

Financial Statements

for year ended 31 March 2025

Riverside Finance plc

Company number: 9225450

Riverside Finance plc
for the period ended 31 March 2025

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Riverside Finance plc
for the period ended 31 March 2025

Company Information

Directors

Matthew Blake (appointed 1 June 2024)
Joanna Bonnett (appointed 1 June 2024)
Fenella Edge
Philip Elvy
Nigel Robin Perryman (resigned 31 May 2024)

Company Secretary

Sara Shanab

Registered Office

2 Estuary Boulevard
Estuary Commerce Park
Liverpool
L24 8RF

Company number:

9225450

Registered auditors

BDO LLP
Eden Building
Irwell Street
Salford
Manchester
M3 5EN

Bond Trustee and Security Agent

M&G Trustee Company Limited
10 Fenchurch Avenue
London EC3M 5AG

Paying Agent, Account Bank, Custodian and Retained Bond Custodian

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London
EC2N 2DB

Riverside Finance plc for the period ended 31 March 2025

Strategic Report

The directors present their strategic report together with the audited financial statements for the year ended 31 March 2025.

Riverside Finance plc is a public limited company, registered and incorporated in England, and has issued debt which is listed on the London Stock Exchange.

Riverside Finance plc (the company) is 100% owned by The Riverside Group Limited (TRGL).

Principal activity

Riverside Finance plc is a special purpose funding vehicle and was formed primarily as a conduit for The Riverside Group Limited to access the debt capital markets. The company is used to raise debt finance and secure funding for The Riverside Group. Funding is obtained by Riverside Finance plc directly from the capital markets.

On 5 December 2014 the company issued a £250m senior secured 30-year bond, of which £100m was retained. The £150m bond was priced with a 3.875% coupon which was sold at a price net of fees of £147m and the proceeds were on-lent to The Riverside Group Limited. On 17 August 2018 the £100m of retained bonds were sold at a price net of fees of £112.5m and the proceeds on-lent to The Riverside Group Limited.

Riverside Finance interest is covered by the interest on the intercompany debt.

Principal risks and uncertainties

Riverside Finance plc on-lends all of its net proceeds from capital market transactions to The Riverside Group Limited, under a guarantee and security trust basis. The underlying assets securing the issuance belong to The Riverside Group Limited through a security trust arrangement with M&G Trustee Company Limited.

As Riverside Finance plc is not obliged to provide incremental funding to The Riverside Group Limited, Riverside Finance plc is not at risk if it cannot obtain further funding for parent. The risks and uncertainties are of the wider Group as a result of relying on Group to support debt.

Business review, development and performance

The company benefits from the treasury service provided by The Riverside Group Limited with policies and procedures approved by the Board. These cover funding, banking relationships, interest rate exposures, cash management and the investment of surplus cash. The Board is of the opinion that the state of the company's affairs and the results for the period are satisfactory. The profit for the period amounted to nil. The company advances loans to The Riverside Group Limited. Interest on the loans is treated as intra-group and is fully reimbursed.

The Statement of Comprehensive Income shows a result of £nil for the year (2024: £nil). This is in line with the company's role as a special purpose lending vehicle which does not seek to generate significant financial returns.

During the year, the company charged net interest paid on loans to The Riverside Group Limited of £9.53m (2024: £9.52m).

Future developments

At the date of this report the Board does not envisage any significant changes in the company's activities in the foreseeable future.

Riverside Finance plc
for the period ended 31 March 2025

Strategic Report (continued)

Key performance indicators

The directors have monitored the progress of the overall strategy and the individual strategic elements by reference to the below financial indicators. There are no non-financial key performance indicator measures.

The board of directors ensures that the company fulfils its obligations under the bond trust deed which in turn ensures it is compliant with listing regulations and under the bond loan agreement, its commitment to the bond investors and The Riverside Group Limited.

The company is primarily a conduit for accessing the debt capital markets, therefore the board of directors monitor the compliance with the asset cover covenant relating to Riverside Finance plc (see below) and the availability of cash flow to and from the other members of The Riverside Group as the key financial performance indicators. The assets referred to are owned by the Group and not Riverside Finance plc.

As the company provides lending to other members of The Riverside Group, its performance is dependent on the performance of the Group, reference should therefore also be made to those key performance indicators measured by the Group as outlined in The Riverside Group Limited financial statements for the year ended 31 March 2024. The company continues to comply with its obligations under the bond loan agreement and trust deed and has provided sufficient cash flow to other members of the Group. The company’s performance against its financial key performance indicators is detailed below:

2025		
Key Performance Indicator	Benchmark Performance	Actual Performance
Asset Value Cover	105%	133%

2024		
Key Performance Indicator	Benchmark Performance	Actual Performance
Asset Value Cover	105%	126%

Health and safety

The directors are aware of their responsibilities on all matters relating to health and safety. The Riverside Group has appropriate detailed health and safety policies and provides staff training and education on health and safety matters.

Equality and diversity

The Riverside Group’s policies reflect its commitment to equality, diversity and inclusion and the value it places on diversity in all aspects of its work.

Environment and greenhouse gas emissions and energy consumption

No energy and carbon information is disclosed within these financial statements as due to its nature Riverside Finance plc is a low energy user.

