



**FUNDING No. 2 LTD**

# ANNUAL REPORT AND FINANCIAL STATEMENTS

For the Year Ended

31 March 2024

**Wheatley Funding No. 2 Limited**

Registered number SC470001

## **Wheatley Funding No. 2 Limited**

### **Annual report and financial statements for the year ended 31 March 2024**

## **DIRECTORS' REPORT**

The Directors present their annual report and the audited financial statements for the year ended 31 March 2024.

### **OPERATING REVIEW**

#### **Principal activities**

The principal activity of Wheatley Funding No. 2 Limited ("WFL2") is the administration of the Wheatley Group's loan facilities with its commercial lenders on behalf of Lowther Homes Limited ("Lowther"). The Company is limited by guarantee and has no share capital.

#### **Business review**

On 31 October 2018 an agreement was entered into by WFL2 with Bank of Scotland to provide borrowing capacity of £76.5m for Lowther. This facility was fully drawn on inception, with a portion of the funding drawn being used to repay the previous £50m Lowther facility with Royal Bank of Scotland. The balance of funds drawn were used for the purchase of a portfolio of 562 mid-market rent properties by Lowther from fellow Wheatley Group subsidiaries.

On 31 March 2024, the balance due to WFL2 from Lowther was £76.5m (2023: £76.5m). During the year the Company has recharged Lowther for banking fees incurred.

#### **Proposed dividend**

The Directors do not recommend payment of a dividend.

#### **Directors and directors' interests**

The Directors of the company who were in office during the year and up to the date of signing the financial statements were:

Caroline Gardner CBE  
 Eric Gibson  
 Iain Macaulay – appointed 26 August 2024  
 Pauline Turnock

None of the Directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

#### **Disclosure of information to auditor**

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Wheatley Funding No. 2 Limited**  
**Annual report and financial statements for the year ended 31 March 2024**

**DIRECTORS' REPORT (continued)**

**Independent auditor**

In accordance with Section 489 of the Companies Act 2006, a resolution for the appointment of KPMG LLP as auditor is to be proposed at the forthcoming Annual General Meeting.

**Basis of preparation**

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. As such, the company has taken exemption from preparing a strategic report.

**FINANCIAL REVIEW**

**Turnover**

Turnover for the year ended 31 March 2024 was £40k (2023: £24k) for the Company. This was generated through recharges to Lowther Homes Limited of bank fees incurred.

**Expenditure**

Administrative expenses incurred for the year of £40k (2023: £24k) comprising principally of bank fees for the Bank of Scotland facility.

**Finance income and costs**

Finance costs incurred on the Company borrowings for the year of £2,893k (2023: £2,885k) were charged to Lowther Homes Limited in respect of the borrowings for the year.

**Statement of Financial Position**

At at 31 March 2024, the company reported long term creditors of £76.5m (2023: £76.5m) which relate to the borrowings under the banking facilities due in more than one year. Amounts due from other group undertakings in more than one year of £76.5m (2023: £76.5m) represent the amounts due to WFL2 by Lowther for the bank financing.

**Going concern**

As a special purpose vehicle set up to administer the Lowther Homes Limited banking facilities, the financial viability of the Company reflects that of Lowther. The Company has access to sufficient funds to meet their current liabilities as they fall due. There are therefore no material uncertainties related to events or conditions that cast significant doubt upon the Company's ability to continue as a going concern.

The terms of the funding arrangement with Bank of Scotland are such that Lowther Homes and WFL2 are joint parties to the agreement with Bank of Scotland.

