
IGLOO REGENERATION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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IGLOO REGENERATION LIMITED

COMPANY INFORMATION

Directors

C K Brown (resigned 13 January 2023)
P J Connolly
R A Knight
S T Veal (appointed 27 April 2022)
J M Long (appointed 27 April 2022)
A K Notay (appointed 12 January 2023)
J G Tatham (appointed 12 January 2023)

Registered number 04057460

Registered office

73 Tib Street
Manchester
M4 1LS

Independent auditor

Crowe U.K. LLP
3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT

IGLOO REGENERATION LIMITED

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IGLOO REGENERATION LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

Igloo Group ("igloo") is an innovative real estate business with a purpose, enshrined in our articles, to have a material positive impact on society (People), neighbourhoods (Place) and the environment (Planet).

We deliver this by providing real estate development and impact fund management services using the igloo footprint® approach.

We work with clients across the UK who want to make the world a better place, including major investors, local authorities, public agencies and community groups.

Our purpose:

- To lead the way in making places that people love, and the planet needs.

Our vision:

- To develop and make places where people can:
 - Live healthy, secure, happy lives
 - Live / work more sustainably
 - Find, belong and contribute to connected, supportive communities

The parent company is Igloo Regeneration Limited (the "Company").

Certified Benefit Corporation

igloo is a Certified Benefit Corporation ("B Corp"), the first in the UK real estate sector. B Corps are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. B Corps are accelerating a global culture shift to redefine success in business and build a more inclusive and sustainable economy.

By harnessing the power of business, B Corps use profits and growth to create positive impact for their employees, communities, and the environment. Society's most challenging problems cannot be solved by government and non-profits alone; the need for all of us to work together has never been greater than it is now.

The B Corp standard is not a fixed mark; with standards of required attainment rising with each review. We successfully completed our latest triennial review in 2021 and are delighted to see that our programme of continuous improvement and commitment to B Corp saw igloo recognised in BCorp's Best for the World: Environment category in 2022.

We are actively working to promote B Corp adoption by businesses operating in the UK built environment.

Directors' statement of compliance with duty to promote the success of the Group

In addition to pursuing igloo's purpose the directors of the Company as those of all UK companies must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A director of a company must act in the way they consider in good faith would be most likely to promote the success of the company for the benefit of its shareholders as a whole and in doing so have regard to :

- the likely consequences of any decision's in the long term
the interest of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and environment
the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between shareholders of the company

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

How the directors fulfil these duties is demonstrated in the rest of this report.

IMPACT

Our impact is primarily delivered through our development management projects which are shaped by the igloo footprint® approach, our DNA and intellectual capital. This impact report focuses on the impact delivered by our projects and our journey of continuous improvement.

igloo footprint

igloo footprint® originated as igloo was founded 20 years ago and is periodically updated. The most recent update was during 2019. This version of igloo footprint® (v 3.0) represents a significant step forward. We are challenging ourselves to meet the climate emergency head on building Planet Positive Places. To go beyond the buildings the hardware to create the software, the activities and relationships, the social capital that builds communities and wellbeing. And to beautify and rewild our cities.

igloo footprint® has Six Dimensions: People (Community & Wellbeing), Place (Placemaking & Nature) and Planet (Circular & Climate). Impact is delivered across these six dimensions and collectively this delivers our purpose. The foundations of the updated process are a project cocreation workshop of all stakeholders and prestart benchmarking surveys that drive post occupancy evaluation to measure impact.

footprint® is supported by an Advisory Board and external experts and independently verified. footprint® is science based; delivering society's needs within the world's planetary limits and aligning with the UN's Sustainable Development Goals. We are committed to continuously reviewing and improving our measurement bases.

"igloo's footprint is the most comprehensive and holistic model for reviewing impacts of design and investment decisions encountered in this research." (The Value of Design in the Built Environment (Scotland)).

Project Impacts

The following projects are some examples of our work in 2022.

Newcastle

igloo is working on a range of regeneration sites in Newcastle. Steenberg's Yard completed last year and provides residential and commercial resources and demonstrates strong support for the local economy with over 80% of design and construction services sourced locally and skills workshops delivered. We are now progressing the next phase of development at Ouseburn Mouth which is continuing to focus on the "circular" footprint dimension, construction waste being kept to a minimum and construction materials chosen to strike the right balance between lightness of construction, embodied carbon and appropriateness for the character and heritage of the conservation area. A planning application has been submitted with approval expected in summer 2023. The physical regeneration and economic resurgence of the area of Newcastle known as Stephenson Quarter is taking shape. This regeneration creates employment and workspaces with the first building, the refurbishment of Robert Stephenson's Pattern Shop already on-site to provide over 30,000 sq ft of contemporary workspace. The overall aim of the project to drive economic development through inward investment and workforce retention, and provide a range of residential accommodation. A best in class zero-carbon approach is targeted while preserving heritage assets, both of which have attracted funding support.