Riverside Finance plc
for the period ended 31 March 2025

Strategic Report (continued)

The Riverside Group Limited business plan

The Group's business plan contains two levels of testing:

- matrix stress testing; and
- multi-variant scenarios - these tests include various high inflation scenarios, unemployment increase, and our own worst-case scenario modelled on the 2008 recession, amongst others.

Matrix stress testing

Matrix stress testing covers a broad range of single variant tests. These tests cover reductions in income and increase in overheads, both revenue and capital repairs and development costs. All of these have been modelled at 1%, 2.5%, 5% and 10% movements of the respective measures. Alongside this, variable interest cost increases have been modelled at 0.25%, 0.5%, 1% and 2%. Each of these tests are performed over a three-year period, starting in year one.

At 1% reductions in income or increases in costs, there are breaks to Operating Margin Golden Rule. At 2.5% and higher, there are also breaks to the Interest Cover Golden Rule. The plan can withstand a 1% increase in the variable interest base rate, but Interest Cover would break in the event of an increase of 2% in year three of the plan (on top of the base rate assumption in the plan).

Multivariant stress testing

The multivariant scenarios are designed to devastate the business plan and are intended to be representations of the 'perfect storm'. The governance and viability standard has a requirement that multivariant stress testing should break the plan.

It is important to note that the early warning indicators (EWIs) identified for all scenarios will be monitored regularly within the business. In the event of a trigger, a review of the business plan, an escalation to Executive Directors and Group Board would occur accordingly as required (even if between meetings).

The Group operates a set of "golden rules" that have been adopted to enable the Group to achieve its corporate objectives and mitigate the impact of risks envisaged by the stress testing. The rules are business critical, high priority performance measures which must be maintained and include the following limits:

- Liquidity (to cover 18 months of normal business commitments)
- Operating margin (15%)
- Interest cover (135%)
- Gearing (55%)

Out of nine multi variant scenario tests, six break the operating margin golden rule. Nine break the interest cover golden rule. Seven stress test breaks the liquidity golden rule, and three breaks the gearing golden rule.

The above rules allow the company and Group to maintain its financial strength and as such support its ability to continue to meet the borrowing covenants disclosed in the Strategic Report.

Riverside Finance plc
for the period ended 31 March 2025

Strategic Report (continued)

Section 172 statement

The company was formed for the sole purpose of raising debt finance for The Riverside Group Limited. It is a wholly owned subsidiary and does not have any employees. The directors, accordingly, do not consider that the interests of the company's employees, 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 these factors 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 entity, The Riverside Group Limited.

The Board of Riverside Finance 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; and
- the desirability of the company maintaining a reputation for high standards of business conduct.

As the Board of Directors, our intention is to behave responsibly and ensure that management operate the business in a responsible manner, operating within the high standards of business conduct and good governance expected for a business such as ours. The intention is to nurture our reputation, through both the construction and delivery of our plan, which reflects our responsible behaviour.

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

- The Board considers the interests of stakeholders when setting its strategy. A robust strategy is the foundation for maintaining the trust of all our external stakeholders
- Review of the Riverside Group's business plan and cash flow forecasts, including consideration of the potential impacts of Russia / Ukraine and the cost-of-living crisis. The Board has monitored the business plan of The Riverside Group Limited, as the sole customer, and considered how they have performed against their targets and covenants
- Engaging with our investors. Communication with our investors is key and to promote this we publish investor relations reports.

Approval

The report was approved on 26 August 2025 and signed on its behalf by:

Signed by:

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Fenella Edge
Director
Company number: 09225450

26.08.2025

Riverside Finance plc for the period ended 31 March 2025

Report of the Directors

The directors present the Report of Directors together with the audited financial statements for the year ended 31 March 2025.

Directors

Details of the directors can be found on page 3 under Company Information. These directors held office during the year until the approval of the financial statements.

Employees

The company does not have any employees.

Recommended dividend

The directors do not recommend a dividend (2024: £nil).

Political donations

The company does not make any political donations and does not incur any political expenditure.

Going concern

The financial statements have been prepared on a going concern basis as the directors are of the opinion that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than twelve months, from the date of the report and financial statements are approved.

The Board believe the company has sufficient funding in place and expect the company to comply with its debt covenants and cash flow forecasts indicate that, taking account of severe but plausible downsides, the company will have sufficient funds to meet its liabilities as they fall due for or at least 12 months from the date of approval of the financial statements.

The company is a wholly owned subsidiary of The Riverside Group Limited. The business plan of The Riverside Group Limited is stress tested to assess the ability of the Group and its subsidiaries to withstand financial challenges arising from macro-economic factors. Riverside's financial position is strong, and it has a number of mitigating actions available if required to protect operational and financial resources. Cash flow projections show an expected increase in cash over the following two-year period. The cashflow remains covenant compliant against its loan facility for the next same period. As such, the directors continue to adopt the going concern basis.

The company also benefits from a security trust arrangement which in the event of the borrower being unable to service its debts allows the company to enforce the security provided. At the year end the security was valued on an EUV-SH basis at £355m.

The company has on-lent issue proceeds of its £250m 30-year 2014 bond issue to The Riverside Group Limited and as such the directors consider an assessment of viability over the life of the loan to be an appropriate period to review the company's long-term viability.

In order to settle its own financial obligations and meet the compliance requirements of its external borrowings the company is dependent on The Riverside Group Limited, the parent entity, generating sufficient cashflows to settle the payments of principal and interest on the onward loan of the funding which the company raised. Those forecasts are dependent on The Riverside Group having adequate resources to continue in business for the foreseeable future.

