Annual Report
& Financial Statements

2023 2024

FOR THE YEAR ENDED 31 MARCH 2024

L4511 Registered by the Regulator of Social Housing


18

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The Board, *Executives & Advisors*

Non-Executive Board Members

Tom *Miskell*

Chair

Ilona *Blue*

(resigned as Co-opted Board Member, appointed as Board Member on 1 April 2023)

Nici Audhlam- *Gardiner*

Helen *Jaggar*

Archana *Makol*

James *Kelly*

(resigned on 28 September 2023)

Akshay *Shah*

Steve *Pearson*

Richard *Wilkinson*

David *Williams*

Co-opted Executive Directors

Paul *Dolan*

(resigned on 30 April 2024)

Sarah *Ireland*

(appointed on 22 April 2024)

The Board, *Executives & Advisors*

Executive Directors

Sarah *Ireland*

Interim Chief Executive Officer

(appointed on 22 April 2024)

Julie *Wittich*

Chief Operating Officer

Kirsty *Spark*

Executive Director of Finance and Business Services

Jason *Wickens*

Interim Chief Information Officer

(appointed on 1 November 2023, resigned on 5 July 2024)

Amina *Graham*

Interim Executive Director of Strategy and Growth

(appointed on 8 April 2024)

James *Anderson*

(appointed on 18 June 2024)

Paul *Dolan*

(resigned on 30 April 2024)

Company Secretary

Kirsty *Spark*

Registered Office

3rd Floor
Scorex House
1 Bolton Road,
Bradford
West Yorkshire,
BD1 4AS

Registered Numbers

Charitable Registered Society No. 30444R under the Co-operative and Community Benefit Societies Act 2014

Registered by the Regulator of Social Housing (RSH) No. L4511

External Auditor

BDO LLP
3 Hardman Street
Spinningfields
Manchester, M3 3AT

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

Chair and Group Chief *Executive's joint statement*

We do what we do at Accent to help create a fairer society and we are driven by our fundamental belief that providing good quality homes and by helping to tackle the housing crisis we will give our customers security and stability in their lives.

Providing access to safe and affordable, quality housing will also help to address wider issues in society by offering people, including families with children where we see an increasing number housed in inappropriate temporary accommodation, a better foundation for living, and the opportunity they need to thrive where they live.

The challenges faced by the communities in which our customers live vary from region to region, and over time, so it is for us to ensure that our homes and services remain relevant and continue to meet the changing needs of our customers. Collaborating with our customers to improve our services is fundamental to providing high-quality services and places where customers can feel 'good to be home'. This is why, to help drive improvements to our services, we have launched our new 'Customer Champions' initiative. Long-standing Accent customers, our Champions will review customer feedback, assess, and scrutinize our performance, and present opportunities for change in relation to the top three areas our customers have told us we need to do better: complaints, anti-social behaviour and estates services.

Involving our customers as much as possible isn't only the right thing to do; it's the first step towards truly customer-centric thinking.

'Customer-influenced services' are at the heart of our new Corporate Strategy, which we launched at our annual staff conference in March. Customer engagement is an ongoing relationship that we value and learn from, which is why we are committed to providing simple channels that empower and encourage customers to give us regular feedback and using this to co-design and make improvements to our services.

Sometimes the improvements we need to make to our services require a greater degree of change. Earlier this year we reviewed our Specialist Housing service in direct response to customer and colleague feedback. We explored the service we provide to customers in our Independent Living schemes, how it was being delivered and, importantly, how it was perceived by our customers. This enabled us to map out the future of the service with a focus on how it will better support our vision to offer security, quality, comfort, and excellent value for money to customers, regardless of tenure or location. With a new team structure now in place, our renewed service offer will go further to help our customers enjoy fulfilled lives and live as independently as possible in our schemes, whilst feeling safe in the knowledge that we are there to offer additional support and advice, whenever it may be needed.

Delivering excellence through customer-influenced services is at the core of our newly formed Customer Relations directorate which brings together our Housing and Technical Customer Contact Hubs, together with all on-the-ground customer engagement, community development, financial inclusion initiatives, and associated service improvements. Bringing together this wide range of specialisms from across the organisation will enrich our approach to customer engagement and ensure we involve our customers as much as possible and are able to act responsively to their future needs, aspirations, and challenges.

We ran our first Customer Perception Survey aligned with the Tenant Satisfaction Measures (TSMs) last Autumn. To share the survey results directly with our customers, together with our first set of main TSMs results from the reportable Key Performance Indicators (KPIs), we held one of our biggest ever customer engagement events. During December, more than 200 colleagues went out into our communities up and down the country to hold 'The Big Conversation,' visiting close to 10,000 homes and speaking to over 1,500 customers over two days.

Chair and Group Chief *Executive's joint statement*

We talked about our customer satisfaction results, particularly areas where we need to improve, such as customer satisfaction with our approach to complaint handling. We also talked about communication; a topic covered by the additional question we included in the Customer Perception survey. We shared how the results helped us identify our communication priorities from a customer's perspective including: ease of contact; keeping them updated; always following up when we say we will; listening and acting on feedback; visibility of our Housing Services teams; local news; and performance updates.

Pre-empting the need for better regular communications, we launched our first edition of 'In the Loop,' a bi-monthly newsletter comprising a blend of community, regional and national news, and features last summer. Hand-delivered by our Housing Partners, often during scheme walkabouts or inspections, the newsletters not only give us more opportunity to be visible in our communities, but also for our customers to talk to us about local issues that are important to them such as anti-social behaviour.

One of the key pillars of our new corporate strategy is Investing for success! Last year we made a record investment in our existing homes by spending £52.3m across all planned, revenue repairs, voids, cyclical and major works. This includes £1.4m on new insulation and other sustainability works to significantly improve the thermal insulation of our homes and reduce running costs for our customers.

We also delivered 431 new homes with the potential of housing up to 1,664 people. We will continue to develop our programme of new homes with the majority, over 90%, of our 1,200-home pipeline identified, being delivered on land led sites to a minimum EPC A environmental standard.

At the end of the 2023/24 financial year, we have once again retained our top regulatory ratings, and Standard & Poors (S&P) have recently confirmed our strong 'A' stable financial credit rating. This follows our first In-Depth Inspection (IDA) during the second quarter as part of the Regulator of Social Housing's IDA Consumer Regulation Pilot. We have also ensured that we fully met our required compliance performance, ensuring our customers are safe and secure in their homes. All these positive outcomes demonstrate Accent's strength and resilience which will equip us well as we continue to work within an environment of increased consumer focused regulation.

The Executive team and Board would like to express our gratitude to Paul Dolan who stepped down as CEO in May 2024 after seven years of dedicated service. Paul was an integral part of our organisation, contributing significantly to our growth and overall advancement of our purpose to provide quality homes and services to our customers, and we wish him all the best for the future. Sarah Ireland was appointed by the Board to the role of Interim CEO in February and has led the organisation since April. Our search for a new, permanent CEO is progressing well, and we hope to confirm an appointment during the second quarter of the year.

