Registered Number 12007129

Accent Capital PLC

Report and Financial Statements

for the year ended

31 March 2025

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Company Information

The Board, Executives and Advisors

Directors
Nick Apetroaie- appointed on 27 November 2024
Paul Dolan- resigned 30 April 2024
Sarah Ireland- appointed on 22 April 2024, resigned 27 November 2024
Tom Miskell
Kirsty Spark
Archana Makol

Company Secretary
Kirsty Spark

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1 Bolton Road
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BD1 4AS

Registered Number
12007129

Auditor
BDO LLP
Eden Building
Irwell Street
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M3 5EN

Internal Auditor
Beever and Struthers
One Express
1 George Leigh Street
Manchester
M4 5DL

Banker
National Westminster Bank PLC
3rd Floor
2 Whitehall Quay
Leeds
LS1 4HR

Strategic Report

Definitions

Accent Capital PLC, referred to as the Company in these financial statements, is a public limited company and subsidiary of Accent Housing Limited. The ultimate parent company is Accent Group Limited and these financial statements are consolidated into Accent Group Limited. The terms “Group” or “Accent” in the report and financial statements refers to the consolidation of Accent Group Limited and all its subsidiaries.

Overview of business

The objective of the Company is to obtain provide external funding to support the activities of the parent Company, Accent Housing Limited together with its subsidiaries. These activities are subject to financial risks such as failure of the Accent Housing the immediate parent company to meet interest/covenant requirements and the underlying performance of the Group headed by Accent Housing Group.

Group structure

The Group comprises the following companies:

Entity	Relationship	Registration number
Accent Group Limited	Parent company	Registered Co-operative and Community Benefit Society number IP30444R & Homes England registered provider number L4511
Accent Capital PLC	The objective of the Company is to provide external funding to support the activities of the parent Company, Accent Housing Limited together with its subsidiaries	Registered company number 12007129
Accent Housing Limited	Registered Provider of Social Housing	Registered Co-operative and Community Benefit Society number 19229R & Homes England registered provider number LH1722
Accent Homemade Limited	Provision of development services associated with the design and construction of new homes for Accent Group Limited and its subsidiaries	Registered company number 05591747

The Group also has a 50% share in Franklands Park Limited, registered company number 08157005, which manages a single housing scheme Franklands Drive on behalf of joint owners Accent Housing Limited and PA Housing Limited.

Business review and future activities

On 18 July 2019 the Company issued £350m 2.625% secured bonds at an issue price of 97.96% of the aggregated principal amount. These secured bonds, which are denominated in Sterling, mature on 18 July 2049. Of the £350m issued, £225m was immediately drawn and the remaining £125m was drawn on 12 October 2021. The proceeds of the initial drawdown of £220.4m were on-lent to Accent Housing Limited at an effective interest rate of 2.725% inclusive of the cost of amortising the discount on issue over the life of the bonds. The proceeds of the subsequent drawdown of £130.6m were on-lent to Accent Housing Limited. All issue costs were initially borne by Accent Housing Limited and recharged to Accent Capital PLC, and these costs are amortised over the lifetime of the bond.

The Board is of the opinion that the state of the Company's affairs and the results for the period are satisfactory. The profit for the period amounted to £nil. The Company advances loans to Accent Housing Limited, interest on this loan is treated as intra-group and is fully reimbursed.

Strategic Report (continued)

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

Objectives and strategy

The objectives of the Company are to obtain external funding to support the wider group. The execution of the Company's strategy is subject mainly to financial risks, such as failure to meet interest/covenant requirements by Accent Housing the immediate parent and the underlying performance of the Accent Group and its subsidiaries.

Key performance indicators

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

The Board of directors ensure that the Company fulfils its obligations under the bond trust deed which in turn ensures it is compliant with listing Regulations (which require the entity to hold the bond under trust) and under the bond loan agreement, its commitment to the bond investors and Accent Housing Limited. The Company is primarily a conduit for accessing the debt capital markets, therefore the Board of directors monitor the compliance with the asset cover covenant (see below) and the availability of cash flow to and from the other members of Accent Housing Limited as the key financial performance indicators. As the Company provides lending to members of the Group, its performance is dependent on performance of the Group, reference should therefore also be made to those key performance indicators measured by the Group; as outlined in the Accent Group Limited financial statements for the year ended 31 March 2025. The Company continues to comply with its obligations under the bond loan agreement and trust deed and has provided sufficient cash flow to members of the Group. The Company's liabilities are secured against the performance of Accent Housing Limited (its immediate parent) through the appropriate security arrangements.