In assessing the company's ability to continue as a going concern the directors have considered the principal risks faced by the company and its long-term viability. After due consideration, the directors are confident that the company has adequate resources to continue in operational existence for the foreseeable future.

Statement of risk

The principal risks faced by the company and their management are considered in detail below, with the key risk faced being the credit risk posed by the company's reliance on the ability of the Group to service its debt over the next twenty years and repay the company's loan as it falls due in 2044.

Riverside Finance plc
for the period ended 31 March 2025

Report of the Directors (continued)

Risk management objectives and policies

The Riverside Group Limited's Group finance function is responsible for the treasury management activities and control of associated risks. Its activities are governed by the Group Treasury Policy, approved by the Group Board, which is responsible for treasury issues in all of The Riverside Group Limited's legal entities, which include the company. Further the Treasury Committee provides an oversight of Treasury activities. The Group Finance function does not operate as a profit centre.

Interest rate risk and hedging

The company currently borrows funds on a fixed rate basis from the capital markets and then on-lends these funds to The Riverside Group Limited on the same basis. As such, the company bears no interest rate risk due to the back-to-back nature of the loans. The company does not undertake any hedging activities, and it does not have any derivatives.

Credit risk

All of the company's capital markets financing proceeds are immediately on-lent to The Riverside Group Limited, which represents the only credit risk to the company. This credit risk is mitigated through a number of factors, including the housing asset security which stands behind the loan to The Riverside Group Limited, the overall creditworthiness of The Riverside Group Limited and the contractual protections in the loan agreement itself. If The Riverside Group Limited were unable to repay the debt, then the security can be enforced, meaning that subject to there being no material impairment in the value of the security Riverside Finance plc would be able to repay its liabilities. The company is also not obliged to source further funding from the capital markets for on-lending to The Riverside Group Limited unless it continues to be satisfied with The Riverside Group Limited's credit worthiness. It should be noted that The Riverside Group and its Senior Secured listed debt benefit from an investment grade credit rating from Moody's Investor Services (Baa1 (Stable) as at 31 March 2025) and an investment grade credit rating from Fitch Ratings Services (A as at 31 March 2025).

Cashflow and Liquidity risk

The company has lent the full amount of its drawn funds, thus fully offsetting its liabilities. The interest payable by the company on its debt is fully offset by the interest receivable from The Riverside Group Limited

Price risk

Due to the nature of the company Riverside Finance plc, there is not considered to be any price risk for the company.

Subsequent events

The directors confirm that there have been no events since the financial year end that have had a material effect on the financial position of the company.

Future developments

At the date of this report the Board does not envisage any significant changes in the company's activities in the foreseeable future.

Research and development

During the prior and current year, the company did not carry out any research or development.

Riverside Finance plc
for the period ended 31 March 2025

Report of the Directors (continued)

Branches

During the prior and current year, the company did not operate through the use of branches. Due to the nature of the company Riverside Finance plc only has one operating segment. As such no further analysis is presented.

Share capital

Details of the company's share capital, including changes in the year, are set out in Note 11 to the accounts. As at 31 March 2025 the company's share capital consisted of 50,000 Ordinary Shares of £1 each.

Ordinary shareholders are entitled to receive notice of, and to attend and speak at, any general meeting of the company.

Other than the general provisions of the articles of association there are no specific restrictions on the size of a holding or on the transfer of the ordinary shares.

Acquisition of own shares

During the prior and current year, the company did not acquire any of its own shares.

Environment and greenhouse gas emissions and energy consumption

No energy and carbon information is disclosed within these financial statements as due to its nature Riverside Finance plc is a low energy user.

Disclosure of information to the auditor

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

Riverside Finance plc
for the period ended 31 March 2025

Report of the Directors (continued)

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing 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 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; and
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information 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.

Approval

The report was approved on 26 August 2025 and signed on its behalf by:

Signed by:



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Fenella Edge

Director

Company number: 09225450

26.08.2025

Riverside Finance plc
for the period ended 31 March 2025

Governance Reporting

Compliance requirement

The company has a listed security in issue and is required to comply with the applicable sections DTR7.1 and DTR7.2 of the Financial Conduct Authority ("FCA") handbook. The company is a wholly owned subsidiary of The Riverside Group Limited, which upholds and is fully compliant with the National Housing Federation (NHF) 2020 Code of Governance. As a wholly owned subsidiary of The Riverside Group Limited, Riverside Finance plc is also compliant with the NHF 2020 Code of Governance.

The Board

The Board comprises up to three directors and is responsible for managing the affairs of the company. It meets a minimum of once a year to discuss the requirements of the company. Any member or members holding a majority in nominal amount of issued ordinary share capital may at any time appoint any person to be a director. The directors on the Board are detailed on page 3.

Group Audit Committee statement

The Board was supported by The Riverside Group Limited Group Audit Committee. The Group Audit Committee is responsible for monitoring and reporting on the Group's systems of internal control and risk assurance, overseeing the internal and external audit including reviewing the financial statements and proposing them to the Group Board for approval.

As the main debtor of the company, the long-term viability of The Riverside Group is the most significant issue considered by the committee in relation to its review of the financial statements. The committee has taken steps to gain satisfaction as to the long-term viability of The Riverside Group Limited, its liquidity position, compliance with covenants over the life of the plan and the plan's ability to withstand a range of single and multi variate stress tests. The committee also takes assurance from the audit procedures BDO have followed to assess the recoverability of the company's long term debtor balance. These procedures are noted in their long form audit report.