This report details our performance throughout 2023/24 and reflects the unwavering commitment of everyone at Accent including our Board and Committee members, the Executive team, senior leaders, and the full breadth of specialists at every level across the organisation. It is only with the collective drive and shared ambition of our people to help us realise our vision that we can deliver the best possible outcomes for our customers and the communities in which we work.

Signed by:

69377C1E8D074AE

Tom Miskell
Chair

DocuSigned by:

SF Ireland

EA9E877213BB4A7

Sarah Ireland,
Interim Chief Executive

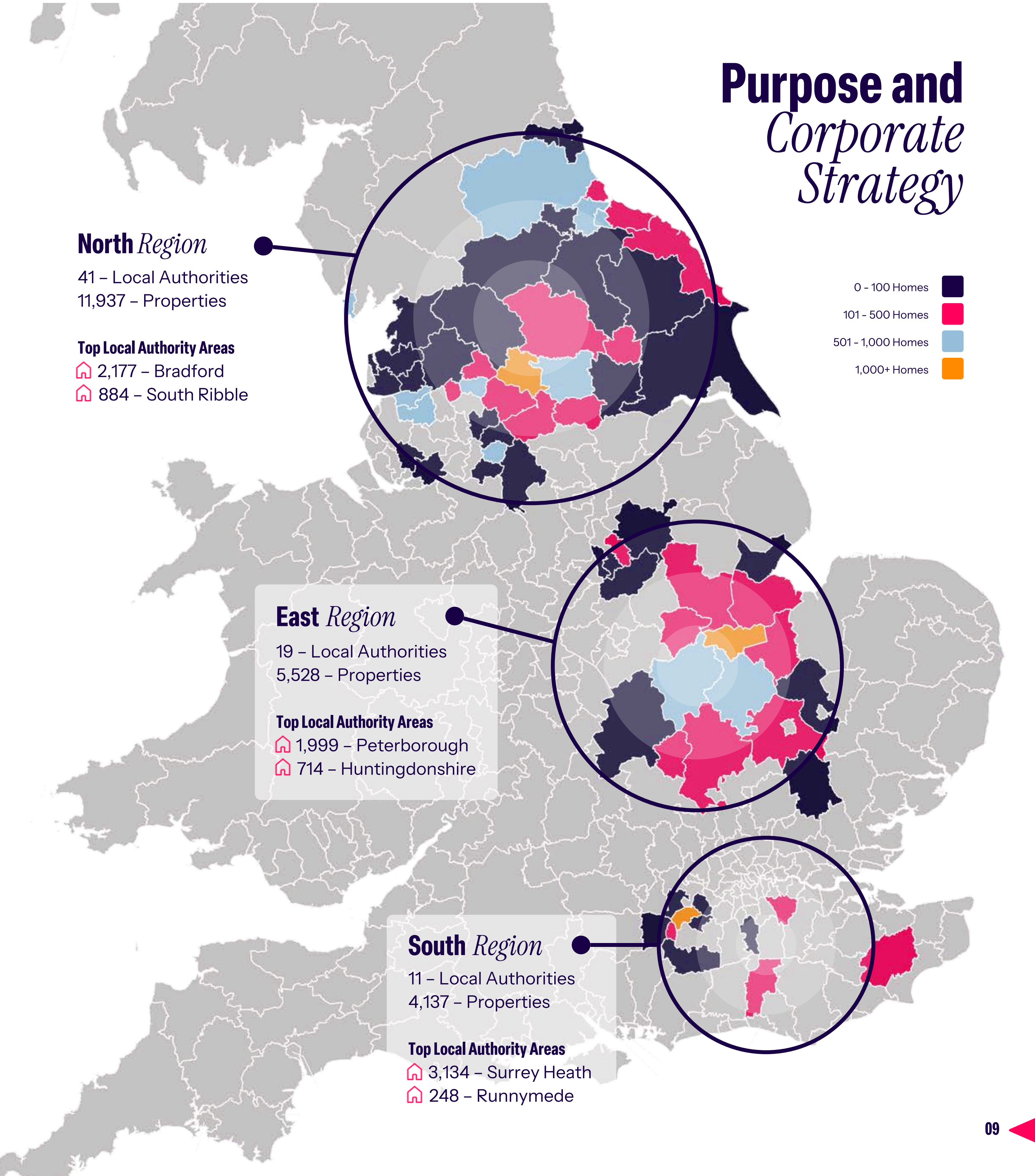
Strategic *report*

Definitions

Accent Group Limited is the ultimate holding entity into which the results of all subsidiary companies are consolidated. The terms “Group” or “Accent” in the report and financial statements refers to the consolidation of Accent Group Limited and all its subsidiaries. The term “Society” refers to the statutory entity Accent Group Limited.

The subsidiaries in the Group include Accent Housing Limited, Accent Homemade Limited and Accent Capital PLC.

Purpose and *Corporate Strategy*



North *Region*

41 – Local Authorities
11,937 – Properties

Top Local Authority Areas
- 2,177 – Bradford
- 884 – South Ribble

East *Region*

19 – Local Authorities
5,528 – Properties

Top Local Authority Areas
- 1,999 – Peterborough
- 714 – Huntingdonshire

South *Region*

11 – Local Authorities
4,137 – Properties

Top Local Authority Areas
- 3,134 – Surrey Heath
- 248 – Runnymede

We are *Team Accent*. We were formed in *1966* and have grown in the time since to now serve over *41,000* customers across the *north, east* and *south* of the country.

We are driven by the fundamental belief that helping to solve the housing crisis will provide people with stability, a foundation for better living and contribute to the nation's wider objectives for local and national growth.

We are clear on the impact we can make across our areas of operation and motivated by our values, strong vision and core purpose of providing top quality homes and services for our customers. We know that we have a large part to play in helping to overcome the difficulties that households on lower incomes face, and it is incumbent on us to deliver our core services to the best standard possible so that all of our customers feel that it is 'good to be home'.

At Accent we care, we are inclusive, smart and driven and we work in partnership with others to ensure our customers and communities are heard and supported to grow and thrive. Our customers' voice drives our decision making and our colleagues are invested in to deliver the best outcomes, ensuring that together, we create moments that matter.

Our Strategy

Since 2018, we have undergone a series of transformative shifts. Firmly rooted in our social purpose, we pledged to enhance the quality of homes and services through four pivotal commitments:

- a substantial increase in new home construction,
- greater investment in existing properties and service delivery,
- a focus on personalised service experiences,
- the creation of a culture positioning Accent as an employer and partner of choice.

Through extensive changes to our funding and governance arrangements, our leadership structures and delivery models, our previous corporate strategy navigated a period of substantial transformation, laying strong foundations and future-proofing Accent against a backdrop of ongoing economic turbulence.

Now, having reached the end of 'Building Better Futures 2021-24' we stand at a critical juncture, fortified by the successful implementation of these changes and a renewed focus on our core mission.