By order of the Board

Signed by:  
  
80333LU304U0F4UB...  
**Caroline Gardner CBE**  
*Director*  
16 September 2024

Wheatley House  
25 Cochrane Street  
Glasgow  
G1 1HL

**Wheatley Funding No. 2 Limited**  
**Annual report and financial statements for the year ended 31 March 2024**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Signed by:  
  
 86353D964D6F4DB...  
**Caroline Gardner CBE**  
*Director*  
 16 September 2024

Wheatley House  
 25 Cochrane Street  
 Glasgow  
 G1 1HL

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHEATLEY FUNDING NO.2 LIMITED**

### **Opinion**

We have audited the financial statements of Wheatley Funding No.2 Limited ("the Company") for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, Changes in Equity, Statement of Financial Position and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2024 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of board members and management as to the company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual suspected or alleged fraud and
- Reading of board minutes

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHEATLEY FUNDING NO.2 LIMITED (CONTINUED)**

On this audit we do not believe there is a fraud risk related to revenue recognition because of the limited opportunity and incentive for fraudulent revenue recognition and the limited judgement in respect of revenue recognition. We did not identify any additional fraud risks.

We performed procedures including the identification of journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. . Due to the limited number of journal entries made in the financial year due to the inherent nature of the Company, no journals were identified after applying our high risk criteria, hence we have tested 5 journals posted in the year covering finance charges with no issues to note.

### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards) .and from .inspection of the Company's regulatory and legal correspondence; and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHEATLEY FUNDING NO.2 LIMITED (CONTINUED)**

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**Mark Dawson (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
One Snowhill, Snow Hill Queensway  
Birmingham  
B4 6GH  
24 September 2024

**Wheatley Funding No. 2 Limited**  
**Annual report and financial statements for the year ended 31 March 2024**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 £000	2023 £000
<b>Turnover</b>		40	24
Administrative expenses	3	(40)	(24)
<b>Operating result</b>		-	-
Finance income	6	2,893	2,885
Finance costs	7	(2,893)	(2,885)
<b>Result before taxation</b>		-	-
Tax on result	8	-	-
<b>Result for the financial year</b>		-	-
Other comprehensive income		-	-
<b>Total comprehensive result for the financial year</b>	13	-	-

All amounts relate to continuing operations for the current year.

The notes on pages 10 to 15 form part of these financial statements.




**Wheatley Funding No. 2 Limited**  
**Annual report and financial statements for the year ended 31 March 2024**

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024**

	Note	2024 £000	2023 £000
<b>Debtors:</b> amounts falling due after more than one year	9	76,500	76,500
<b>Current assets:</b>			
Debtors falling due within one year	10	151	163
Cash and cash equivalents		1	1
		<hr/> 152	<hr/> 164
<b>Creditors:</b> amounts falling due within one year	11	(152)	(164)
<b>Net current assets</b>		<hr/> -	<hr/> -
<b>Total assets less current liabilities</b>		76,500	76,500
<b>Creditors:</b> amounts falling due after more than one year	12	(76,500)	(76,500)
<b>Net assets</b>		<hr/> <hr/> -	<hr/> <hr/> -
<b>Capital and reserves</b>			
Revenue reserve	13	-	-
<b>Total Shareholder's Funds</b>		<hr/> <hr/> -	<hr/> <hr/> -

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. There are no movements in equity during the year (2023: none) and a statement of changes in equity has not been presented.

These financial statements were approved by the board of directors on 26 August 2024 and signed on its behalf on 16 September 2024 by:

Signed by:  
  
8635317964106F41DB...  
 Caroline Gardner CBE  
 Director

The notes on pages 10 to 15 form part of these financial statements

Company number SC470001.

## Wheatley Funding No. 2 Limited

### Annual report and financial statements for the year ended 31 March 2024

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

##### 1 Legal status

Wheatley Funding No. 2 Limited (“WFL2” or “the Company”) is a wholly owned subsidiary of Wheatley Housing Group Limited (“WHG”). The Company is incorporated in the UK and registered under the Companies Act 2006.

WFL2’s registered company number is SC470001. The registered office is at Wheatley House, 25 Cochrane Street, Glasgow, G1 1HL.

##### 2 Accounting policies

The following accounting policies set out below have, unless otherwise stated, been consistently applied to all periods presented in these financial statements.

##### Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, on a going concern basis and in accordance with the Companies Act 2006 and applicable accounting standards in United Kingdom and FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” including the provisions of Section 1A “Small Entities”.