No non-audit services have been provided by BDO to the company during the last financial year.

Statement on the effectiveness of the system of internal control

The Board acknowledges its responsibility for ensuring that it has in place a system of controls that is appropriate to the various business environments in which it operates and for the review of the effectiveness of that system during the period. These internal controls are designed to identify and manage rather than eliminate risks which may prevent the company from achieving its objectives.

Riverside Finance plc for the period ended 31 March 2025

Governance Reporting (continued)

Internal controls assurance

The Riverside Group Board is the ultimate governing body and is responsible for the Group's system of internal control.

The Riverside Group Board, advised by the Group Audit Committee, has reviewed the effectiveness of the system of internal control for the year ended 31 March 2025 and to the date of approval of these financial statements.

For the year ended 31 March 2025, the Riverside Group Board can make the following statements:

- The system of internal control is designed to provide the Riverside Group Board with reasonable, but not absolute assurance that risks are identified on a timely basis and dealt with appropriately; that assets are safeguarded; that proper accounting records are maintained; and that the financial information used within the business or for publication is reliable. Control is exercised through an organisational structure with clearly defined levels of authority, responsibility, and accountability.
- The Group maintains a culture of risk awareness, based on a sound control environment with high regard for integrity and ethical values. Regular reviews are carried out of the risk universe and actions developed to migrate risks. The Riverside Group Board approves any business development involving significant risk.
- The framework of internal control is subject to a regular programme of review. In particular, the Group maintains a fully resourced Corporate Audit team, reporting directly to the Group Audit Committee. Service delivery risk is monitored through the service improvement framework, quality self-assessment and tenant scrutiny processes. All this ensures that the control environment remains robust during a period of continued external change.
- The Group is committed to sound financial management in all aspects of its business. It has a robust business planning process and all parts of the Group have detailed annual budgets and longer-term business plans. The Group has a comprehensive system of management reporting. This includes a monthly reporting package of financial results and key performance indicators. Overall scrutiny is provided by the Riverside Group Board.
- The Group maintains a suite of policies covering the main elements of its business. The policies are subject to a rolling programme of review to confirm their continued appropriateness with all Group policies approved by the Board.
- The anti-fraud policy sets out the commitment to prevent fraud. All staff are responsible for ensuring that systems of internal control are operated effectively. Confidential reporting arrangements are in place to allow staff to voice their concerns and know that they will be properly investigated. A register of all frauds and losses is maintained and scrutinised by the Group Audit Committee.
- The Group has an anti-bribery and corruption policy and a written code on business ethics which sets out guidelines for all staff to ensure the highest standards of conduct in business dealings and this has been adopted throughout the Group; this is in addition to the NHF's 'Code of Conduct' code for members (2022) with which the Group complies.

In reviewing the effectiveness of the Group's system of internal control, the Riverside Group Board has considered a range of sources of assurance including:

- management reports.
- audit reports.
- quality management systems; and
- external regulator reports.

During the year there were no weaknesses in internal controls which resulted in material losses, contingencies or uncertainties that require disclosure in these financial statements.

Riverside Finance plc
for the period ended 31 March 2025

Governance Reporting (continued)

Monitoring arrangements

Regular management reporting on control issues provides assurance to successive levels of management and to the Board across The Riverside Group. It is supplemented by regular reviews by business assurance who provide independent assurance to the Board, via the Audit and Risk Committee. The arrangements include a rigorous procedure for ensuring that corrective action is taken in relation to any significant control issues.

Capital structures

At the date of this report £50,000 ordinary shares of £1 each have been issued. At the year end, the shares remain partly paid (see note 11). The shares provide a right to vote at general meetings. All of the shares in issue are held by The Riverside Group Limited, there are no special rights attached to the shares.

Financial reporting

The Board specifically monitors the financial reporting process and the statutory audit of the annual financial statements through reports provided by management. Furthermore, the Board reviews and monitors the independence of the statutory auditor and considers the relationship with the Group as part of its assessment. This is monitored within The Riverside Group Limited Board meetings which consider the relationship with the statutory auditor and all group subsidiaries. At each company board meeting directors review whether the existing internal controls in relation to the financial reporting system are sufficient and take appropriate action as necessary. The Board has not identified nor been advised of any failings or weaknesses which it has determined to be significant during the course of its review of the systems of internal control. The Board considers the existing internal controls to be sufficient and does not consider there to be a requirement for a specific Riverside Finance plc business assurance function as The Riverside Group Limited business assurance function provides sufficient support and expertise. The requirement for a dedicated business assurance function is considered annually.

Remuneration

Excluding directors, the company had no employees in either the current or the prior period.

No emoluments were paid to directors during either the current or the prior period. The emoluments of the directors are paid by a fellow group undertaking, which makes no recharge to the company. It is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries.

Approval

The report was approved on 26 August 2025 and signed on its behalf by:

Signed by:

Fenella Edge

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Fenella Edge

Director

Company number: 09225450

26.08.2025

Riverside Finance plc
for the period ended 31 March 2025

Independent Auditor's Report to the members of Riverside Finance Plc

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2025 and of its result for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Riverside Finance Plc for the year ended 31 March 2025 which comprise 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).