Our new corporate strategy, Building on Strong Foundations, covers the period 2024-2027, and is a continuation strategy to grow from these solid foundations and ensure all our improvements have a positive impact on our customers' satisfaction and the lives they live.

Building on Strong Foundations 2024-27 has four key pillars:

1.

Creating quality
homes for the future

Our asset management strategy sets out the foundation stones for preparing Accent to be both environmentally and financially sustainable in the long term, building and maintaining good quality assets that will provide larger numbers of better-quality homes for our customers that are loved and affordable to access and run.

2.

Driving excellence
through customer -influenced services

We want our services to meet the needs and the expectations of our customers and believe the best way to achieve that is to involve them as much as possible. We want to promote a more customer-led approach to improving services, based on feedback, co-design, and a deep understanding of customer needs. We will do this through authentic engagement - listening, understanding, and acting responsively to the needs, aspirations and challenges of our customers.

3.

Investing
for success

We will build an environment where everyone is valued, respected and appreciated for who they are and what they bring. We will create ‘moments that matter’ for our internal and external customers and colleagues every day.

4.

Contributing to
lasting change

Our national footprint provides us with an authoritative and unique perspective to talk to and evidence the fallout of the housing crisis.

As an organisation with a strong commitment to continued growth, we will work with our stakeholders to achieve better outcomes for our customers by adding our voice to sector-wide lobbying activity. We will align with the key messages of our sector whilst presenting our own insight and expertise, utilising our customers’ lived experience to support our calls for long term, lasting change.

Emma Raven,
Camberley customer

“I cannot over emphasise what welcome news this strategy is. As a customer for many years, I am feeling *excited, positive* and *optimistic* about the future. Hearing that there is an intention for Accent to reach out to, *involve* and *collaborate* with customers cannot have come at a better time.

It cannot be ignored that for many families the struggle is real, battling with daily challenges, managing day to day and overcoming hurdles is something many of us have had to get to grips with. Knowing that moving forward, Accent will be hearing voices, taking the time to truly understand issues and personalising their responses can and will alleviate some of that strain. Now I know, there will be listening ears looking at customers with understanding eyes offering proactive, positive and helpful solutions.

Exciting times ahead - Promoting an ethos of new relationships coupled with a strategy to build confidence, inclusion and collaboration whilst cementing communities, at a time when it is truly needed can only be a positive step towards achieving a brighter future for all.”

Principal Risks
and Uncertainties

Our operating environment has continued to be one of change and uncertainty with high levels of risk and the need for careful business planning. Our Board and Audit and Risk Committee (ARC) have discussed risk regularly throughout the year. Accent's strategic risk register has been analysed in comparison with the Regulator's Risk Profile 2023 and the Audit and Risk Committee and Board have been assured that our risk registers provide appropriate reference to all relevant risks.

The Board has taken time to explore and define its risk appetite through an externally facilitated workshop and subsequent strategic discussion with all non-executive directors. Through these sessions, the Board has a clear and shared understanding of the risks we face, the controls and mitigations in place and the business decisions we are, and are not, prepared to take in order to achieve our strategic objectives.

At 31 March 2024 Accent's highest current risks were considered to be:

Significant imbalance between income and expenditure:
The likelihood for this risk remains high as the drivers are external and we have limited control over the inherent risk environment. However, this is a risk that is taken very seriously, and continual stress testing and robust recovery and mitigation plans are in place. Accent's financial position overall is favourable, as noted in the recent IDA V1 assessment and in the S&P A rating.

Cyber attack:
This risk remains a concern due to the level of external threat which continues to increase globally. Accent has robust ICT security and has gained the cyber essential plus accreditation through proactive and consistent activity such as regular user awareness and testing campaigns and improved back-up systems to mitigate ransomware attacks. In addition, we have cyber insurance and are exploring additional insurance cover. Current investment in ICT has increased over the past financial year, not least in the creation of the Chief Information Officer post and supporting team.

Recruitment and retention:
Although currently still one of Accent's top five strategic risks, risk levels in this area are reducing as our employee turnover is stabilising following a period of restructuring. Arguably, an operational risk, the Board have kept this risk in focus through inclusion within the strategic risk register as they have been keen to retain oversight of the changing analysis of this risk throughout the year. Initiatives introduced in the past year, include strengthening recruitment processes, developing the on-boarding programme for new employees, enhancing the learning and development offer to colleagues and developing organisational culture and colleague communication. As a collective result of these efforts, it is likely that this risk will be re-assessed in the near future and will no longer be one of Accent's top five risks.

Health and Safety Incident:
This risk is assessed as unlikely to occur although, the overall assessment is high as clearly, should it materialise, a significant health and safety incident would have a critical impact. The profile of health and safety at Accent has been strengthened through the creation of a Head of Health, Safety & Facilities role and the addition of this role to our senior leadership team. This ensures that health and safety issues are discussed regularly at senior level and that the lead for health and safety has sufficient visibility and influence to maintain a robust health and safety culture throughout the organisation.

R&M partner contractor fails or withdraws from contract:
Also largely an operational risk that is reducing, this risk remains in the spotlight due to the ongoing harsh economic environment and the need for constant vigilance in monitoring the financial health and performance of key third party suppliers. As we have no direct labour force at Accent and deliver all repairs and maintenance services through contractual arrangements with our partner suppliers, we work hard to ensure appropriate controls are in place in this area. Contractual relationships are clear and fair with an expectation of honesty and transparency. Constant performance monitoring is in place and key contractors have shared their business continuity plans with us. Colleagues in our Technical Hub are trained to diagnose repairs and this has improved the level of 'first time fix' repairs and increased efficiency for contractors as well as outcomes for customers. These controls are constantly monitored and regularly audited.

The Board will continue to review strategic risk with the support of the ARC throughout the coming year. As we move into a new iteration of the corporate strategy, further discussion around risk appetite will take place as part of the continual business cycle.

Our *Highlights*

G1/V1

A stable *credit rating*

(reaffirmed July 2024)

431 new homes with the potential *of housing up to 1,664 people*

Rent arrears *at 2.8%*

92% stock *condition data*

82% of our *homes already performing at EPC C or above*

99.99% of *homes meet the decent home standard*

Our *Highlights*

£26.1m of capital reinvestment works *with over 4,000 components replaced*

100% compliance has been achieved at *year end on the completion of Fire Risk Assessments and remedial actions*

Newly launched *Customer Champions*

Operating Margin *25.1%*

EBITDA MRI *150.6%*

Gearing *39.3%*

Development

431 new homes
completed

Approved pipeline
of over 1,200

90% of homes on site at
31.03.24 were land-led

Ability to house up to
1,664 new customers

208 new homes
built to EPC A

The *housing crisis* is worsening.

Homelessness is increasing.

According to research presented by the National Housing Federation, right now there are 8.5 million people in England who can't access the housing they need. This includes two million children in England living in overcrowded, unaffordable or unsuitable homes.

The total cost to our society caused by poor housing is estimated at £18.5bn per year. The total cost to the NHS is £1.4bn a year.

Government figures released in November 2023 revealed there were 105,750 households living in temporary accommodation, including 138,930 children. These levels are the highest since records began.