The bond is held by Accent Capital and is subject to an Asset Value Cover requirements calculated based on the valuation of the housing properties on which the bond is secured. The Cover required is 105% on an Existing Use Value (the EUV) basis or 115% on a Market Value subject to tenancies (the MVT) basis as determined by the solicitor and valuer. As at 31 March 2025 there was £105m (2024 £58.2m) in excess of the security required in accordance with the bond documentation. This is above the requirements of the financial covenant in the bond loan agreement.

Section 172 Statement

The Companies (Miscellaneous Reporting) Regulations 2018 ('2018 MRR') require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders which will have an impact on the long-term success of the company.

The S172 statement focuses on matters of strategic importance to Accent Capital PLC, and the level of information disclosed is consistent with the size and the complexity of the business.

- **S172(1) (A) the likely consequences of any decision in the long term**
  The directors understand the company and its purpose and consider these alongside the business and purpose of its parent company to whom bond proceeds have been wholly on lent and group undertakings. Any future activity within Accent Capital PLC would be considered in this context and with a view to achieving the overall Group objectives.

- **S172(1) (B) The interests of the company's employees**
  Accent Capital PLC does not have any employees.

- **S172(1) (C) The need to foster the company's business relationships with suppliers, customers and others**
  Bond Holders are key stakeholders of Accent Capital PLC. Directors are mindful of their need to keep bond holders informed of the business and the wider Groups activities and performance. Investor updates are provided to bond holders and open lines of enquiry are welcomed. Accent Capital PLC has just one trading relationship with its parent Accent Housing Limited, to whom all bond proceeds have been wholly on lent. Directors are mindful of the interdependencies with regards to this relationship and maintain open lines of communication with officers and directors of the parent company.

Strategic Report (continued)

- **S172(1) (D) the impact of the company's operations on the community and the environment**
  Due to the nature of the company's activities there is minimal direct impact on the community and the environment. The on lent bond proceeds are being utilised within the Group to develop and maintain affordable housing thus supporting the wider community. New developments are constructed with energy efficiency as a key consideration.

- **S172(1) (E) The desirability of the company maintaining a reputation for high standards of business conduct**
  Accent Capital PLC has debt traded on the London Stock Exchange. Maintaining a strong reputation for good conduct and compliance with all known laws and regulations is of upmost importance. As a member of Accent Group compliance with governance standards and regulatory matters is monitored at Group Board level.

- **S172(1) (F) The need to act fairly as between members of the company**
  Accent Capital PLC is a wholly owned subsidiary of Accent Housing Limited.

Principal risks and uncertainties

The Directors' Report includes a review of principal financial risks covering credit, liquidity and interest rates.

The Group's treasury function is responsible for the management of all Group funding arrangements and the control of associated risks within the overall governance framework of the Group treasury strategy. The Company's activities are undertaken within this Group-wide funding strategy. As such the long-term performance of the Company is dependent on the performance of the other members of the Group, in particular Accent Housing Limited. In this context the Company is exposed to the risks and uncertainties which are set out within the Strategic Report of Accent Housing Limited for the year ended 31 March 2025.

Going concern

In making their assessment of going concern the directors consider a period of twelve months from the date of signing the financial statements. The Company is a vehicle for raising debt finance for the Group and intends to carry out this function for the foreseeable future. In order to meet interest payments and covenant requirements the Company is dependent upon Accent Housing Limited to whom the Company has on lent the proceeds of the bond as per the terms of the on-lending agreement. Accent Housing Limited has in place long term business plans which have been reviewed and stress tested to demonstrate the ability to meet all of its obligations for the foreseeable future. Stress tests included (but were not limited to) the consideration and impact of increased inflation rates, increased interest rates, increased cost of carry, exceptional expenditure, development delays and sales price fluctuation. These plans, stress tests and covenant forecasts have been shared with the Directors of Accent Capital plc and are considered appropriate for use in the determination of going concern.

On this basis the Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt a going concern basis in preparation of its financial statements.

On behalf of the Board

Tom Miskell

Director

29 July 2025

Directors' Report

The Directors of Accent Capital PLC (the 'Company') present their report and the audited financial statements of the Company for the period ended 31 March 2025. In respect of compliance with all aspects of Corporate Governance, please see the separate Corporate Governance Statement on pages 7-8, which forms part of this directors' report.