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 sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

Following the recommendation of the Audit Committee, we were appointed by the Board on 15 November 2021 to audit the financial statements for the year ended 31st March 2022 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 4 years, covering the years ended 31st March 2022 to 31st March 2025.

We remain 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 as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

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:

- obtaining management's assessment that supports the Director's conclusions with respect to the disclosures provided around going concern;
- considering the appropriateness of management's forecasts by testing their mechanical accuracy, assessing historical forecasting accuracy and understanding management's consideration of downside sensitivity analysis;
- obtaining an understanding of the financing facilities from the associated agreements, including nature of the facilities and attached conditions;
- reviewing the recoverability of the Inter Group debt;
- assessing the group facility headroom calculations, and re-performing sensitivities on management's base case and stressed case scenarios; and
- reviewing the wording of the going concern disclosures and assessing its consistency with management's forecasts.

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.

Riverside Finance plc
for the period ended 31 March 2025

Independent Auditor’s Report to the members of Riverside Finance Plc (continued)

Overview

Key audit matters	Recoverability of the principal and interest receivable from intercompany loan	2025 ✓	2024 ✓
Materiality	Financial statements as a whole £3.9m (2024: £3.8m) based on 1.5% (2024: 1.5%) of Total Assets.		

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

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) that 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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		How the scope of our audit addressed the key audit matter
Recoverability of the principal and interest receivable from the intercompany loan See accounting policy in Note 1 As disclosed in note 1, as the entity on-lends to its ultimate parent (The Riverside Housing Group Limited (“TRGL”)) the principal risk facing the entity is that the parent will be unable to make its interest or principal payments when they fall due, including the consequences of default by TRGL default in relation to other funding arrangements. Recoverability of these balances is intrinsically linked to the future viability of the parent entity and needs to be reviewed at each balance sheet date.	The assessment of the recoverability of the related party debt involves several subjective judgements including the impact of additional downside scenarios for TRGL with increased inflation, increased interest rates, exceptional expenditure, development delays and sales price fluctuation, which in turn will affect interest receipts to the Company. We have therefore spent significant audit effort in assessing the appropriateness of the assumptions involved, and as such this has been identified as a Key Audit Matter.	Our audit response involved the following: Assessment of management’s review of the recoverability of Inter Group debt including their review of TRGL’s assessment of its going concern status. Consideration of the forecasts prepared by TRGL and challenge of the key assumptions based on our knowledge of that business, including availability of financing facilities and covenant compliance. Challenge of the scenarios modelled by TRGL including a stress test to analyse the current estimates of rent collection, property sales and maintenance and development spend that could be sustained without breaching banking covenants. We challenged the assumptions used and mitigating actions included within this scenario and reviewed the stress test calculations. Reviewed performance against historic budgets in order to assess accuracy of management’s budgeting process. Key observations: <i>We noted no material exceptions through performing these procedures.</i>

Riverside Finance plc
for the period ended 31 March 2025

Independent Auditor’s Report to the members of Riverside Finance Plc (continued)

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Company financial statements	
	2025 £m	2024 £m
Materiality	3.9	3.8
Basis for determining materiality	Based on 1.5% of total assets.	1.5% of Total Assets
Rationale for the benchmark applied	The entity on lends funds raised in capital markets to it's parent entity, hence the value of the respective Intra Group debt owed to the entity is the main driver and therefore will have the greatest impact on decisions made by users of the accounts.	The entity on lends funds raised in capital markets to it's parent entity, hence the value of the respective Intra Group debt owed to the entity is the main driver and therefore will have the greatest impact on decisions made by users of the accounts.
Performance materiality	2.5	2.5
Basis for determining performance materiality	Performance materiality was set at 65% of materiality.	Performance materiality was set at 65% of materiality.
Rationale for determining performance materiality	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and our understanding of the audit entity.	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and our understanding of the audit entity.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £77k (2024: £76k). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Riverside Finance plc
for the period ended 31 March 2025

Independent Auditor's Report to the members of Riverside Finance Plc (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. 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.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	<p>In our opinion, based on the work undertaken in the course of the audit:</p> <ul style="list-style-type: none"> the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. <p>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.</p>
Matters on which we are required to report by exception	<p>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:</p> <ul style="list-style-type: none"> adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or the Company financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or certain disclosures of Directors' remuneration specified by law are not made; or we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

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

Riverside Finance plc
for the period ended 31 March 2025

Independent Auditor's Report to the members of Riverside Finance Plc (continued)

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.

Extent to which the audit was 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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance, the Group Audit Committee and Group Internal Audit;
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations; and

we considered the significant laws and regulations to be FRS 102, Companies Act 2006, UK tax legislation and London Stock Exchange Listing Rules.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be data protection legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance and the Audit Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Riverside Finance plc
for the period ended 31 March 2025

Independent Auditor's Report to the members of Riverside Finance Plc (continued)

Based on our risk assessment, we considered the areas most susceptible to fraud to be management's incentives and opportunities for fraudulent manipulation in relation to posting inappropriate journal entries.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Involvement of forensic specialists in the audit at the planning stage to challenge our planning review and the assumptions we were making over the areas fraud would most likely be perpetrated;
- Assessing significant estimates made by management for bias as per the recoverability of the principal and interest receivable from the intercompany loan key audit matter; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with regulators.


We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

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

DocuSigned by:

829727ECC12041D...