The Company’s ultimate parent undertaking, Wheatley Housing Group Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Wheatley Housing Group are available to the public and may be obtained from Wheatley House, 25 Cochrane Street, Glasgow, G1 1HL. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied exemptions available under FRS102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Disclosures for related party transactions with wholly owned entities that are part of the Wheatley Group.

##### Going concern

The financial statements have been prepared on a going concern basis which the Board considers to be appropriate for the following reasons.

As a special purpose vehicle set up to administer the Lowther Homes Limited (“Lowther”) banking facilities, the financial viability of the Company reflects that of Lowther. Lowther prepares a 10-year business plan which is updated and approved on an annual basis. The most recent business plan was approved in February 2024 by the Board. The business plan considers the impact of a number of scenarios on the business plan in recognition of financial risks to the business which include severe but plausible downsides including inflationary impacts. The stress testing impacts were measured against loan covenants and peak borrowing levels compared to agreed facilities, with potential mitigating actions identified to reduce expenditure.

The Board, after reviewing the Lowther budgets for 2024/25 and the Lowther’s financial position as forecast in the 10-year business plan, is of the opinion that, taking account of severe but plausible downsides, Lowther, and therefore, the Company, has adequate resources to continue to meet their liabilities over the period of 12 months from the date of approval of the financial statements (the going concern assessment period). In reaching this conclusion, the Board has considered the following factors in relation to Lowther:

**Wheatley Funding No. 2 Limited**  
**Annual report and financial statements for the year ended 31 March 2024**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

**2 Accounting policies (continued)**

- Rent and service charge receivable – arrears and bad debt assumptions have been increased to allow for customer difficulties in making payments and budget and business plan scenarios have been updated to take account of potential future changes in rent increases and factoring price increases;
- Development activity - budget and business plan scenarios have taken account of fluctuating labour costs, project delays, supply chain instability and availability of grant funding impacting new build handovers in other Wheatley Group subsidiaries and the associated impact on the number of properties available for rent by Lowther;
- Maintenance costs – budget and business plan scenarios have been modelled to take account of a revised profile of repairs and maintenance including the effect of inflation and increased demand;
- Liquidity – current available cash of £1.8m in Lowther gives significant headroom for committed expenditure and other forecast cash flows over the going concern assessment period;
- The Group, and Lowther's ability to withstand other adverse scenarios such as higher interest rates and inflation.

The Board believe Lowther has sufficient funding in place and expect to be in compliance with its debt covenants even in severe but plausible downside scenarios.

Consequently, the Board is confident that Lowther, and subsequently, the Company, will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**Turnover**

Turnover represents income from management fees charged to other Wheatley Group subsidiaries in the UK.

**Bank fees**

Bank arrangement fees incurred on establishing the loan facility are passed onto Wheatley Group subsidiaries and amortised over the projected period of the loan drawdown by those subsidiaries.

**Finance income and finance expenditure**

Interest receivable from group companies and payable to the lenders is recognised in the year in which it arises.

**Creditors**

Balances due on bank loans and on intra-group lending are on-lent to related Group companies. No interest is charged by the Company to Group subsidiaries over and above that payable to the lenders.

**Financial instruments**

The Company has elected to apply FRS 102 Section 11 and Section 12 in accounting for financial instruments. FRS 102 requires some financial instruments to be carried at fair value. Bank loans are classed as either basic or complex financial instruments. Loans that are classed as basic under the requirements of FRS 102, are measured at amortised cost. The fair value of complex financial instruments are determined using valuation techniques that use primarily observable inputs such as short term rates, futures, swap rates, implied volatilities and market credit spreads for similar credit worthiness instruments

**Wheatley Funding No. 2 Limited**  
**Annual report and financial statements for the year ended 31 March 2024**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

**2 Accounting policies (continued)**

**Financial instruments (continued)**

Changes in fair values of financial instruments are taken to the Statement of Comprehensive Income. All loans are classed as basic.

**Taxation**

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

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the date of the Statement of Financial Position, except as otherwise required by FRS 102.

**Value Added Tax**

The company is not registered for VAT. Expenditure with irrecoverable VAT is shown inclusive of VAT.