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Riverside Sunderland

Riverside Sunderland is a major urban regeneration project with 1,000 new homes; 750,000 sq2 of commercial space bringing 6,000 new jobs to the city; a new city hall, civic centre and library; new eye hospital; and new primary school. igloo is working with Sunderland City Council from concept through to delivery.

The project includes the setting for the UK's first Future Living Expo, with events and engagement activity building to a threemonth festival EXPO Sunderland. The Expo programme will explore three key themes: advanced manufacturing, sustainable living and smart technology and will engage, inform and celebrate new communities housed in well designed, ecologically sound factorybuilt homes.

During the year work started on site for the construction for the residential development phase. These 132 homes will suit inter-generational living and are designed around energy and carbon reduction, using Modern Methods of Construction and a range of low carbon technologies and renewable energy. Over £2m has been secured for carbon reduction With a range of landscapes and a revitalised urban park in the masterplan, we have started engagement with local Charity CEED to deliver family and volunteering sessions in the park, learning about nature and biodiversity, naturefriendly habitat and landscape management

Nottingham

Igloo progressed live construction sites throughout 2022 delivering the next phase in the Meadows area of Nottingham and progressing Phase 3 at Trent Basin for our Blueprint joint venture clients, Nottingham City Council and PFP Capital.

The Fruit Market, an exemplar approach to community also began on site, making a positive contribution to the regeneration of the City's Sneinton market area.

Work also continued during the year on Elm School, a development bringing derelict land adjacent to a historic Victorian promenade to the north of Nottingham City together with the Trent Basin masterplan.

Footprint® continues to drive strong above-market performance across the full six dimensions of Blueprint's work including supporting existing and emerging community assets such as Flo Skatepark and Future Makers at Trent Basin which is creating a new leisure venue for Nottingham Waterside as well as an emerging home for artists working with recycled materials

Sandwell, West Midlands

Igloo are working with the Sandwell and West Birmingham Hospitals NHS Trust to develop the Midland Met Learning Campus and a new Urgent Treatment Centre (UTC). The Learning Campus project will bring together Sandwell & West Birmingham Hospitals NHS Trust, Sandwell Metropolitan Borough Council, Sandwell College; University of Wolverhampton; Aston University and The Learning Works to deliver a new Further Education and Higher Education university campus. The Learning Campus will provide a facility which meets the new NHS Net Zero standard and BREEAM Outstanding; which will support learning outcomes for 1280 people per year and access to employment as well as providing key community facilities for all those in the area to access and enjoy. In 2022 Igloo and the professional team oversaw the successful conclusion of a Towns Fund bid to DHULC and progression of the design for planning submission and procurement in 2023.

The UTC will be a modular build adjacent to the new Midland Metropolitan University Hospital which will be progressed in 2023.

IGLOO REGENERATION LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Swindon – Oakfield

Appointed by Nationwide Building Society, headquartered in Swindon, Igloo is acting as development manager at Oakfield, Swindon to deliver 239 high-quality, gas-free, EPC A-rated homes, 30% of which are Affordable, on brownfield land that had been vacant for over a decade. The project started on site in April 2020, with the first homes due to complete spring / summer 2023. Under Igloo's leadership, Oakfield has already been recognised at the national 2021 Housing Design Awards in the Building for a Healthy Life category.

Business review

The Company is paid fees, often with profit shares, for its development management and investment management activities.

Strategic Priorities

The focus has been on existing business and ensuring projects continued on site and delivered strong outcomes in terms of quality, safety and sales performance. This has been achieved.

Investments and deferred considerations have also been closely monitored with positive outcomes for all. This includes the deferred consideration due from the sale of the interest in Creative Space Management and the carrying value of Dataloft.

Work has continued on the group structure to ensure the business remains resilient into the future.

Awards

The main awards for the year were as follows:

Winners - Future Cities Forum Awards, Housing for Lower Ouseburn Valley – Steenberg's Yard.

Winners - Royal Incorporation of Architects in Scotland Awards, Building of the Year for Maryhill Locks.

Winners - Housing Design Awards, Building for a Healthy Life for Oakfield – Swindon.

Business Unit Activities

The Group is paid fees for its development management and investment management activities.

In development management, 2022 has seen strong progress in Newcastle, working with Newcastle City Council and Places for People to bring forward the regeneration of Stephenson Quarter. Other sites at Ouseburn Mouth are progressing well. Work has progressed with Nottingham City Council in Trent Basin with sales performing strongly and new schemes starting on site.

Working with Sunderland City Council we delivered a masterplan for Riverside Sunderland and have been working on the Future Living Expo the city is holding in 2023, which will showcase renewable energy powered homes. Igloo Investment Management continues to manage the Chrysalis Fund in Liverpool City Region.

In December 2019 a new Fund Advisory mandate was secured with Liverpool for further UDF investment. In 2021 a new UDF fund with Lancashire was added.

The Chrysalis Limited Partnership continues to fund developers delivering projects in Liverpool City Region that are environmentally sustainable, reclaim brownfield land and create employment floorspace and jobs. Chrysalis has funded projects that remediate 17.41 Ha of brownfield land, create 84,176 sq.m of employment space and create or safeguard 3,329 jobs.