We take our role in helping to overcome the housing crisis very seriously and have transformed our development programme dramatically over recent years.

Our approach to development at Accent reaches beyond building new homes; we actively seek strong values-led partnerships and identify sites where we know communities can develop and thrive, where customers and future generations can live well, affordably, and where a support network can form to provide strong opportunities for independence and growth. We do this because we know having a stable home is the foundation to living well.

Supporting Our Communities *Through Partnerships*

Case Study

Working with construction partners who share our social values is extremely important for us. We build and nurture partnerships and joint ventures with organisations whose values align with our own; with a shared goal to provide quality sustainable affordable housing for those in need.

One recent collaboration is with Allison Homes, a large housebuilder based in Peterborough. We are currently working with them on a number of new developments in the East, and they have committed to donating £100 per home built to a local charity working to support the new communities we are building. We jointly selected Ferry Project to receive their substantial donation of £13,000 from the 130 homes being built at Whittlesey.

Ferry Project offers support by providing emergency and longer-term accommodation to those experiencing homelessness and vulnerability. The charity reaches out to about 80% of Fenland's homeless community and has guided nearly 3,000 individuals on their journey toward independent living since 1998. The donation contributed to renovating a commercial kitchen into a modern cookery school for private courses and free classes for those in need, teaching them how to cook healthily and cost-effectively. The charity plans to run classes and clubs which will bring groups together who may be lonely or struggling with mental or physical health issues.

Our landmark Development and Growth Strategy 2019-24 came to an end in March 2024 having started on site with 1,969 new affordable homes during the strategy's lifetime. To meet the needs of our customers and grow communities of tomorrow, our approach to development has changed significantly during that time, shifting from buying almost all properties through S106 or 'off the shelf', to a predominantly land-led programme. Of the 880 homes on site at 31 March 2024, 90% were land-led.This long-term strategic approach means we have more control of our delivery programme. We build a range of new homes where they are needed most, and to the design, safety, security, and energy efficiency standards that we know our customers want.

The financial year 2023/24 was a bumper year for Accent completions, taking handover of 431 new homes for up to 1,664 customers. This is the highest rate of completions for at least 10 years, in an environment which is still providing new challenges across the sector and where many providers are slowing down their development pipeline. Accent's approved development pipeline is currently just over 1,200 homes with 834 of these in contract. We will deliver 438 quality low-cost affordable homes next year in areas of strong housing need.

In Spring 2023, and at Homes England's invitation, we submitted a revised delivery plan for Accent's Strategic Partnership 2021-26. Reflecting rising costs we negotiated increased grant rates with the overall number of homes to be delivered reduced from 3,305 to 2,809. We are now at the mid-way point in this programme and together with our partners have delivered a cumulative total to date of 1,517 starts which is 54% of the revised total allocation.

We continue to improve the environmental standards of our homes. Just under half of our completed homes in 2023/24 were EPC A rated, and of our homes currently on site and in delivery, 79% are set to achieve EPC A.

We sold 81 homes to shared owners and exceeded our target with £9.9m received in first tranche sales receipts. Despite the rising costs associated with buying a home we consistently received high levels of demand and enquiries through the year, had a better than target void time for new homes at just 58 days and we received an overall 4.7/5 Trustpilot score for Homemade Homes by Accent.

Trelowen Way

"We've been on the housing waiting list for *6 years*, and this is the first home that has been suitable for my daughter's needs. *This will be life-changing for our family.*

I could work all the hours in the world but I'd never be able to afford a property with the adaptations we need. It feels so homely too, not just a property with adaptations, with lots of storage to hide away all the equipment.

Everything has been thought through – wide parking spaces, an accessible garden and all the little things needed to help my daughter lead a more independent life."

A family of three moved into one of the four specially adapted bungalows at Trelowen Way in November 2023.

With innovation, inclusivity and sustainability at its core, our Trelowen Way development represents a step forward in creating vibrant, accessible communities for all.

This scheme of 75 homes for affordable rent became a benchmark for Accent, as it met EPCA with PV panels, modern methods of construction and EV charging points.

We worked in partnership with Peterborough City Council to co-create the scheme, ensuring we met local housing need where there is significant shortage of affordable housing. 100% of all residents came from PCC's housing register.

Out of the initial allocations of the 75 homes, 40 families were either registered as homeless or came from temporary accommodation. A further 23 were categorised as the highest level of priority on the housing register and 4 families were referred due to medical need.

Trelowen Way serves as a prime example of Accent's unwavering commitment to land-led schemes, underscored by our strategic decision to allocate 70% of our development program towards this approach. This enables us to have greater influence over the design and layout, resulting in improved quality and higher specifications that exceed Building Regulations. By emphasising energy efficiency and embracing MMC, such as prefabrication and modular techniques and open panel timber frame, Trelowen Way embodies our dedication to sustainable practices and innovative solutions.

Our focus on developing in areas with the most pressing housing needs underscores our mission to make a meaningful impact on communities. Since customers moved in last year, our newly formed Community Development and Inclusion Team has worked hard to build a neighbourhood from scratch. Significant partnership working with local charities has enabled signposting to much-needed services such as furniture recycling, NHS support and sporting collaborations to boost engagement. A community fun day was held over Easter where 10 local partners attended to provide help and support to families, plus free activities. ASB and rent arrears are low, and customer feedback is extremely positive.

Trelowen Way was a trailblazing scheme for Accent, which has provided the blueprint for current and future development work.

Asset *Management*

92% **stock** *condition data*

£26.1m **of capital** *reinvestment works*

Over 4,000 **components** *replaced*

The strengthening of our *Asset Management* and *Customer Safety* functions in 2022/23 has had a positive impact on delivery over the past financial year.

The Planned Maintenance team have delivered exceptionally well in their new structure, replacing over 4,000 components, and delivering over £26m of capital reinvestment works. The advancement of our planned maintenance programme is increasing our ability to preserve our homes, drive cost efficiency through proactive repairs, meet regulatory compliance and increase customer satisfaction.

Case Study

Planned Works Summer Roadshow

In the summer, we hit the road with a planned maintenance roadshow across our north and east regions. The aim was to talk with customers about our kitchen and bathroom planned works and understand their preferences on the samples we could offer. This feedback has directly impacted our specifications for the next five years.

The events were well attended, and customers were positive with the options presented.

Mixer taps were preferred by many customers, as too were certain tile shapes and sizes, and there were clear favourites in certain kitchen unit and worktop options. Views were generally consistent, which means we can still offer a good range of choices customers will be happy with, but also deliver good value for money.

A customer benefitting from a new kitchen emailed us to give her feedback:

"I just wanted to send this email to say that yesterday 10th January 2024, my cupboards were finally fitted, and I'm beyond pleased, *I am so happy with them*, there are literally no words...

The contractors were also *brilliant, very professional, polite, friendly, very tidy* and took all the rubbish with them, and even hoovered the floor!"