Hamid Ghafoor (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Manchester, United Kingdom
26 August 2025

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

Riverside Finance plc
for the period ended 31 March 2025

Statement of Comprehensive Income
For the year ended 31 March 2025

	Notes	2025 £000	2024 £000
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Interest receivable and similar income	4	9,526	9,522
Interest payable and similar costs	5	(9,526)	(9,522)
Profit before taxation		-	-
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		-	-

All amounts derive from continuing operations.

There was no other comprehensive income for the period ended 31 March 2025 (2024 £nil).

The notes on pages 24 to 32 form part of these financial statements.

Riverside Finance plc
for the period ended 31 March 2025


Balance Sheet

As at 31 March 2025

	Notes	2025 £000	2024 £000
Fixed assets			
Debtors: amounts falling due in more than one-year	8	255,964	256,162
		<hr/>	<hr/>
		255,964	256,6162
		<hr/>	<hr/>
Current Assets			
Debtors: amounts falling due within one-year	7	3,135	3,145
Cash at bank and in hand		2	2
		<hr/>	<hr/>
		3,137	3,147
		<hr/>	<hr/>
Creditors: amounts falling due within one year	9	(3,087)	(3,097)
		<hr/>	<hr/>
Net current assets		50	50
		<hr/>	<hr/>
Total assets less current liabilities		256,014	256,212
		<hr/>	<hr/>
Creditors: amounts falling due in more than one year	10	(255,964)	(256,162)
		<hr/>	<hr/>
Net assets		50	50
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	11	50	50
Income and expenditure reserve		-	-
		<hr/>	<hr/>
		50	50
		<hr/>	<hr/>


The notes on pages 24 to 32 form part of these financial statements.

The financial statements on pages 21 to 23 were approved by the Board of Directors and authorised for issue on 26 August 2025. They were signed on its behalf by:

Signed by:

9E711968EE6B49F...
Fenella Edge
Director

26.08.2025

Company Number: 9225450

Signed by:

7DE8D5003C26451...
Sara Shanab
Company Secretary

26.08.2025

Riverside Finance plc
for the period ended 31 March 2025

Statement of Changes in Reserves
For period ended 31 March 2025

	Share Capital £000	Income & expenditure reserves £000	Total funds £000
Balance at 1 April 2024	50	-	50
Total comprehensive income for the year	-	-	-
Balance at 31 March 2025	50	-	50

	Share Capital £000	Income & expenditure reserves £000	Total funds £000
Balance at 1 April 2023	50	-	50
Total comprehensive income for the year	-	-	-
Balance at 31 March 2024	50	-	50

The notes on pages 24 to 32 form part of these financial statements.

Riverside Finance plc
for the period ended 31 March 2025

Notes to the Financial Statements

1 Accounting policies

Riverside Finance plc is a public limited company, registered and incorporated in England under the Companies Act 2006, and is listed on the Main Market of the London Stock Exchange. The address of the registered office is given on the contents page. The financial statements have been prepared in accordance with FRS 102.

Basis of measurement

The financial statements have been prepared under the historical cost convention and have been prepared in accordance with the provisions of FRS 102 applying the exemptions available under FRS 102 1.12 (b) including:

- To exclude a statement of cash flows, on the basis that it is a wholly owned subsidiary of The Riverside Group Limited and the cashflows thereon are consolidated within the financial statements of The Riverside Group Limited.
- To exclude financial instruments note on the basis that it is a wholly owned subsidiary of The Riverside Group Limited and the cashflows thereon are consolidated within the financial statements of The Riverside Group Limited.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

The company's functional and presentational currency is pounds sterling.

The following principal accounting policies have been applied:

Going concern

The financial statements have been prepared on a going concern basis as the directors are of the opinion that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than twelve months, from the date of the report and financial statements are approved.

The board believe the company has sufficient funding in place and expect the company to comply with its debt covenants and cash flow forecasts indicate that, taking account of severe but plausible downsides, the company will have sufficient funds to meet its liabilities as they fall due for or at least 12 months from the date of approval of the financial statements.

The company is a wholly owned subsidiary of The Riverside Group Limited. The business plan of The Riverside Group Limited is stress tested to assess the ability of the Group and its subsidiaries to withstand financial challenges arising from macro-economic factors. Riverside's financial position is strong, and it has a number of mitigating actions available if required to protect operational and financial resources. Cash flow projections show an expected increase in cash over the following two-year period. The cashflow remains covenant compliant against its loan facility for the next same period. As such, the directors continue to adopt the going concern basis.

The company also benefits from a security trust arrangement which in the event of the borrower being unable to service its debts allows the company to enforce the security provided. At the year end the security was valued on an EUV-SH basis at £355m.

The company has on-lent issue proceeds of its £250m 30-year 2014 bond issue to The Riverside Group Limited and as such the directors consider an assessment of viability over the life of the loan to be an appropriate period to review the company's long-term viability.

In order to settle its own financial obligations and meet the compliance requirements of its external borrowings the company is dependent on The Riverside Group Limited, the parent entity, generating sufficient cashflows to settle the payments of principal and interest on the onward loan of the funding which the company raised. Those forecasts are dependent on The Riverside Group having adequate resources to continue in business for the foreseeable future.

In assessing the company's ability to continue as a going concern the directors have considered the principal risks faced by the company and its long-term viability. After due consideration, the directors are confident that the company has adequate resources to continue in operational existence for the foreseeable future.