Accent Capital PLC is a 100% owned subsidiary of Accent Housing Limited; which is incorporated under the Co-operative and Community Benefit Societies (2014 Act) (registered number 19229R) and is a Registered Provider (HCA registration number LH1722) and is a member of the Accent Group, ("The Group").

Principal activities

The Company was incorporated on 20 May 2019 and the principal activity is to act as a vehicle for raising external debt and to on-lend to the Group. In order to issue bonds to the public it is a legal requirement that the issuer is a public limited company (PLC).

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of credit risk, liquidity risk and interest rate risk. The Group has in place a risk management plan that seeks to limit the adverse effects on the financial performance of the Company.

Credit Risk - as at 31 March 2025 the Company had on-lent all of its issued funds to Accent Housing Limited which was secured by a first fixed legal charge over property assets valued in excess of the value of the debt.

Liquidity Risk - the Company has lent the full amount of its drawn funds, thus fully offsetting its liabilities. The interest payable by the Company on its debt is fully offset by the interest receivable from Accent Housing Limited.

Interest Rate Risk - as at 31 March 2025, 100% of the Company's debt is on fixed rate terms from the capital markets. It is then on lent to Accent Housing Limited at the same fixed rate of interest. There is no intention to repay the debt in advance of the agreed repayment profile.

Employees

The Company does not have any employees.

Environmental Reporting

No energy and carbon information is disclosed within these financial statements as due to its nature Accent Capital PLC is a low energy user.

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force during the financial period and also at the date of approval of the financial statements. The Group also purchased and maintained throughout the financial period Directors' and Officers' liability insurance in respect of itself and its Directors.

Reserves

The Company's reserves at the end of the year amounted to £nil.

Results and dividends

No dividend was paid during the period. The directors are not recommending the payment of a final dividend.

Future developments

As set out in the Strategic Report the Board does not envisage any significant changes in the Company's activities in the foreseeable future.

Subsequent events

There are no subsequent events to report.

Directors' Report (continued)

Directors

The directors of the Company who were in office during the period and up to the date of signing the financial statements were:

Nick Apetroaie (appointed on 27 November 2024)

Sarah Ireland (appointed on 22 April 2024, resigned 27 November 2024)

Paul Dolan (resigned on 30 April 2024)

Tom Miskell

Kirsty Spark

Archana Makol

The Directors held no interest in the Company but are either non-executive directors or executive directors of, and employed by, Accent Housing Limited.

Operating segments

Due to the nature of the company Accent Capital PLC only has one operating segment. As such no further analysis is presented.

Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, the directors’ report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as each member of the Board is aware, there is no relevant audit information of which the Company's auditors are unaware and each member has taken all the steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditor

BDO LLP has been appointed as auditor of the Company, which has been approved by the Board at the Accounts Approval Board meeting 23 July 2025 and were signed on its behalf on 29 July 2025.

By order of the Board

K Spark

Kirsty Spark
Secretary
29 July 2025

Directors' Report (continued)

Corporate Governance Statement

Compliance Requirement

The Company has a listed security in issue and is required to comply with the applicable sections DTR7.1 and DTR7.2 of the Financial Conduct Authority (“FCA”) handbook.

The company is a wholly owned subsidiary of Accent Group Limited, which upholds and is fully compliant with the National Housing Federation (NHF) 2020 Code of Governance. As a wholly owned subsidiary of Accent Group Limited, Accent Capital PLC is also compliant with the NHF 2020 Code of Governance.

The Board

The Board comprises up to six board members and is responsible for managing the affairs of the Company. It meets a minimum of once a year to discuss the requirements of the Company. Any member or members holding a majority in nominal amount of issued ordinary share capital may at any time appoint any person to be a director. The directors on the Board are detailed on page 6.

Committees

The Board was supported by the Accent Group Audit and Risk Committee (ARC). ARC met four times during the year. ARC has the responsibility for the detailed review of the Company's financial statements, the review of the effectiveness of the system of internal control, and the appointment of its internal and external auditors, including the agreement of the scope of their work and the review of their reports. The Board obtains external specialist advice from time to time as necessary. Key areas of focus discussed during the year included going concern consideration of the Group, including Accent Capital PLC and the recoverability of the on-lent bond funds to Accent Housing Limited. Members of the ARC are as follows:

Ilona Blue- Chair

Nici Audhlam-Gardiner – Non Executive Director

Nick Simkins - Independent

Serena Heathcote – Independent (appointed on 1 March 2025)

The Accent Capital PLC Board met on 25 July 2024, 4 September 2024 and 26 March 2025. The ARC met on 17 April 2024, 3 July 2024, 9 October 2024, 22 January 2025.