We have continued to collect data on our properties, and we now hold 92% of fully surveyed stock condition data for our homes where we hold a maintenance responsibility, and we remain on target to achieve 98% over the next 12 months. At March 2022, this figure was just 58.88%.


EA7

Sustainability

We are committed to shaping a *sustainable future* and we are acutely aware of our wider responsibilities to minimise our *environmental footprint* and increase the *affordability* of running our homes for customers. We are in a strong position to build from, with *82%* of our homes already performing at *EPC C or above.*

We understand that our present actions will sculpt tomorrow's landscape, and therefore, we are dedicated to ensuring that we create lasting, positive impacts on homes, our customers and the communities we serve.

In addition to employing innovative, sustainable-led modern methods of construction to develop highly energy efficient properties, we are working to pilot retrofit projects within our current homes, with 84 properties benefitting from some level of retrofit work last year.

We have now completed two Social Housing Decarbonisation Fund (SHDF) Wave 1 projects and one SHDF Wave 2 project in Yorkshire.

The SHDF Wave 2 project in the East is progressing well. This will see 64 homes receive retrofit works including insulation measures, solar PV and heat decarbonisation, as well as moving some homes from oil to air source heat pumps.

Additionally, we are benefitting from funding from West Yorkshire Combined Authority under the Mayors Fund to install 99 homes with loft and/or cavity wall insulation. At the same time, we are also installing LED lighting, draught-proofing, and ventilation upgrades to these homes. We plan to increase our retrofit works to at least 163 properties in 2024.

Our newly launched Community Development and Inclusion team have been working in partnership with utility companies and support agencies to bring together advice and support to help people to keep the running costs of their homes as low as possible.

Case Study

Brighouse Home Retrofitted to Improve Energy Efficiency

"My home is very warm compared to before. I hardly have my heating on now and I am making a saving on my bills."

Retrofit works have been undertaken to improve the energy efficiency of six homes in Brighouse, West Yorkshire.

The social-rented homes have received external wall insulation, had their roofs replaced including new loft insulation and new thermally efficient windows and doors.

All these measures will help to retain warmth and improve thermal comfort, reducing the energy required to heat the home. This not only provides savings on customers' energy bills but also reduces the carbon emitted from the houses by up to 1.8 carbon tonnes per year – the equivalent of running two small cars! The scheme has been part-funded by a grant from the Government's Social Housing Decarbonisation Fund.

Health
& Safety

Above anything else, the *safety* of our customers and colleagues is *paramount*.

We have made significant investments in enhancing the profile of health and safety throughout the organisation over the past year. Our lead health and safety role has been made part of the senior leadership team in alignment with our commitment to ensuring a health and safety culture throughout the organisation.

Our health and safety performance continues to be very strong, and we end the year with 0 overdue gas safety checks and 0 overdue insurance examinations or services on communal lifts, and with the overdue remedial works to the lifts at their lowest point in 3 years. Following increased focus and stronger contractor management, we are also continuing to see improvements in the electrical testing and remedial works programmes as well as the water hygiene remedial works.

Fire Risk Assessments, Water Hygiene Risk Assessments and Asbestos re-inspections have consistently been completed on time through the year, and we enter the new financial year with a new Customer Safety Manager ready to build on this strong performance.

We recently reduced the size of the 'patches' our Housing Partners manage to increase local knowledge and to get to know our customers better. This has in turn improved multi-agency working where issues such as hoarding, domestic violence and mental health needs have previously been a barrier to allowing access for health and safety work. Housing and Customer Safety teams have worked closely together alongside our key partner contractors to ensure that health and safety performance is robust across all workstreams and all geographical areas.

Building & Fire Safety

We are committed to working with external stakeholders to ensure Accent meet its obligations in relation to Fire and Building Safety. 100% compliance has been achieved at year end on the completion of Fire Risk Assessments and remedial actions, and we have entered into a 'Primary Authority Agreement' with Merseyside Fire Brigade to support us in managing fire safety across our entire stock portfolio. We have also registered our High-Rise buildings with the Building Safety Regulator this year, and completed the remediation work to two high rise blocks in Aldershot.

The building and fire safety risk has been reduced by removing flammable materials from the exterior of the buildings and replacing them with the fire rated cladding.

Customer Voice & Experience

The last twelve months have seen significant change to the way we manage our housing services. A major restructuring in April 2023 marked a new and revitalised housing management service for Accent residents.

Dedicated Housing Partners now manage a 'smaller patch' which allows the partners to oversee all elements of a customer's tenancy. The structure supports our ability to grow meaningful relationships with the aim of delivering strong performance and satisfaction, built on the benefit of true co-collaboration and trust. Our commitment to this began early with customers joining the recruiting panel of key management appointments.

Investing in customers to ensure they are equipped to engage in, and influence decision-making is a key objective for Accent. During 2023/24 we funded the CIH Level 2 Housing Course for one of our involved residents.

This was such a success, we have extended it to three more customers and are now investigating ways that we can expand this further to help with customer appointed Committee and Board succession planning.

2023 saw the launch of our brand-new Community Development and Inclusion team whose purpose is to support and enhance 'on the ground' engagement with residents and communities to ensure that our customers are able to influence decision making at a local and national level. In addition, the team will provide digital and financial inclusion support.

Case Study

Community *Development & Inclusion*

"*Very happy* with the service I have received. Cannot praise you high enough. I feel a lot of weight has been lifted off my shoulders and a lot of despondency has disappeared.

You could not have done any more and you helped me look into all avenues, even those I would not even have thought of going in. *I can't thank you enough* and I have even been telling my family about how much you have *helped*."

We believe that we have a fundamental part to play in helping to overcome the difficulties that households on lower incomes face, and our commitment to customer well-being, delivering a personalised service and tackling digital exclusion demonstrate this every day.

A new role, the Director of Customer Relations, was recruited to at the start of this calendar year to enhance our ability to create strong feedback and learning loops from all formal and informal customer engagement to drive service improvements. This work will be supported by improving the customer data we hold to ensure we can identify and remove any barriers which could prevent customers being able to engage with us.

Our data team has been strengthened to deliver this, and 2024/25 will bring advancements to our insight function.

In preparation for the launch of a new customer engagement strategy we took time throughout 2023/24 to seek customer's opinion to new approaches and hear from them about how they want to be engaged with in the future.

Case Study

The Big *Conversation*

In December 2023, we hosted one of the *biggest-ever* events to engage customers in the results of our first *TSM survey*.

Knowing everyone at Accent is responsible for delivering positive customer experiences is the reason we brought together close to 200 colleagues from north to south to visit our communities and speak to as many of our customers as possible over two days.

One story told by a housing partner shows the power of our increased presence in communities.

"During the event, I managed to speak to a customer who had been too afraid to engage and ask for help before. Seeing our commitment that day to building personal, strong relationships with customers gave him the confidence to open up and ask for help with low level hoarding. I visited the following week and worked with him to get on top of the problems he was experiencing. He could not have been more grateful. The new structure, with smaller patch sizes allows for this personal intervention to support people when needed to live happily in their homes."