IGLOO REGENERATION LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Our investment in Creative Space Management (CSM) was sold in 2020 for an initial £900k with a further £350k payable via a deferred consideration. At the financial year end £221k had been paid and to minimise risk a discounted amount of £121k was accrued at the financial year end. CSM paid a further £95k in May 2023 and the balance settled in June. A future deferred consideration of £9k may be achieved but the directors consider there is insufficient certainty in the current economic climate to recognise this.

We still retain a 25% shareholding (in partnership with Aviva and Barclays) of the general partner of the igloo Regeneration fund which is being wound up as intended.

The investment in Dataloft, a residential property market data analytics business, has increased in value by £38k during the year, the increase represents 30% of the annual Dataloft profit. The original investment of £50k is now carried at £130k in the consolidated accounts. As per the post balance sheet events this investment was sold in January 2023 for £90k so the carrying value of the investment has been written down to this.

As with many businesses the Group faces uncertainty in the external environment particularly the war in Ukraine, inflation impacts and the underlying disruption in financial markets that will likely impact 2022 onwards, as new projects are affected by uncertainty in the property market

igloo Team

None of this year's achievements would be possible without the immense talents of the igloo team. We are a non hierarchical organisation, valuing work life balance and personal wellbeing and encouraging both working from home and social interaction through our regional hubs.

We are advocates for the Happy Manifesto believing that happy workplaces create happy clients. We are a Living Wage Employer and seek to ensure that all team members are treated equally and remunerated fairly. We also seek to provide a variety of work experience and internship opportunities.

Gender diversity is strong overall, with 53% of the workforce female, compared with a sector average of 15%. igloo has decided to voluntarily report gender pay gap data. We baselined this in April 2018 and measure it each year in early April.

April 2023 data is shown below, with a mean gap of 33% (2022: 31%) and a median gap of 44% (2021:31%). A positive gender pay gap means that, on average, women are paid less than men due to differing job roles/levels of experience. Gender pay reporting is different to equal pay.

	Mean gap	Median gap
Average gender pay gap (national average 15.4%; construction sector 25%)	33%	44%
Proportion of females and males when divided into four groups from lowest to highest pay	Female	Male
Lowest quartile	66.67%	33.33%
Lowest middle quartile	66.67%	33.33%
Upper middle quartile	55.56%	44.44%
Upper quartile	14.29%	85.71%

IGLOO REGENERATION LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

We want to reduce the gender pay gap, with more females in the upper quartiles. We also want to enhance our broader diversity believing strongly that this will improve organisational performance. We have traditionally recruited mainly at graduate or immediately post qualification level. This will tend to have a negative impact on gender and diversity pay gaps given our, and our sector's, history. Targets continue to be set and applied in 2023.

Clients, Customers and Suppliers

Our clients are the people and organisations we work for. Our customers are the people who occupy the buildings and places we create. Our suppliers are the wider teams that we work with to create these places. Maximising the satisfaction of our clients, customers and suppliers starts with having a motivated team at igloo. We only work with clients who also want to make the world a better place, who value the igloo footprint® approach and with whom we have aligned objectives for people and places.

We believe the places we create using igloo footprint® are most likely to maximise customer satisfaction. We follow the consumer code for housebuilders.

We seek to appoint the suppliers most appropriate for each project, particularly seeking local firms to magnify the positive economic impact in the deprived neighbourhoods in which we work, and that are best in class and to work in a mutually supportive way, starting each project with an igloo footprint® cocreation workshop.

Principal risks and uncertainties

We continue to closely monitor cash flow and manage cash balances and contingency plans to mitigate risk to the Group.

The key risks are:

1. The impact on new business opportunities of increased project costs and delays in supply of materials, reducing viability and profitability;
2. Clients' reduced access to development finance, grant funding and investment markets

The market risk relates largely to residential markets that whilst still strong will come under pressure with the continued inflationary pressures on the UK economy. We are in a strong position to address the challenges this presents through good financial risk management as set out later in these financial statements.

The directors have considered the Group's forecasts and projections and the potential impact on the viability of the Group and concluded that there is a reasonable expectation the Group has adequate resources to continue in operation for the foreseeable future. Cash balances stood at £1.87 million at the year end and we continue to hold sufficient cash to withstand a significant business downturn.

IGLOO REGENERATION LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Financial key performance indicators

For the year ended 31st December 2022 Group turnover was £5.4 million (2021: £6.03 million).

Operating profit before contributions from joint ventures and associates was 4.7% of turnover (2021: 0.5%).

The financial performance review now in progress will consider future profit levels necessary to ensure business resilience.

Profit after tax was £0.224 million (2021: £0.065 million) including a net share of profit from joint ventures and associates of £0.039 million (2021: £0.013 million).

Seventeen purpose shares were cancelled during the year end, for staff who left. No purpose share dividend has been recommended (2021: £Nil). The Company has not paid a dividend on the ordinary shares in either year

This report was approved by the board on 14th June 2023 and signed on its behalf.