Internal controls assurance

The Board has overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, but not absolute, assurance against material misstatement or loss. No material non-compliance issues have been identified in the financial year.

The process for identifying, evaluating and managing the significant risks faced by the Company is ongoing and has been in place throughout the financial year. The Company does not have any employees and therefore adopts the diversity policy of Accent Group when and if required.

Monitoring arrangements

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

Capital structures

At the date of this report £50,000 ordinary shares of £1 each have been issued. At the year end, the shares remain partly paid at £0.25 per share. The shares provide a right to vote at general meetings. All of the shares in issue are held by Accent Housing Limited, there are no special rights attached to the shares.

Directors' Report (continued)

Corporate Governance Statement (continued)

Financial reporting

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

Independent auditor's report to the members of Accent Capital PLC

Opinion on the financial statements

In our opinion:

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

We have audited the financial statements of Accent Capital Plc for the year ended 31 March 2025 which comprise Statement of comprehensive income, Statement of changes in equity, Statement of financial position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

Following the recommendation of the Audit & Risk Committee, we were appointed by the Board on 13th January 2023 to audit the financial statements for the year ended 31st March 2023 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 3 years, covering the years ended 31st March 2023 to 31st March 2025.

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Independent auditor's report to the members of Accent Homemade Limited (continued)

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

Key audit matters		2025	2024
	Recoverability of the principal and interest receivable from intercompany loan	✓	✓
Materiality	*Financial statements as a whole* £4.2m (2024: £0.9m) based on 1.2% (2024: 1.2%) of Total Assets. (2024: capped at 0.3% of total assets for purposes of group materiality).		

An overview of the scope of our audit

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		**How the scope of our audit addressed the key audit matter**
Recoverability of the principal and interest receivable from the intercompany loan. As disclosed in note 1, the entity on-lends the funding obtained through the bond issue to its parent (Accent Housing Limited ("AHL")). The principal risk facing the entity is that the parent will be unable to make its interest or principal payments when they fall due. This includes the risk of being unable to repay these amounts due to the consequences of default by	The assessment of the recoverability of the related party debt involves several subjective judgements. The key judgements relate to the forecast position of AHL, including future covenant compliance. The downside scenarios for AHL include increased inflation, increased interest rates, exceptional expenditure, development delays and sales price fluctuation, which in turn will affect interest receipts to the Company.	Our audit response involved the following: • Assessment of management's review of the recoverability of related party debt including their review of the parent entity's assessment of its going concern status. • considering the forecasts prepared by parent entity management and challenging key assumptions based on our knowledge of the business; • obtaining and assessing the availability of the parent entity financing facilities, including the nature of the facilities, repayment terms and financial covenants. We considered management's financial covenant compliance calculations through to September 2026 and concluded on the consistency of such calculations with the ratios stated in relevant lender agreements;

AHL on any other funding arrangements held by AHL. Recoverability of these balances is intrinsically linked to the future viability of the parent entity and needs to be reviewed at each balance sheet date. Receivable balance disclosed in notes 7, 8 and 10.	We have therefore spent significant audit effort in assessing the appropriateness of the assumptions involved, and as such this has been identified as a Key Audit Matter.	• Considering the appropriateness of the parent entity's downside scenarios outlined in the going concern policy and challenging management to confirm that they had suitably addressed the inputs which are most susceptible to change, including those in respect of rental income, property sales, margins and cost savings; • challenging parent entity's management on the suitability of the mitigating actions identified by management in their assessment and the quantum and period ascribed to these mitigating actions; and • Consideration of the adequacy of the disclosures in the financial statements against the requirements of the accounting standards. *Key observations:* With regards recoverability of intercompany debt, we noted no material exceptions through performing these procedures.