Riverside Finance plc
for the period ended 31 March 2025

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

Bond issuance costs

The costs in respect of the issue of debt are deducted from the proceeds and are subsequently written off to the Statement of Comprehensive Income over the expected life of the bond.

Finance issue costs

Finance issue costs have been set against the loans and will be amortised over the term of the loan.

Interest receivable

Interest receivable is recognised on an accrual basis using the effective interest rate method and recognised in the Statement of Comprehensive Income over the life of the associated financial instrument

Interest payable

The cost of raising loans is amortised over the period of the loan.

Loans are stated in the Balance Sheet at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised. Where loans are redeemed during the year any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Comprehensive Income in the year in which the redemption took place.

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

Current and deferred taxation and gift aid

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred tax is determined based on the rates expected to apply at the date of reversal, using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The charge for taxation is based on the result for the year and takes into account deferred taxation and gift aid declarations. Gift aid payments are accounted for as distributions to the parent and accounted for in the period in which they are declared; this is because Riverside Finance plc is a wholly owned subsidiary of a charity and payments are made within nine months of the period end date. There is an element of estimation in the declaration made prior to period end and no amounts are paid which are in excess of reportable retained earnings.

Riverside Finance plc
for the period ended 31 March 2025

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

Debtors and creditors due with one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at the transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in other operating expenses. Both debtors and creditors contain a bond which has a combined par value of £250m maturing in 2044 and a coupon rate of 3.875%.

Debtors and creditors due in more than one year

Debtors and creditors due in more than one year represent the bond and the premium obtained by Riverside Finance plc and on-lent to TRGL. Premiums are amortised.

Cash at bank and in hand

Cash is represented by cash in hand, deposits and short-term investments with an original maturity of three months or less with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than here from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities, or equity instruments.

All financial instruments meet the criteria of a basic financial instrument as defined in section 11 FRS102. Financial instruments are held in the Balance Sheet at gross proceeds less the cost of raising the funds which are amortised over the life of the loan and are accounted for in accordance with FRS102. The financial instruments are initially recorded at amortised cost, adjusted for transaction costs, discounts or premiums on issue.

The same criteria and basis of accounting that applied to the initial offering also applies to any further sale of the retained portions. Subsequent measurement is as follows:

Financial liabilities:

- Bond as classified as “financial liabilities” under FRS102 and are held at amortised cost using the effective interest rate method to allocate costs of issue, including the discount or premium on issue.
- Accrued interest payable on the Bond is also classified as “other financial liabilities” and held at amortised cost.

Financial assets:

- Loans advanced to The Riverside Group Limited are classified as financial assets measured at amortised cost under FRS102 and are held at amortised cost using the effective interest rate method to allocate cost of issue, including the discount on issue.
- Accrued interest receivable on loans advanced to The Riverside Group Limited is classified as “loans receivables” and held at amortised cost as debtors due within one year.

Loan finance issue costs are written off with reference to the effective interest rate over the expected minimum life of the associated loan. Loans are stated in the Balance Sheet at the gross amount less the unamortised portion of the associated issue costs. Financial instruments are initially recorded at fair value. Subsequent measurement depends on the designation of the instruments as follows:

Bonds, loans, short term borrowings and overdrafts are classified as other financial liabilities and are held at amortised cost using the effective interest rate method.

Riverside Finance plc
for the period ended 31 March 2025

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

Reserves

The company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

Impairment

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income immediately.

An impairment loss is measured as follows on the following instruments measured at cost or amortised cost:

- For an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.
- For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that the entity would receive for the asset if it were to be sold at the reporting date.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

In preparing these financial statements, the directors have had to make the following judgements:

- Categorisation of the bond and loans - The company has a listed bond, interest on the bond is on a fixed rate basis. The bond meets the definition of basic under section 11 of FRS 102. The amounts on lent to the Group are on the same terms as the bond. The amounts meet the definition of basic under section 11 of FRS 102.
- The recoverability of the intercompany debt is an area of judgement as director's are required to make a judgement on the going concern basis of The Riverside Group and their ability to repay any intercompany debt.
- Intercompany indebtedness represents almost 100% of the company assets. Accordingly, the receivables and recoverability of the sums due from The Riverside Group Limited is key element in management's consideration of the adoption of the going concern basis of accounting in the preparation of the financial statements. Management has concluded, based on the review of the financial and strategic business plans of The Riverside Group Limited, that there is nothing to suggest the sums will not be recoverable in full over the life of the bond, and hence no associated provisions or impairments are required.

Other key sources of estimation uncertainty:

- The directors consider the value of debt receivable to be an estimate. Due to the nature of Riverside Finance plc and its operations, the estimation of uncertainty included in the accounts is low.

Riverside Finance plc
for the period ended 31 March 2025

Notes to the Financial Statements (continued)

2 Auditors’ remuneration

Auditor’s remuneration comprises expenses and audit fees. The audit fee of £75,000 (2024: £75,000) was paid by the parent company, The Riverside Group Limited.

3 Employees and directors’ emoluments

Excluding directors, the company had no employees in either the current or the prior period.

No emoluments were paid to directors during either the current or the prior period. The emoluments of the directors are paid by a fellow group undertaking, which makes no recharge to the company. It is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries.