P J Connolly
Director



IGLOO REGENERATION LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity is property development management in accordance with igloo footprint®.

Results and dividends

The profit for the year, after taxation, amounted to £224,404 (2021 - £65,341).

Directors

The directors who served during the year were:

C K Brown (resigned 13 January 2023)

P J Connolly

R A Knight

S T Veal (appointed 27 April 2022)

J M Long (appointed 27 April 2022)

IGLOO REGENERATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Future developments

Igloo Regeneration Limited have a steady pipeline of existing and new projects lined up in 2023 and expect to continue to grow profits in the coming year through strong relationships with joint venture partners and new business opportunities that align to Igloo's purpose.

Research and development activities

The business has been working on several industry leading initiatives during the year particularly around the footprint update and other improvements in environmental sustainability.

Greenhouse gas emissions, energy consumption and energy efficiency action

In addition to our projects, we seek to minimise our direct impact on the climate. Our employment contracts are all home based to minimise our need for offices and to be closer to projects to minimise travel. We also seek to maximise our use of digital communication, conference and video calling to minimise travel. We are looking for new ways to reduce our carbon impact as part of our commitment to Race to Zero.

We monitor the energy used by the Company in travel (by calculating a mileage equivalent based on the amount spent for each travel mode) and the electricity used in offices. We used the carbon calculator on www.carbonfootprint.com and the National Energy Foundation.

In 2022 our activities emitted an equivalent of 8252 kg CO₂, representing a 20% increase from 2021 levels (6641 kg CO₂). The output has increased due to the business miles travelled increasing by 40%, this is as a result of travel to projects after the pandemic restricted travel for a number of years. The emissions in 2019 (pre pandemic) were 27776 kg CO₂ so the company have taken steps to significantly reduce emissions over the years. 74% of the company's mileage is undertaken using public transport with the company encouraging lower carbon methods of business transport.

We offset emissions through certified offsets in UK tree planting in the cities in which we are working. In 2023 we will replace tree planting with the HACT scheme which provides social as well as environmental outcomes.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and

- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

IGLOO REGENERATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Post balance sheet events

Since the year end, the Company disposed of its joint venture investment in Dataloft for £90,000.

In addition Real estate fund manager PfP Capital (subsidiary of Places for People) acquired Igloo Regeneration Group on 12 January 2023. The acquisition builds on the existing relationship between the two firms since 2018, following Places for People's acquisition of Igloo Regeneration Fund's JV holdings and development pipeline. The deal will allow Igloo Regeneration Group to grow, thanks to the introduction of new investors and schemes.

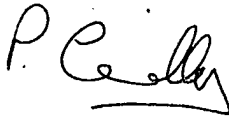
Following the transaction, igloo and its investment management business will continue to operate as a separate business structure within PfP Capital. Igloo's founder and sole shareholder Chris Brown stepped down as chair of the organisation but remains onboard in a consultancy capacity focusing on our Footprint policy. All other existing Igloo directors and personnel remain unchanged with two PfP Capital directors joining the Board in a non-Executive capacity in January 2023.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 14th June 2023 and signed on its behalf.

Director



IGLOO REGENERATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IGLOO REGENERATION LIMITED

Opinion

We have audited the financial statements of igloo Regeneration Limited 2021 (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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.

IGLOO REGENERATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IGLOO REGENERATION LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group 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 Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

IGLOO REGENERATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IGLOO REGENERATION LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 8, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and revenue recognition. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases and specific tests for the completeness of revenue and cut off.

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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

IGLOO REGENERATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IGLOO REGENERATION LIMITED
(CONTINUED)

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.



M Jayson (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT
Date: 8 August 2023

IGLOO REGENERATION LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover	4	5,398,361	6,031,492
Cost of sales		(1,092,726)	(2,463,615)
Gross profit		4,305,635	3,567,877
Administrative expenses		(4,052,531)	(3,537,279)
Operating profit	5	253,104	30,598
Income from shares in associated undertakings		38,751	12,822
Total operating profit		38,751	12,822
Income from fixed assets investments		9,000	10,285
(Loss)/profit on sale of joint ventures and associates		(18,590)	16,829
Interest receivable and similar income	12	(2)	-
Profit before taxation		282,263	70,534
Tax on profit	13	(57,859)	(5,193)
Profit for the financial year		224,404	65,341
Profit for the year attributable to:			
Owners of the parent Company		224,404	65,341
		224,404	65,341

The notes on pages 22 to 41 form part of these financial statements.