We knocked on *9,136 doors*

&

had conversations with *1,597 people*

Case Study

Improvements Through *Customer Engagement*

In the summer, we introduced an *enhanced void standard*, based on what our new customers told us would have made their lives easier when they moved into their *Accent home*.

We have introduced carpeting in bedrooms of our General Needs properties where there is no flooring and Independent Living Schemes will be carpeted throughout. Where the home has not been decorated, all customers are offered decoration vouchers.

In addition, we now fit humidity sensors called hygrometers at every void to help customers manage their heating and to show them how well their new home is ventilated. They also help us to proactively manage damp & mould.

Some of our older customers told us that we needed to improve our communications and engagement around service charges. We identified customers who had previously reported dissatisfaction in this area and worked directly with them to co-curate a new approach.

This included training for Scheme Managers to provide more on the ground support when needed, new literature and the launch of 'Service Charge Week'. Customers fed back that they felt listened to, valued and they were able to feel a difference when the new approach rolled out.

We are currently developing a new customer website, and knowing we needed to ensure communications to customers and access to information is strengthened, we searched for customers to join the project team. Work is still ongoing, but so far they have helped procure a new website supplier, taken part in project scoping and discovery sessions, attended user testing workshops and helped with the design briefs. Their input is invaluable, and we will continue to work closely with customers as the project continues into 2024/25.

Case Study

Good Neighbour *Awards*

In *April* we launched our first *good neighbour awards.*

This initiative was piloted in our North East region and focused on two areas, one of which has had high incidences of severe anti-social behaviour. Working alongside customers to build strong communities was at the heart of this initiative. Lots of people took part in the pilot and we invited one of our involved customers from our East region to sit on the judging panel.

People

Our people make us who we are, and we're committed to developing and investing in *#TeamAccent* to create *moments that matter* for colleagues and customers.

A new Director of People joined in July 2023, with a clear vision to co-create a People Strategy that recognises, rewards and develops everyone who works at Accent.

Over 100 colleagues and leaders were involved in the development and refinement of the new strategy, which identifies five key areas of focus:

- Attraction and onboarding
- Growing and thriving
- Performing well
- Culture: inclusion, wellbeing, engagement
- Appreciation and reward

During 2023/24, the People Team underwent a restructure to deliver on the aspirations of the new People Strategy and to increase compliance with the launch of a new shared service. Other significant work included the creation of a new Learning and Development Strategy which will create an environment that supports colleagues and teams to thrive; use colleague feedback to build a consistent and outcome driven approach to learning and drive high performance through accessible, tailored growth opportunities and collaborative learning experiences.

We know that to deliver strong service performance for our customers, we need a highly skilled and motivated workforce with strong capabilities, resources, data and processes to achieve well. A holistic review was undertaken of our organisation design with investment in a large-scale project to review our ways of working. 2024/25 will work to enact the recommendations from the review. In addition, and in recognition that we need to invest in our technology and data services to grow our business performance, we recruited a Chief Information Officer to the Executive Team and created a new business transformation function to ensure we adopt an effective and professional approach to our continuous change programme.

Last year we launched our HIVE survey which allowed for the gathering of unprecedented colleague insight and for us to calculate our employer Net Promotor Score (eNPS) to understand our colleague's satisfaction and likelihood to recommend Accent as a good place to work. Utilising this insight, we built team development plans and used feedback to refine our new people service strategies. We've worked across all teams to support the embedding of MGI - an internationally renowned customer service training programme - with initial all-staff training followed up by a programme of ongoing embedding via team huddles. The newly launched EDI calendar, people series webinars and café programmes have connected colleagues to each other, allowing for open discussion of key topics to learn, listen and share to maintain an inclusive Accent culture.

Next year we will focus on building our employer brand to attract and retain talented colleagues to Accent and we will use exit interviews and ongoing HIVE surveys to identify improvement avenues. Recent statistics have reflected positive work in this area already, with absence falling to 3% from approx. 4.85% last year and staff turnover dropping to 21% from 31% last year.

Case Study

Investing In *Our People*

Kev Nash joined Accent in September 2022 as a *Repairs Advisor* in the *Technical Hub*.

In March 2023, he took on a new role as Home Adaptations Coordinator, and in March this year, was promoted to Estates & Adaptations Team Leader. Kev was the deserved winner of the Accent Values Award at the Staff Conference.

"Accent's core values speak directly to me and played a huge part in making me want to join the team. I like to think I'm demonstrating those values each and every day; being smart, inclusive, driven and caring. But I've added a 5th value – to be outstanding.

I'm driven to do a great job for our customers, I'm smart in the way that I work, and will always go and find out what I need to know.

I'm caring in my nature as an individual but also have experience supporting disabled family members. And I'm inclusive because I personally represent the LGBTQIA+ community; it's about bringing my true self to work and encouraging everyone to do the same. And we should always do an outstanding job!

I'm delighted to have been recently promoted to Team Leader and am excited to foster and lead a team that also shares these values."

Case Study

Conference *& Staff Awards*

On *Wednesday 6 March 2024*, colleagues from all regions gathered in Sheffield. The day was everything we hoped it would be and *more*.

It was a chance for everyone to hear about the new Corporate Strategy and listen to SLT and Executive team members in person – a first for many – but more importantly, it was a chance to meet up, make connections and share in the collective pride of what it means to be part of #TeamAccent.

To round off the day, we ran our first Accent Awards which celebrated the very best in terms of our vision and our values and gave everyone a sense of what it is to be part of #TeamAccent and a clear idea of what great looks like and what, at our very best, we can achieve for our customers.

How are we *performing?*

Last year saw the launch of the Tenant Satisfaction Measures (TSMs), and over 5,800 people (representing 34% of our customers) took part in our first survey.

Our overall customer satisfaction score was 63% for low cost rented accommodation (LCRA) customers and 33% for low cost homeownership (LCHO) customers, against a target of 70%.

The survey was conducted just four months after a significant overhaul to our housing services operating model at a time we were still recruiting to new posts and transitioning to a new way of working. We are therefore confident that as the service becomes embedded, satisfaction levels will increase.

A detailed breakdown of our TSM scores can be accessed on our website.

We recognise that following such significant change this year we must allow time for the structures to embed to drive positive improvements in service delivery. We are already working hard to mobilise the new structures and associated improvement plans. In addition, we have invested in a wholesale, ground up review of our internal ways of working including our systems and processes. The findings will inform key work areas over the coming 12 months. In addition, we have invested in a new Chief Information Officer role to oversee our digital and data teams, and the introduction of a new transformation team.

	Average Score (scale 1 to 5)	Volume of feedback	% Satisfied (= scores of 4 and 5) 2023/24	% Satisfied (= scores of 4 and 5) 2022/23	% Satisfied (= scores of 4 and 5) 2021/22
Contact Centre *Satisfaction*	4.20	6,303	79.58%	84.75%	87.35%
New Tenant *Satisfaction*	4.33	492	81.50%	86.42%	88.15%
Complaints*	2.04	356	22%	46.81%	72.84%
Exit *Survey*	3.61	152	61.84%	63.76%	71.09%

*this is not TSM definition

Contact *Centre*

Our Housing and Technical Hub's have continued to embed defined services which encompass expert knowledge on both housing and property related queries.