**3 Administrative expenses**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Bank commitment, audit and administrative fees	40	24

The Company has no employees (2023: none).

**4 Auditors remuneration**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
The remuneration of the Auditor (excluding VAT) is as follows:		
- audit of these financial statements	15	15

**5 Remuneration of directors**

No remuneration was paid to the directors during the year (2023: nil).

**6 Finance income**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Receivable from group undertakings	2,893	2,885
	<u>2,893</u>	<u>2,885</u>

**Wheatley Funding No. 2 Limited**  
**Annual report and financial statements for the year ended 31 March 2024**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

**7 Finance costs**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
On bank loans	2,893	2,885
	<u>2,893</u>	<u>2,885</u>

**8 Tax on result on ordinary activities**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Analysis of charge in year:		
UK corporation tax	-	-
Current tax on income for the year	-	-
Group tax relief	-	-
	<u>-</u>	<u>-</u>

Factors affecting the tax charge for the current and previous years:

The current tax charge for small companies is equal to the standard rate of corporation tax in the UK of 25% (2023: 19%) as explained below.

The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse.

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Reconciliation of effective tax rate:		
Result for the year	-	-
Total tax expense	-	-
Profit excluding taxation	<u>-</u>	<u>-</u>
Tax using the UK corporation tax rate of 25% (2023:19%)	-	-
Expenses not allowable for tax purposes	-	-
Total tax expense included in profit or loss	<u>-</u>	<u>-</u>

**9 Debtors: amounts falling due after more than one year**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Amounts owed by group undertakings	76,500	76,500
	<u>76,500</u>	<u>76,500</u>

**Wheatley Funding No. 2 Limited**  
**Annual report and financial statements for the year ended 31 March 2024**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

**10 Debtors falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Amounts owed by group undertakings	151	163
	<u>151</u>	<u>163</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**11 Creditors: amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Amounts owed to group undertakings	4	16
Accruals	148	148
	<u>152</u>	<u>164</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**12 Creditors: amounts falling due after more than one year**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Bank loans	76,500	76,500
	<u>76,500</u>	<u>76,500</u>

Borrowings are repayable as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
In more than five years	76,500	76,500
	<u>76,500</u>	<u>76,500</u>

**Bank lending facility**

The bank loans are secured over the assets of Lowther. All loans are repayable by instalments and are secured by way of standard securities or other charges on certain of the properties of Lowther. The weighted average rate of interest was 3.77% (2023: 3.77%). During the year, the loans was at a rate of 3.77% (2023: 3.77%).

All loans are classified as basic financial instruments under FRS 102 and are carried at amortised cost.

**Wheatley Funding No. 2 Limited**  
**Annual report and financial statements for the year ended 31 March 2024**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

**12 Creditors: amounts falling due after more than one year (continued)**

The carrying value of financial assets and liabilities include:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£ 000</b>
Assets measured at amortised cost	76,652	76,664
Liabilities measured at amortised cost	76,652	76,664

**13 Profit and loss account and total shareholders' funds**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£ 000</b>
At 1 April	-	-
Result for the year	-	-
	<hr/>	<hr/>
At 31 March	-	-
	<hr/>	<hr/>

**14 Ultimate parent organisation**

The Company is a subsidiary undertaking of Wheatley Housing Group Limited, a company limited by guarantee and registered in Scotland.

The only group into which the results of the Company are consolidated is Wheatley Housing Group Limited. The consolidated financial statements of Wheatley Housing Group Limited may be obtained from the registered office at Wheatley House, 25 Cochrane Street, Glasgow, G1 1HL.

**Wheatley Funding No. 2 Limited**  
**Annual report and financial statements for the year ended 31 March 2024**

**SUPPLEMENTARY INFORMATION**

**Secretary and Registered Office**

Anthony Allison  
Wheatley Funding No.2 Limited  
Wheatley House  
25 Cochrane Street  
Glasgow G1 1HL

**Independent auditor**

KPMG LLP  
319 St Vincent Street  
Glasgow G2 5AS

**Banker**

Bank of Scotland  
1st Floor  
New Uberior House  
Edinburgh  
EH3 9BN