IGLOO REGENERATION LIMITED
REGISTERED NUMBER: 04057460

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	6,099	15,040
Investments	15	90,002	92,053
		<u>96,101</u>	<u>107,093</u>
Current assets			
Debtors: amounts falling due within one year	16	1,521,519	1,693,997
Cash at bank and in hand	17	2,221,553	1,867,367
		<u>3,743,072</u>	<u>3,561,364</u>
Creditors: amounts falling due within one year	18	(1,025,881)	(1,079,569)
Net current assets		<u>2,717,191</u>	<u>2,481,795</u>
Total assets less current liabilities		<u>2,813,292</u>	<u>2,588,888</u>
Net assets		<u><u>2,813,292</u></u>	<u><u>2,588,888</u></u>
Capital and reserves			
Called up share capital	21	2	2
Profit and loss account	22	2,813,290	2,588,886
Equity attributable to owners of the parent Company		<u>2,813,292</u>	<u>2,588,888</u>
		<u><u>2,813,292</u></u>	<u><u>2,588,888</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14th June 2023



P J Connolly
Director

IGLOO REGENERATION LIMITED
REGISTERED NUMBER: 04057460

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	6,099	15,040
Investments	15	180,004	180,004
		<u>186,103</u>	<u>195,044</u>
Current assets			
Debtors: amounts falling due within one year	16	836,408	1,490,096
Cash at bank and in hand	17	2,067,792	1,767,255
		<u>2,904,200</u>	<u>3,257,351</u>
Creditors: amounts falling due within one year	18	(699,955)	(981,733)
Net current assets		<u>2,204,245</u>	<u>2,275,618</u>
Total assets less current liabilities		<u>2,390,348</u>	<u>2,470,662</u>
Net assets		<u><u>2,390,348</u></u>	<u><u>2,470,662</u></u>
Capital and reserves			
Called up share capital	21	2	2
Profit and loss account brought forward		2,470,660	2,474,159
Loss for the year		(80,314)	(3,499)
Profit and loss account carried forward		<u>2,390,346</u>	<u>2,470,660</u>
		<u><u>2,390,348</u></u>	<u><u>2,470,662</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14th June 2023

P J Connolly
Director



IGLOO REGENERATION LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£
At 1 January 2021	2	2,523,545	2,523,547	2,523,547
Comprehensive income for the year				
Profit for the year	-	65,341	65,341	65,341
Total comprehensive income for the year	-	65,341	65,341	65,341
At 1 January 2022	2	2,588,886	2,588,888	2,588,888
Comprehensive income for the year				
Profit for the year	-	224,404	224,404	224,404
Total comprehensive income for the year	-	224,404	224,404	224,404
At 31 December 2022	2	2,813,290	2,813,292	2,813,292

The notes on pages 22 to 41 form part of these financial statements.

IGLOO REGENERATION LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	2	2,474,159	2,474,161
Comprehensive income for the year			
Loss for the year	-	(3,499)	(3,499)
	-	(3,499)	(3,499)
Total comprehensive income for the year			
	-	-	-
Total transactions with owners			
	-	-	-
At 1 January 2022	2	2,470,660	2,470,662
Comprehensive income for the year			
Loss for the year	-	(80,314)	(80,314)
	-	(80,314)	(80,314)
Total comprehensive income for the year			
	-	-	-
Total transactions with owners			
	-	-	-
At 31 December 2022	2	2,390,346	2,390,348

The notes on pages 22 to 41 form part of these financial statements.

IGLOO REGENERATION LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	224,404	65,341
Adjustments for:		
Depreciation of tangible assets	15,767	18,387
Loss on disposal of tangible assets	(33)	-
Dividends received less interest paid	(8,998)	(10,285)
Taxation charge	51,958	5,193
Decrease/(increase) in debtors	597,762	(379,739)
(Increase)/decrease in amounts owed by related parties	(402,044)	(137,745)
(Decrease) in creditors	(103,682)	(381,692)
Share of operating (loss) in associates	(38,751)	(12,822)
Corporation tax (paid)	(2,992)	(3,729)
Profit on sale in joint venture	(22,212)	(16,829)
Provision against investment	40,802	-
Net cash generated from operating activities	351,981	(853,920)
Cash flows from investing activities		
Purchase of tangible fixed assets	(7,335)	(10,241)
Sale of tangible fixed assets	542	56
Interest received	(2)	-
Dividends received	9,000	10,285
Net cash from investing activities	2,205	100
Net increase/(decrease) in cash and cash equivalents	354,186	(853,820)
Cash and cash equivalents at beginning of year	1,867,367	2,721,187
Cash and cash equivalents at the end of year	2,221,553	1,867,367
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,221,553	1,867,367
	2,221,553	1,867,367

The notes on pages 22 to 41 form part of these financial statements.

IGLOO REGENERATION LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	1,867,367	354,186	2,221,553
	<u>1,867,367</u>	<u>354,186</u>	<u>2,221,553</u>

The notes on pages 22 to 41 form part of these financial statements.

IGLOO REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

igloo Regeneration Limited is a private company limited by shares and incorporated in England and Wales. Registered number 04057460. The address of its registered office is 73 Tib Street, Manchester, M4 1LS.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The Group does not consolidate subsidiaries where the group does not have control over the assets within that subsidiary.

2.3 Going concern

The Group meets its ordinary working capital requirements through its cash holdings and bank facilities which are reviewed and renewed annually. The directors have an expectation that the Group have adequate resources to continue in operational existence for the foreseeable future.