Last financial year, collectively between both hubs we received over 143,000 emails and took over 199,000 calls.

We also achieved an 86% customer satisfaction score; this has improved upon last year's 84.75% and we are continuing to improve our services further.

Complaints

Our performance in relation to complaint handling falls significantly under target and the sector average, with a satisfaction score of just 22%. In 2023/24 we received 1,103 stage one complaints with the majority of these resolved at the first stage, with 172 escalated to stage 2 of the complaints process. We know we can make improvements and we have acted swiftly to recruit additional complaints liaison officers. The newly appointed Director of Customer Relations will review the service standards for the team, put improvement plans in place and make sure we are learning from our mistakes. Improving our approach to the handling of complaints is a priority for us in 2024/25.

New Tenant Satisfaction *& Exit Surveys*

	2023/24	2022/23	2021/22	2020/21	2019/20
Current tenant *rent arrears*	2.80%	3.31%	3.26%	3.21%	3.18%
Average *re-let times (gross days)*	65	59.5	46.9	68.7	29.8
Empty *properties*	1.80%	1.10%	1.40%	1.50%	1.40%
ASB Cases per *1,000 properties*	34.2	36.6	30.9	29.4	21.9

Repairs

Responsive repairs completed at first visit was slightly below our target of 90% with a year-end position of 88.6%.

However, when comparing performance to the previous year, positively an additional 2.2% of repairs were completed at first visit and we remain in a higher-than-average position when benchmarking against the sector.

	2023/24	2022/23	2021/22	2020/21	2019/20
Decent *homes*	99.99%	99.95%	99.53%	99.28%	98.73%
Average Time *to complete a repair (days)*	21.3	21.6	16.2	14.5	12.7
Percentage *first time fix*	88.6%	86.40%	79.80%	80.60%	81.60%
Percentage *satisfied with responsive repairs**	62%	69.18%	77.29%	78.70%	75.10%

*this is our TSM satisfaction result

Arrears

Rental income collection has been a key priority for the housing services team following the adoption of a generic housing management model in April 2023 and the launch of our new caseload software, Voicescape.

The focus given to this area of the business has resulted in us exceeding the target of *3.1%*, achieving the *strongest performance recorded* across the past few years.

Case Study

Personalised approach *to arrears management*

We know *understanding* more about our customers allows us to deliver *better*, more *supportive services* and help people to sustain their tenancies with us.

When we launched our new housing services structure and simplified operating model in 2023, our Housing Services teams became responsible for all aspects of tenancy and income management, anti-social behaviour and estate management.

To support smarter ways of working and freeing up capacity to support the customers who need our help the most, we introduced Voicescape Caseload Manager, a powerful new tool that is helping us deliver personalised support to our customers when they need it the most.

By bringing in specialist social housing software that harnesses the power of AI machine learning and behavioural insight, we can make personalised, automated interventions based on behaviour patterns. Voicescape also helps us categorise arrears so that we can identify when we need to act and when we can monitor without intervention.

Embedding Voicescape into the way we work has helped us move away from a one-size-fits-all approach to arrears prevention and management to a more tailored approach that will put us in touch with the right people, at the right time, and in the right way. This means that we contact fewer customers in person, but for those that we do contact, we'll have more impact in terms of supporting them to pay their rent and/or other charges.

We believe that we have a fundamental part to play in helping overcome the difficulties that households on lower incomes face, and Voicescape, as an integral part of our modernised approach to income, is helping us achieve this. Our arrears performance has improved significantly, and we ended the year ahead of target at 2.8%.

Empty *properties & re-let times*

Rent loss from empty homes on 31 March was 1.8% against a target of 1.6%.

To improve on this performance, the 'Your Home Your Experience' project which has the objective of improving the voids and allocation process and customer retention has been established.

Anti-social *behaviour*

ASB cases per 1,000 homes were *below target (45)* with a year-end position of *34.2.*

Accent are well positioned when comparing to the sector average of 44.95, however our TSM results showed customers' satisfaction levels are low in regard to this service area.

We plan on implementing a customer satisfaction measure with closed ASB cases to aid understanding of how our ASB services are received and feedback will be interrogated through our newly established ASB learning group to drive improvement work. In addition, one of our newly created Customer Champions (made up from Customer Experience Committee customer members) will focus solely on this area to continue to drive improvements with oversight sitting at committee level.

Financial *review & results*

Consolidated statement of comprehensive income	2024 £m	2023 £m	2022 £m	2021* £m	2020* £m
Total turnover	127	115	108	103	100
Operating expenditure and cost of sales	(95)	(87)	(83)	(71)	(76)
Other income	1	4	2	-	-
Operating surplus	33	32	27	32	24
Net interest cost	(9)	(11)	(13)	(13)	(26)
Net decrease in valuation of housing properties*	-	-	-	(3)	-
Surplus / (deficit) for the year	24	21	14	16	(2)

Consolidated statement of financial position	2024 £m	2023 £m	2022 £m	2021* £m	2020* £m
Net book value of intangible and tangible fixed assets	951	855	791	762	716
Net current assets	19	80	117	74	69
Total assets less current liabilities	970	935	908	836	785
Loans and long term creditors due after one year	(802)	(789)	(782)	(409)	(396)
Pension liability	(3)	(7)	(14)	(25)	(28)
Total net assets	**165**	**139**	**112**	**402**	**361**
Revaluation reserve	-	-	-	122	103
Revenue reserve	165	139	112	280	258
Total reserves	**165**	**139**	**112**	**402**	**361**

Accommodation owned or managed	2024 No.	2023 No.	2022 No.	2021 No.	2020 No.
Social housing	16,268	15,936	15,928	15,786	15,748
Shared ownership and leasehold	2,243	2,032	2,014	1,969	1,962
Supported housing and housing for older people	1,859	1,876	1,890	1,901	2,191
Non-social housing	1,232	845	819	792	820
	21,602	20,689	20,651	20,448	20,721

* During 2022/23 the Group changed its accounting policy in relation to the recognition of its housing stock from the valuation model to the historical cost method. The figures disclosed for years 2019/20 and 2020/21 are as originally published and have not been restated.

At Accent we benchmark ourselves using the Regulatory Standard VFM Metrics, compared against the sector.

Financial *review & results*

(continued)

The measures chosen by Accent are those of the seven core areas identified by the Regulator of Social Housing but in addition we monitor and record a number of KPI's that help us assess progress in key areas. These are ones which are considered strategically important in measuring our effectiveness and success and are discussed in detail on pages 41-52.

The year to 31 March 2024 has resulted in a surplus before tax of £23.4m (2023: £21.5m). The Group continues to operate in a challenging environment due to the impact of the cost-of-living crisis and wider economic uncertainty.