4 Interest receivable and similar income

	2025 £000	2024 £000
Interest receivable from Group undertakings	9,432	9,428
Amortisation of bond issuance costs	94	94
	<hr/>	<hr/>
	9,526	9,522
	<hr/>	<hr/>

5 Interest payable and similar costs

	2025 £000	2024 £000
Interest payable to bond holders	9,432	9,428
Amortisation of bond issuance costs	94	94
	<hr/>	<hr/>
	9,526	9,522
	<hr/>	<hr/>

Riverside Finance plc
for the period ended 31 March 2025

Notes to the Financial Statements (continued)

6 Taxation

The tax charge on ordinary activities for the year was as follows:

	2025 £'000	2024 £'000
UK corporation tax charge	-	-
Total tax charge for period	-	-

	2025 £'000	2024 £'000
Profit/(Loss) on ordinary activity before tax and donations	-	-
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25% (2024: 25%)	-	-
Total tax charge for period	-	-

Riverside Finance plc
for the period ended 31 March 2025

Notes to the Financial Statements (continued)

7 Debtors: amounts falling due within one year

	2025 £000	2024 £000
Interest from group undertakings	3,181	3,191
Amounts due from group undertakings	10	10
Unpaid share capital	38	38
Bond issuance costs	(94)	(94)
	<hr/>	<hr/>
	3,135	3,145
	<hr/>	<hr/>

The total debtor balance £3.13m (2023 £3.14m) are amounts due from group undertakings are unsecured, interest free and repayable on demand.

8 Debtors: amounts falling due in more than one year

	2025 £000	2024 £000
Amounts due from group undertakings - loans	250,000	250,000
Amounts due from group undertakings - bond premium loan	7,851	8,143
Bond issuance costs	(1,887)	(1,981)
	<hr/>	<hr/>
	255,964	256,162
	<hr/>	<hr/>

The Group undertakings relate solely to the issued Bond funds that are on lent to Group companies on a back-to-back basis.

As at 31 March 2025 the company had on lent 100% of the receipts from the bond after discount and premium to The Riverside Group Limited. This loan is considered to be a fixed asset as it is intended for use on a continuing basis by The Riverside Group Limited.

The intercompany borrowings have a financial guarantee from The Riverside Group Limited which is secured by a first fixed charge over property assets with a value in excess of total borrowings.

The Riverside Group Limited has sufficient net assets and facilities in place to meet their obligations to the company as they fall due, the directors consider the credit risk to be low and no provision is made against the amount due.

Riverside Finance plc
for the period ended 31 March 2025

Notes to the Financial Statements (continued)

9 Creditors: amounts falling due within one year

	2025 £000	2024 £000
Accruals	3,181	3,191
Bond issuance costs	(94)	(94)
	<hr/>	<hr/>
	3,087	3,097
	<hr/>	<hr/>

Accruals represent the interest payable to bondholders

10 Creditors: amounts falling due in more than one year

	2025 £000	2024 £000
Creditors due more than 1 year but less than 5 years		
Bond premium loan to bond holders	1,594	1,549
Bond issuance costs	(472)	(472)
	<hr/>	<hr/>
	1,122	1,077
	<hr/>	<hr/>
Creditors due more than 5 years		
Series issue: 5/12/2014 3.875% (semi-annual coupon)	250,000	250,000
Bond premium loan to bond holders	6,257	6,595
Bond issuance costs	(1,415)	(1,510)
	<hr/>	<hr/>
	255,964	256,162
	<hr/>	<hr/>

On 5 December 2014 the company issued a £250m senior secured 30-year bond, of which £100m was retained. The bond was priced with a 3.875% coupon and the proceeds were on-lent to The Riverside Group Limited. On 17 August 2018 the £100m of retained bonds were sold at a price net of fees of £112.5m and the proceeds on-lent to The Riverside Group Limited.

The Bond has a Coupon Rate of 3.875%.

The value of the long-term borrowing is £182.22m (2024: £200.39m). Bonds are secured on properties and deposits held within The Riverside Group Limited.

Riverside Finance plc
for the period ended 31 March 2025

Notes to the Financial Statements (continued)

11 Ordinary share capital

	2025 £000	2024 £000
Authorised and issued share capital		
Ordinary shares of £1 each	50	50
	<hr/>	<hr/>
	50	50
	<hr/>	<hr/>

£12,500 of issued share capital is paid up, the remaining £37,500 (2023: £37,500) of issued share capital is shown in debtors.

12 Ultimate parent undertaking and controlling party

The ultimate parent undertaking and controlling party is The Riverside Group Limited (TRGL), a company incorporated in England and Wales and registered under the Cooperative and Community Benefit Societies Act 2014 and a registered provider, registered at 2 Estuary Boulevard, Estuary Commerce Park, Liverpool L24 8RF.

The smallest and largest group to consolidate these financial statements is that headed by TRGL. Copies of the TRGL consolidated financial statements can be obtained from its registered office, 2 Estuary Boulevard, Estuary Commerce Park, Liverpool L24 8RF, or from its website www.riverside.org.uk.

The ultimate controlling party of TRGL is the Trustees. There is no ultimate controlling party of Riverside Finance plc.

13 Related party disclosures

The company has taken advantage of the exemption available in Section 1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

The directors are key management personnel (KMP). The company has taken advantage available in FRS 102 33.7A whereby it has not disclosed KMP compensation in total. See note 3 for details on directors’ remuneration. No emoluments were paid to directors during either the current or the prior period.