Our application of materiality

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

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

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

	Company financial statements	
	2025 £m	2024 £m
Materiality	£4.2m	£0.9m
Basis for determining materiality	Based on 1.2% of total assets.	Based on 1.2% of total assets but capped at 0.3% of total assets for the purposes of Group materiality.
Rationale for the benchmark applied	The entity lends funds raised in capital markets to its parent entity, hence the value of the respective Intra Group debt owed to the entity is the main driver and therefore will have the greatest impact on decisions made by users of the accounts.	The entity lends funds raised in capital markets to its parent entity, hence the value of the respective Intra Group debt owed to the entity is the main driver and therefore will have the greatest impact on decisions made by users of the accounts. The capping of the value reflects the relative size of the debt in relation to

		the turnover that dictates the materiality of the Group.
Performance materiality	£2.9m	£0.6m
Basis for determining performance materiality	Performance materiality was set at 70% of materiality.	Performance materiality was set at 70% of materiality.
Rationale for determining performance materiality	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and our understanding of the audit entity.	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and our understanding of the audit entity.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £168,000 (2024: £36,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.
Matters on which we are required to report by exception	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 Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Company financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or

	• certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

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

Non-compliance with laws and regulations

Based on:

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

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

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

Our procedures in respect of the above included:

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

Fraud

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

- Enquiry with management and those charged with governance, Audit & Risk Committee, Accent Group internal auditor and their co-sourced external provider regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:

  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.

- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

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

Our procedures in respect of the above included:

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

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

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

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

Use of our report

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

DocuSigned by:
Hamid Ghafoor
829727ECC12041D...

Hamid Ghafoor (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Manchester, United Kingdom

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

29 July 2025

Statement of comprehensive income
for the year ended 31 March 2025

	Notes	2025 £'000	2024 £'000
Turnover		-	-
Cost of sales		-	-
OPERATING PROFIT		-	-
Interest receivable and other income	3	9,393	9,419
Interest payable and financing costs	4	(9,393)	(9,419)
PROFIT FOR THE PERIOD BEFORE TAXATION	2	-	-
Taxation on ordinary activities	5	-	-
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**-**	**-**

All amounts relate to continuing activities.

The accompanying notes on pages 18 to 23 form part of these financial statements.

Statement of changes in equity
for the year ended 31 March 2025

	Reserve £'000	Share capital £'000	Total £'000
Balance at 31 March 2023	**-**	**50**	**50**
Total comprehensive income for the period	-	-	-
Balance at 31 March 2024	**-**	**50**	**50**
Total comprehensive income for the period	-	-	-
Balance at 31 March 2025	**-**	**50**	**50**

Statement of financial position
as at 31 March 2025

	Notes	2025 £'000	2024 £'000
Fixed asset investments	7	351,846	351,907
Current assets			
Debtors	8	1,865	1,880
Cash at bank and in hand		13	13
		1,878	**1,893**
Current liabilities			
Creditors: Amounts falling due within one year	9	(1,801)	(1,816)
Net current assets		**77**	**77**
Total assets less current liabilities		**351,923**	**351,984**
Creditors: Amounts falling due after more than one year	9	(351,873)	(351,934)
Total net assets		**50**	**50**
Capital and reserves			
Called up share capital	10	50	50
Profit and loss account		-	-
Total reserves		**50**	**50**

The accompanying notes on pages 18 to 23 form part of these financial statements.

The financial statements were approved and authorised by the Board of directors on 23 July 2025 and were signed on its behalf on 29 July 2025 by:

Tom Miskell
Director
29 July 2025
Company name: Accent Capital PLC
Company number: 12007129

Notes to the financial statements

Legal status

Accent Capital PLC is a public limited company, incorporated on 20 May 2019 and registered in England and Wales, registered number 12007129. The Company is registered under the Companies Act 2006 and has listed debt on the London Stock Exchange. The registered office is 3rd Floor Scorex House, 1 Bolton Road, Bradford, United Kingdom, BD1 4AS.

The principal activity of the Company is to provide long term external finance to Accent Group. Please see Group structure details on page 2.

To issue bonds on the London Stock Exchange to the public there is a legal requirement that the issuer is a public limited company. Accent Capital PLC was incorporated on 20 May 2019 as a subsidiary of Accent Housing Limited and registered as a PLC on 3 June 2019. The financial statements are presented in sterling (£), which is also the functional currency.

1. Principal accounting policies

Basis of accounting

The financial statements of the Company have been prepared in compliance with Financial Reporting Standard 102 (FRS102) and the Companies Act 2006.