In their assessment of going concern the directors have considered the impact on the business and the forward looking prospects given the current economic climate. Upon review the directors have an expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.4 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated statement of comprehensive income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated balance sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

IGLOO REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.8 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and 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 balance sheet date in the countries where the Company and the Group operate and generate income.

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

- 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- 25% - 50% on cost
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits 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 three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.16 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.16 Financial instruments (continued)

net basis or to realise the asset and settle the liability simultaneously.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Accounting estimates, by definition, will often vary from the actual results. They are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below. The carrying amount of the estimates and assumptions at the year-end are disclosed in the relevant note to the accounts.

Consideration of control

The directors have concluded not to consolidate Chrysalis Limited Partnership within the consolidated accounts. igloo Regeneration Limited had, through a direct and an indirect shareholding, 100% ownership of Chrysalis Limited Partnership. However, the main activity of the partnership is holding funds for distribution in loans to various entities. The partnership is managed and run by a board which is represented by directors put forward by the partners, including igloo Regeneration Limited. No partner has overall control and the operation of the board is governed by an operational agreement. These nominations for directors have to be approved by an external public body not related to igloo Regeneration Limited. igloo Regeneration Limited is paid a management fee for overseeing the loan balances, but has no other benefits from the loans. The ultimate liability from the loan if a borrower were to default is also borne by the same external body. igloo Regeneration Limited would only potentially face a liability if the loan had not been managed correctly, and have appropriate insurance in place for this potential event.

The directors have therefore made a judgement that as the Company does not have control over the assets of Chrysalis Limited Partnership, this should be excluded from the consolidation under section 9.9a of FRS 102 which states that "a subsidiary shall be excluded from consolidation where severe long-term restrictions substantially hinder the exercise of the rights of the parent over the assets or management of the subsidiary".

Consideration of agent or principal

Management have considered whether the Group acts as principal or agent when the contract involves a significant element of the recharging of costs onto a customer at no margin.

An entity is acting as a principal when it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services. Features that indicate that an entity is acting as a principal include:

(a) the entity has the primary responsibility for providing the goods or services to the customer or for fulfilling the order, for example by being responsible for the acceptability of the products or services ordered or purchased by the customer;

(b) the entity has inventory risk before or after the customer order, during shipping or on return;

(c) the entity has latitude in establishing prices, either directly or indirectly, for example by providing additional goods or services; and

(d) the entity bears the customer's credit risk for the amount receivable from the customer.

On the basis that igloo is the development manager with overall responsibility for delivering the scheme to

IGLOO REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. Judgments in applying accounting policies (continued)

the client, has responsibility for the appointment of the subcontractors, contracts with them directly agreeing their scope of works and for paying them thus bearing the credit risk management has assessed that igloo are acting as principal.

Treatment of disposal of Creative Space Management Limited (CSM)

The company disposed of its Joint venture (CSM) during the prior year. £350,000 of the proceeds was referred to as deferred consideration in the contract. 80% of profits each year will be taken to pay the deferred consideration until the full amount has been paid. So provided the business is profitable then the full amount will be received.

Under FRS 102 management should recognise the best estimate of consideration at the time of the disposal.

The directors of igloo Regeneration Ltd chose to account for the disposal based on amounts received before the date the financial statements were signed and the discounted present value of their best estimate of further proceeds.

The directors considered this approach was appropriate, especially considering the ongoing uncertainty with the Covid-19 pandemic which significantly impacted CSM's business.

At a consolidated level there was a profit of £159,378 being the extent to which the carrying value of the investment exceeded the recorded proceeds. In the current year a further £16,829 was recognised.

No other significant accounting judgements have been applied in the preparation of these accounts.

4. Turnover

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	15,767	18,387
Pension costs	394,615	409,357
Other operating lease rentals	24,606	22,703
	<u>435,000</u>	<u>450,447</u>

IGLOO REGENERATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Auditor's remuneration

During the year, the Group obtained the following services from the Company's auditor and its associates:

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the consolidated and parent Company's financial statements	19,675	20,585
Fees payable to the Company's auditor and its associates in respect of:		
Taxation compliance services	3,750	4,650
All assurance services not included above	6,500	3,500
All non-audit services not included above	2,200	2,050
	<u>19,675</u>	<u>20,585</u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	2,719,153	2,406,046	2,434,522	2,254,486
Social security costs	313,793	276,415	313,793	276,415
Pension costs	394,615	409,357	394,615	409,357
	<u>3,427,561</u>	<u>3,091,818</u>	<u>3,142,930</u>	<u>2,940,258</u>

The average monthly number of employees, including the directors, during the year was as follows:

	Group 2022 No.	Group 2021 No.	Company 2022 No.	Company 2021 No.
Average number of employees	31	30	31	30

IGLOO REGENERATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	661,023	699,947
Company contributions to pension schemes	93,135	108,420
	<u>754,158</u>	<u>808,367</u>

The highest paid director received remuneration of £191,699 (2021 - £188,858).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,000 (2021 - £10,000).

