FRS102.

Basic financial instruments are initially recognised at transaction price and in subsequent years at amortised cost. Financial assets are derecognised when the rights to the cash flows from the asset expire or are settled. Financial liabilities are derecognised when the obligation is discharged, cancelled or expired. Any difference between the consideration paid or received and the amounts derecognised are recorded in the Statement of Comprehensive Income.

g) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank, cash in hand, deposits and short term investments with an original maturity of three months or less.

NOTES TO THE FINANCIAL STATEMENTS (continued)

h) Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the use of certain accounting estimates and judgements concerning the future. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. Operating Profit

During the period, the company recharged interest paid and other financing costs on loans to the asset-owning borrowers to whom the debt was on-lent or asset-owning borrowers to whom an undrawn element of a loan facility is available. Consequently during the period the company made neither a profit nor a loss.

Audit fees for the company are paid for by the parent entity, The Housing Plus Group Limited and disclosed within its consolidated financial statements.

4. Employees

The company does not have any employees. All employees acting on behalf of the company are employed by The Housing Plus Group Limited or one of its asset-owning subsidiaries, whose costs are disclosed in those financial statements.

5. Directors' Emoluments

The directors of Housing Plus Group Finance Limited are employed and remunerated by The Housing Plus Group Limited. Full accounting disclosures on directors' remuneration are therefore included within its consolidated financial statements.

6. Turnover

	Period ended 31 March 2020 £'000
Interest receivable from Group undertakings	8,414
	<u><u>8,414</u></u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Cost of sales

	Period ended 31 March 2020 £'000
Interest payable under drawn facilities	8,317
Non-utilisation fees payable under undrawn facilities	97
	<hr/> 8,414 <hr/>

8. Taxation

	Period ended 31 March 2020 £'000
UK Corporation Tax	
UK Corporation Tax on surplus for the period	-
	<hr/> - <hr/>

9. Debtors

	As at 31 March 2020 £'000
Due within one year	
Interest due from Group undertakings	2,033
Loans to Group undertakings	3,300
	<hr/> 5,333 <hr/>
Due after more than one year	
Loans to Group undertakings	280,600
	<hr/> 280,600 <hr/>

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Creditors: amounts falling due within one year

	As at 31 March 2020 £'000
Loans and borrowings	3,300
Accruals	2,033
	<hr/> 5,333 <hr/>

11. Creditors: amounts falling due after more than one year

	As at 31 March 2020 £'000
Loans and borrowings	280,600
	<hr/> 280,600 <hr/>

12. Debt Analysis

Loans from banks, building societies and capital markets are secured by specific charges on the Group's housing properties. The loans accrue interest at varying rates and are repayable in instalments as shown below:

	As at 31 March 2020 £'000
<u>Bank / building society / capital market loans</u>	
In one year or less, or on demand	3,300
In more than one year but not more than two years	3,300
In more than one year but not more than five years	42,300
In more than five years	235,000
Total	<hr/> 283,900 <hr/>
Less: amount shown in Creditors: amounts due within one year (note 10)	(3,300)
Creditors falling due after more than one year (note 11)	<hr/> 280,600 <hr/>

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Debt Analysis (continued)

The amount repayable in relation to the bank, building society and capital market debt is offset by inter-company debtor balances between Housing Plus Group Finance Limited and South Staffordshire Housing Association and Severnside Housing.

Loan Facility

Fixed rate loans	238,500
Index-linked loans	12,000
Variable loans	33,400

283,900

Security, terms of repayment and interest rates

On 22 August 2019, Housing Plus Group Finance Limited entered in to a loan facility of £222.7 million with Nationwide Building Society. The loan facility is secured by properties owned by South Staffordshire Housing Association and Severnside Housing. The loan repayments commenced in March 2020, with a total repayment of £2.3 million in the financial period ended 31 March 2020. The final scheduled loan repayment is due in March 2045, £155 million of the loan facility is repayable after 5 years. As at 31 March 2020, Housing Plus Group Finance Limited had £158.5 million of loans on a fixed rate. The fixed rates of interest range between 4.76% and 6.97%. As at 31 March 2020, Housing Plus Group Finance Limited had £37.4 million of loans on an index linked or variable interest rate.

On 31 October 2019, Housing Plus Group Finance Limited entered in to a purchase agreement with BAE Systems Pension Funds Investment Management Ltd, for £35 million 5% Senior Secured Guaranteed Series A Amortising Notes due 22 August 2042 and £10 million 3.75% Senior Secured Guaranteed Series B Notes due 22 August 2042. The Notes are secured against properties owned by South Staffordshire Housing Association. The principal amount of the Series A Notes is to be repaid in five equal instalments of £7 million between 22 August 2038 and 22 August 2042. The principal amount of the Series B Notes is to be repaid in full on 22 August 2042.