D**isclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS102:

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

Going concern

In making their assessment of going concern the directors consider a period of twelve months from the date of signing the financial statements. The company is a vehicle for raising debt finance for the Group and intends to carry out this function for the foreseeable future. In order to meet interest payments and covenant requirements the Company is dependent upon Accent Housing Limited to whom the Company has on lent the proceeds of the bond as per the terms of the on-lending agreement. Accent Housing Limited has in place long term business plans which have been stress tested to demonstrate the ability to meet all of its obligations for the foreseeable future. Stress tests included (but were not limited to) the consideration and impact of increased inflation rates, increased interest rates, additional cost of carry, exceptional expenditure, development delays and sales price fluctuation. These plans, stress tests and covenant forecasts have been shared with the Directors of Accent Capital PLC and are considered appropriate for use in the determination of going concern.

On this basis the Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt a going concern basis in preparation of its financial statements.

Interest receivable and payable

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

Bond issue costs

Costs incurred on the issue of the bond finance are recorded as a deduction from the gross proceeds of the loan and included in Creditors due within and greater than one year. The costs are amortised to the Statement of Comprehensive Income over the term of the loan using the effective interest rate.

Notes to the financial statements (continued)

1. Principal accounting policies (continued)

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Statement of Financial Position date.

A deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the Statement of Financial Position date. Deferred tax is measure on an undiscounted basis.

Current taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Debtors

Debtors are measured at the transaction price, less any impairment.

Share Capital

Ordinary shares are classified as equity.

Financial instruments

All financial instruments meet the criteria of a basic financial instrument as defined in section 11 FRS102. Financial instruments are held in the Statement of Financial Position at gross proceeds less the cost of raising the funds which are amortised over the life of the loan and are accounted for in accordance with FRS102.

The financial instruments are initially recorded at transaction price, adjusted for transaction costs, discounts or premiums on issue.

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

Financial liabilities:

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

Financial assets:

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

Loan finance issue costs are written off with reference to the effective interest rate over the expected minimum life of the associated loan. Loans are stated in the Statement of Financial Position at the gross amount less the unamortised portion of the associated issue costs.

Accounting judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experiences, knowledge and practice; in addition to expectations of future events which are reasonable under the circumstances. In preparing the financial statements management are required to make significant judgements and estimates.

Notes to the financial statements (continued)

1. Principal accounting policies (continued)

Accounting judgements and estimates (continued)

The items in the financial statements where accounting estimates and judgements have been made include:

Categorisation of the bond and loans
The Company has a listed bond, interest on the bond is on a fixed rate basis. The bond meets the definition of basic under section 11 of FRS 102.

The amounts on lent to the Group are on the same terms as the bond. The amounts meet the definition of basic under section 11 of FRS 102.

Recoverability of Intercompany Debt
Intercompany indebtedness represents almost 100% of the company assets. Accordingly, the receivables and recoverability of the sums due from Accent Housing is key element in management's consideration of the adoption of the going concern basis of accounting in the preparation of the financial statements. Management has concluded, based on the review of the financial and strategic business plans of the Accent Housing, that there is nothing to suggest the sums will not be recoverable in full over the life of the bond, and hence no associated provisions or impairments are required.

2. Result on ordinary activities before taxation

Bank charges and other professional fees of £57k (2024: £92k) and audit fees (exclusive of VAT) of £71.5k (2024: £69.5k) are borne and paid by Accent Housing Limited for which there is no recharge.

3. Interest receivable and similar income

	2025 £'000	2024 £'000
Interest receivable and similar income from group undertakings	9,218	9,248
Unwinding of the bond premium	175	171
	9,393	**9,419**

4. Interest payable and similar charges

	2025 £'000	2024 £'000
Interest payable on bond finance and commitment fees	9,191	9,220
Unwinding of the bond discount	114	111
Amortisation of bond issue costs	88	88
	9,393	**9,419**

5. Taxation on ordinary activities

The results do not give rise to a tax charge.

6. Directors and employees

The Company did not employ any staff during the period (2024: 0).
None of the directors received any remuneration during the financial period in respect of their services as directors of the Company.

7. Fixed asset investments

	2025 £'000	2024 £'000
Opening loan due from group undertakings	351,907	351,967
Amortisation of premium, interest and discount	(61)	(60)
	351,846	**351,907**

Notes to the financial statements (continued)

7. Fixed asset investments (continued)

As at 31 March 2025 the Company had on-lent 100% of the receipts from the bond after discount and premium to Accent Housing Limited. This loan is considered to be a fixed asset investment as it is intended for use on a continuing basis by Accent Housing Limited. The intercompany borrowings have a financial guarantee from Accent Housing Limited which is secured by a first fixed charge over property assets with a value in excess of total borrowings.