Key management are considered to be the directors of the company

9. Income from shares in associated undertakings

	2022 £	2021 £
Share of profit/(loss) from associates	<u>38,751</u>	<u>12,822</u>

10. (Loss)/profit on sale of joint ventures and associates

	2022 £	2021 £
Profit on sale of joint venture		
Profit on sale of joint venture	22,212	16,829
Provision against investment in Dataloft	(40,802)	-
	<u>(18,590)</u>	<u>16,829</u>

11. Income from investments

	2022 £	2021 £
Dividends received from unlisted investments	<u>9,000</u>	<u>10,285</u>

IGLOO REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. Interest receivable

	2022 £	2021 £
Interest receivable	(2)	-

13. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	52,918	3,007
Adjustments in respect of previous periods	7,932	102
	<u>60,850</u>	<u>3,109</u>
Total current tax	<u>60,850</u>	<u>3,109</u>
Deferred tax		
Origination and reversal of timing differences	(2,991)	2,084
Total deferred tax	<u>(2,991)</u>	<u>2,084</u>
Taxation on profit on ordinary activities	<u>57,859</u>	<u>5,193</u>

IGLOO REGENERATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - *lower than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>282,263</u>	<u>70,534</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	53,630	13,401
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,975	371
Fixed asset differences	(429)	406
Adjustments to tax charge in respect of prior periods	7,932	102
Non-taxable profit on sale of investment	(4,220)	(3,197)
Non-taxable income	(5,930)	(1,954)
Income from associates and joint ventures not taxable in group	(7,363)	(2,436)
Change in rate of deferred tax	(718)	(1,500)
Consolidated provision not deductible	7,752	-
Other differences leading to an increase (decrease) in the tax charge	4,230	-
Total tax charge for the year	<u><u>57,859</u></u>	<u><u>5,193</u></u>

IGLOO REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

14. Tangible fixed assets

Group

	Office equipment £
Cost or valuation	
At 1 January 2022	92,480
Additions	7,335
Disposals	(1,356)
At 31 December 2022	<u>98,459</u>
Depreciation	
At 1 January 2022	77,440
Charge for the year on owned assets	15,767
Disposals	(847)
At 31 December 2022	<u>92,360</u>
Net book value	
At 31 December 2022	<u>6,099</u>
At 31 December 2021	<u>15,040</u>

IGLOO REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Company

	Office equipment £
Cost or valuation	
At 1 January 2022	92,480
Additions	7,335
Disposals	(1,356)
	<hr/>
At 31 December 2022	98,459
	<hr/>
Depreciation	
At 1 January 2022	77,440
Charge for the year on owned assets	15,767
Disposals	(847)
	<hr/>
At 31 December 2022	92,360
	<hr/>
Net book value	
At 31 December 2022	6,099
	<hr/> <hr/>
At 31 December 2021	15,040
	<hr/> <hr/>

IGLOO REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

15. Fixed asset investments

Group

	Investments in subsidiary companies £	Investments in joint ventures £	Investment in associates £	Total £
Cost or valuation				
At 1 January 2022	1	1	92,051	92,053
Additions	-	-	38,751	38,751
At 31 December 2022	1	1	130,802	130,804
Impairment				
Charge for the period	-	-	40,802	40,802
At 31 December 2022	-	-	40,802	40,802
Net book value				
At 31 December 2022	1	1	90,000	90,002
At 31 December 2021	1	1	92,051	92,053

Company

	Investments in subsidiary companies £	Investments in associates £	Total £
Cost or valuation			
At 1 January 2022	130,003	50,001	180,004
At 31 December 2022	130,003	50,001	180,004
Net book value			
At 31 December 2022	130,003	50,001	180,004
At 31 December 2021	130,003	50,001	180,004

IGLOO REGENERATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Fixed asset investments (continued)**Direct subsidiary undertakings**

The following were direct subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Igloo Investment Management Limited	73 Tib Street, Manchester. M4 1LS	Ordinary	100%
Home Made Homes Limited	73 Tib Street, Manchester. M4 1LS	Ordinary	100%
Vibrant Neighbourhoods Limited	73 Tib Street, Manchester. M4 1LS	Ordinary	100%

The aggregate of the share capital and reserves as at 31 December 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings was as follows:

Name	Profit/(Loss) £
Igloo Investment Management Limited	205,902
Home Made Homes Limited	1
Vibrant Neighbourhoods Limited	377

Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Chrysalis Limited Partnership	73 Tib Street, Manchester. M4 1LS	N/A	100%
Chrysalis (General Partner) Limited	73 Tib Street, Manchester. M4 1LS	Ordinary	100%

The aggregate of the share capital and reserves as at 31 December 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Chrysalis Limited Partnership	100	-
Chrysalis (General Partner) Limited	1	-

IGLOO REGENERATION LIMITED

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15. Fixed asset investments (continued)

Associates

The following were associates of the Company:

Name	Registered office	Class of shares	Holding
Igloo Regeneration (General Partner) Limited	1 Undershaft, St Helens, England. EC3P 3DQ	Ordinary	25%
Dataloft Limited	The Dolphin, 33 St Thomas Street, Winchester, Hampshire, England SO23 9HJ	Ordinary	30%

16. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	423,484	1,053,317	355,952	1,034,286
Amounts owed by group undertakings	-	-	35,300	66,556
Amounts owed by related entities, joint ventures and associated undertakings	539,832	137,745	783	-
Other debtors	103	8,010	102	2,006
Prepayments and accrued income	548,858	488,674	435,029	380,997
Deferred taxation	9,242	6,251	9,242	6,251
	1,521,519	1,693,997	836,408	1,490,096

17. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	2,221,553	1,867,367	2,067,792	1,767,255

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18. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	107,271	465,840	22,021	399,655
Amounts owed to joint ventures	145	102	43	-
Corporation tax	52,918	2,967	-	-
Other taxation and social security	253,848	246,975	253,420	246,975
Other creditors	43,275	42,561	43,275	42,561
Accruals and deferred income	568,424	321,124	381,196	292,542
	<u>1,025,881</u>	<u>1,079,569</u>	<u>699,955</u>	<u>981,733</u>

19. Financial instruments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial assets				
Financial assets measured at cost through profit or loss	<u>3,184,972</u>	<u>3,066,439</u>	<u>2,459,929</u>	<u>2,870,103</u>
Financial liabilities				
Financial liabilities measured at cost through profit or loss	<u>(719,115)</u>	<u>(783,745)</u>	<u>(446,535)</u>	<u>(688,876)</u>

Financial assets measured at cost through profit or loss comprise cash, trade and other debtors, amounts due from group, joint ventures and associates.

Financial liabilities measured at cost through profit and loss comprise trade and other creditors accruals and amounts due to group and joint ventures

IGLOO REGENERATION LIMITED

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20. Deferred taxation

Group

	2022 £
At beginning of year	6,251
Charged to profit or loss	2,991
At end of year	9,242

Company

	2022 £
At beginning of year	6,251
Charged to profit or loss	2,991
At end of year	9,242

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Accelerated capital allowances	(1,525)	(3,760)	(1,525)	(3,760)
Short term timing differences	10,767	10,011	10,767	10,011
	9,242	6,251	9,242	6,251

21. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
2 (2021 - 2) Ordinary shares shares of £1.00 each	2	2
0 (2021 - 17) Purpose shares shares of £0.01 each	-	-

IGLOO REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

21. Share capital (continued)

Only Ordinary shares carry voting rights. There are no restrictions on the distribution of dividends or the repayment of capital for either share class.

Purpose shares are given to employees upon completion of a years service at director's discretion. These shares cannot be sold to employees and are given back to the Company when the individual ceases employment.

Seventeen purpose shares were cancelled during the year. No purpose share dividend has been recommended (2021: £Nil)

22. Reserves

Profit and loss account

Includes all current and prior period retained profits and losses.

23. Pension commitments

The Group operates a defined contribution pension scheme and also make contributions to individuals personal pension schemes. The assets of the Group scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and individual schemes and amounted to £305,304 (2021 - £409,357) . Contributions totalling £43,066 (2021 - £41,390) were payable at the balance sheet date and are included in creditors.

24. Commitments under operating leases

At 31 December 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Buildings				
Not later than 1 year	-	16,701	-	16,701
	<u>-</u>	<u>16,701</u>	<u>-</u>	<u>16,701</u>

IGLOO REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

25. Related party transactions

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with other wholly owned group companies.

The company has transactions with its associate undertakings Dataloft Ltd and Igloo Regeneration (General Partner) Limited and with Blueprint Limited Partnership, a partnership in which Igloo Regeneration Limited is considered to be key management as the company secretary of the partnerships general partner Blueprint (General Partner) Limited.

	2022 £	2021 £
Sales to related parties	969,487	898,223
Purchases from related parties	8,450	6,800
Amount due from related parties	22,776	30,780
Amount due to related parties	8,450	-
	<u>1,009,163</u>	<u>935,803</u>

26. Post balance sheet events

Since the year end, the Company disposed of its joint venture investment in Dataloft for £90,000.

In addition Real estate fund manager PfP Capital (subsidiary of Places for People) acquired Igloo Regeneration Group on 12 January 2023. The acquisition builds on the existing relationship between the two firms since 2018, following Places for People's acquisition of Igloo Regeneration Fund's JV holdings and development pipeline. The deal will allow Igloo Regeneration Group to grow, thanks to the introduction of new investors and schemes.

Following the transaction, igloo and its investment management business will continue to operate as a separate business structure within PFP Capital. Igloo's founder and sole shareholder Chris Brown stepped down as chair of the organisation but remains onboard in an advisory capacity. All other existing Igloo directors and personnel remain unchanged.

27. Controlling party

The ultimate controlling party is C K Brown, the sole shareholder of Igloo Regeneration Limited. Since the year end, C K Brown sold his holding in Igloo Regeneration Limited to PFP Capital Limited.