On 31 October 2019, Housing Plus Group Finance Limited entered in to a purchase agreement with Canada Life Investments Ltd, for £35 million 4.54% Senior Secured Guaranteed Notes due 9 September 2048. The Notes are secured against properties owned by Severnside Housing. The principal amount of the Notes is to be repaid in full on 9 September 2048.

On 31 October 2019, Housing Plus Group Finance Limited entered in to a loan facility of £15 million with Clydesdale Bank plc (trading as Yorkshire Bank). The loan facility is secured by properties owned by South Staffordshire Housing Association. As at 31 March 2020, the total amount drawn from the facility is £8 million. The interest rate applicable to the drawn amount as at 31 March 2020 is 2.01%. The facility is repayable in full on 26 January 2023.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Security, terms of repayment and interest rates (continued)

The weighted average interest rate for the period was 5.24%. At 31 March 2020, Housing Plus Group Finance Limited had undrawn loan facilities of £31.5 million.

All of Housing Plus Group Finance Limited's costs relating to providing funding services are billed to the relevant asset-owning subsidiary of The Housing Plus Group Limited.

The risks faced by this company have been disclosed within the Report of the Board on pages 3 and 4 respectively.

13. Analysis of changes in net debt

	At the beginning of the period £'000	Cash flows £'000	Non-cash Movements £'000	At the end of the period £'000
Cash and Cash Equivalents	-	-	-	-
Housing Loans due within One Year	-	(3,300)	-	(3,300)
Housing Loans due after One Year	-	(280,600)	-	(280,600)
	-	(283,900)	-	(283,900)

14. Financial Instruments

	Note	As at 31 March 2020 £'000
Financial assets at fair value through profit or loss		
Financial assets that are debt instruments measured at historical cost		
Amounts owed from group undertakings	11	285,933
Cash and Cash equivalents		-
		285,933
Financial Liabilities measured at fair value through profit or loss		
Financial Liabilities measured at amortised cost		
Loans	12,13	283,900
Accruals	12	2,033
		285,933

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. Group companies

The ultimate parent undertaking and controlling party is The Housing Plus Group Limited, a Registered Provider (Registered Co-operative & Community Benefit Society No. 30224R). The consolidated financial statements of The Housing Plus Group Limited are available from the Company Secretary, The Housing Plus Group Limited, Acton Court, Acton Gate, Stafford, ST18 9AP.

16. Related party transactions

Housing Plus Group Finance Limited entered into a loan agreement with Nationwide Building Society on 22 August 2019 and three additional agreements with BAE Pension Fund Investments Ltd, Canada Life Ltd and Clydesdale Bank plc (trading as Yorkshire Bank) on 31 October 2019. The drawn debt associated with these agreements has been on-lent and interest costs recharged to South Staffordshire Housing Association and Severnside Housing during the course of the financial period.

During the financial period Housing Plus Group Finance Limited on-lent drawn debt to South Staffordshire Housing Association and Severnside Housing totalling £285,200,000. On 31 March 2020, South Staffordshire Housing Association repaid loans of £2,300,000. As at 31 March 2020, the outstanding loan balances to South Staffordshire Housing Association and Severnside Housing Association were £138,400,000 and £145,500,000 respectively.

During the financial period Housing Plus Group Finance Limited recharged interest and other financing costs to South Staffordshire Housing Association at a total cost of £4,293,907. At 31 March 2020, the company was owed £880,868 by South Staffordshire Housing Association in respect of interest and other financing costs.

During the financial period Housing Plus Group Finance Limited recharged interest and other financing costs to Severnside Housing at a total cost of £4,119,837. At 31 March 2020, the company was owed £1,152,249 by Severnside Housing in respect of interest and other financing costs.

17. Post balance sheet events

The outbreak of the Covid-19 pandemic is an in-year event reflected in the financial statements to 31 March 2020. The pandemic has impacted on the operations of The Housing Plus Group Limited and its subsidiary entities and this is expected to continue into the 2020/21 financial year. From a financial perspective, activity has reduced due to lockdown which may reduce income in the asset owning subsidiaries of The Housing Plus Group Limited to whom Housing Plus Group Finance Limited on-lends all of its drawn debt. However, as detailed in note 2, the Directors are satisfied that the company is a going concern.