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

Interest is due semi-annually on 18 January and 18 July each year with a final maturity date of 18 July 2049. The effective interest rate is 2.607% before the amortisation of the discount and premium on the issue of the bond is recharged.

The credit risk as at 31 March 2025 is £351.8m (2024: £351.9m) which represents the total amount of funds raised from external bond holders through the bond issuance plus accrued interest. This risk to Accent Capital PLC is mitigated through several factors; housing assets held as security against the loan, the overall creditworthiness of the Group and the guarantees issued by Accent Housing Limited through an intercompany loan agreement. The credit risk with bond holders is managed through the same provision of the secured housing assets and intercompany loan agreement following the on-lending of the funds which bond holders understood and accepted at issuance.

8. Debtors

	2025 £'000	**2024 £'000**
Prepayments and accrued income	10	9
Amounts owed by group undertakings	1,818	1,834
Unpaid called up share capital	37	37
	1,865	**1,880**

9. Creditors

	2025 £'000	**2024 £'000**
<u>Amounts falling due within one year</u>		
Loan interest accrual	1,827	1,843
Unamortised premium on issue	179	175
Less unamortised discount on issue due	(117)	(114)
	1,889	1,904
Less bond issue costs due within one year	(88)	(88)
	1,801	**1,816**

	2025 £'000	**2024 £'000**
<u>Amounts falling due after more than one year</u>		
Amount due to group undertakings	2,150	2,238
Amount due to bond holders	350,000	350,000
Unamortised premium and interest on issue	5,647	5,826
Less unamortised discount on issue	(3,862)	(3,980)
	353,935	354,084
Less bond issue costs	(2,062)	(2,150)
	351,873	**351,934**

The amount due to group undertakings represents bond issue costs owed to the parent company and incurred on behalf of Accent Capital PLC.

Notes to the financial statements (continued)

9. Creditors (continued)

	2025 £'000	2024 £'000
Unamortised premium and interest	6,415	6,415
Amortised to date	(589)	(414)
	5,826	**6,001**

	2025 £'000	2024 £'000
Unamortised discount on issue	(4,590)	(4,590)
Amortised to date	610	496
	(3,980)	**(4,094)**

On the 18 July 2019 the Company issued £350m subordinated guarantee bonds ("the bonds"), which are due to mature 18 July 2049. These bonds are guaranteed by defined housing assets within Accent Housing Limited. The bond issued by Accent Capital PLC is listed on the London Stock Exchange.

On 18 July 2019 the Company placed £225m bonds at an issue price of 97.96% giving an effective interest of 2.725%. The proceeds of £225m before deduction of costs associated with the issue of the bonds and after the deduction of the discount of £4,590k was then on-lent to Accent Housing Limited at the same interest rate.

On the 12 October 2021 the Company placed the retained £125m bonds at an issue price of 104.519% giving an effective yield of 2.373%. The proceeds of £131.416m consisting of £125m retained bond before deduction of costs associated with the issue of the bonds, the addition of the premium of £5,649k plus accrued interest of £767k were then on lent to Accent Housing Limited at the same interest rate.

The borrowings have a financial guarantee from Accent Housing Limited which is secured by a first fixed charge over housing assets with a value in excess of total borrowings.

10. Called up share capital

	2025 £	2024 £
50,000 ordinary shares of £1 each allotted:		
Issued and of which 25p per share has been paid	50,000	50,000
<u>Current assets</u>		
Settled in cash	12,500	12,500
Debtors	37,500	37,500

Ordinary shares are classified as equity, the shares provide a right to vote at general meetings. The shares have been partly paid at 25p per share.

11. Related parties

As the Company is a wholly owned subsidiary of Accent Housing Limited, the Company has applied the exemptions permitted under FRS102 and has not disclosed transactions entered into with wholly owned subsidiary undertakings. There are no other related parties.

Notes to the financial statements (continued)

12. Parent Company

The ultimate parent undertaking and controlling party is Accent Housing Limited, a Company incorporated in the United Kingdom.

Accent Group Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 March 2025. The consolidated financial statements of Accent Group Limited are available from 3rd Floor Scorex House, 1 Bolton Road, Bradford, United Kingdom, BD1 4AS.