The core business of providing affordable housing remains strong and has produced a financial result in line with expectations. The principal highlights are as follows:

- The Group's core affordable housing business made an operating surplus of £29.4m (2023: £26.1m), the increase arising from a combination of:
  - Increased rental and service charge income of £11m reflecting the rent policy of increasing rents by 7% (financial year 2023/24 only) alongside income generated from new properties coming into management.
  - Increase in repairs and maintenance costs, planned work and major repairs by c£11m.
  - increased depreciation of £1.2m, driven by investment in new assets and accelerated depreciation due to replacing components during the year.
- Other activities made an operating surplus of £2.4m (2023: £3.5m) principally arising on the sale of first tranche properties of £2m (2023: £1.5m).
- During the year housing properties amounting to £85.9m (2023: £39m) were completed, in line with the Group's strategic plan and continued focus on development of new homes.
- Investment assets were re-valued by Savills as at 31 March 2024 providing an uplift on the 2023 review of £0.1m (2023: £1.3m).
- During the year to 31 March 2024 the Group saw a net actuarial gain of £2.4m (2023: £7.1m gain) within the Accent Group Pension Scheme (AGPS) and a net actuarial gain of £0.05m (2023: £1.1m loss) in respect of the Social Housing Pension Scheme (DB). These movements are reported below the surplus for the year line but within comprehensive income and resulted in a net decrease in the pension deficit of £4.5m.
- During the year the Group invested £40m (2023: £20.9m) in existing properties, both capital and revenue, reflecting the continued focus of the Group on improving the quality of our existing homes.

The Group's reserves amounted to £164.9m (2023: £139.1m).

Investments and treasury management

Following the issuance of the bond in July 2019, along with the sale of the retained bond in October 2021, the Group now holds a significant amount of liquid funds. This positions the Group well to deliver its corporate strategic aims, which include improving the quality of existing homes and services, delivering on our decarbonisation commitments, and delivering sustainable and quality new homes through our development strategy.

The strong liquidity position also gives the Group the flexibility to deal with the current challenges faced by the UK economy. These liquid resources are managed in line with the Board-approved Treasury Management Policy and Investment Policy. Both policies are regularly reviewed and updated and are subject to detailed scrutiny with guidance from external expert advisors.

The Group operates a centralised treasury function, with responsibility for managing liquidity, interest rate, and counterparty risks.

The strategy has an overriding objective of avoiding unacceptable risk, with surplus cash being invested with approved counterparties (banks and money market funds) in line with the Treasury Management Policy that defines credit quality criteria and maximum exposure limits.

In 2023/24 we saw the real increase from the pressures on costs through higher inflation working its way through and impacting our customers with the rise in food prices and incidence of fuel poverty. For Accent it was manifested through increases in utilities and building materials. Accent has however benefited from interest rate increases on the deposits. As a business we are ever mindful of our role and impact on our customers lives with a constant need for us to focus on efficient services and delivery in a digital world whilst recognising that one solution will not fit all. As a responsible registered provider, Accent has continued to put the health and wellbeing of our customers and staff at the heart of everything we do.

We also recognise the need and demand for our housing which is set to increase and therefore providing more homes and more efficient homes has remained a focus.

Value for Money (VFM)

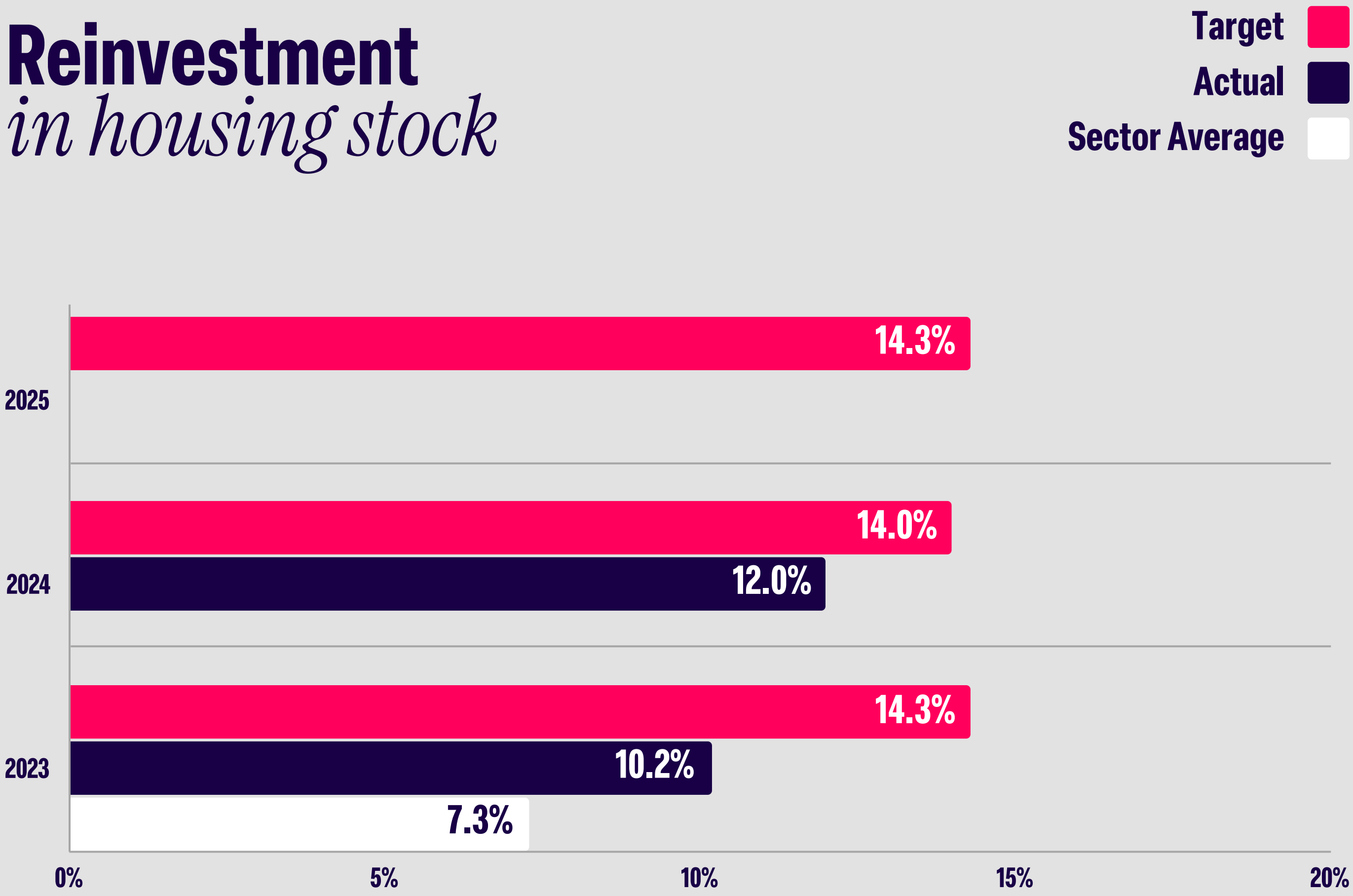
How do we *measure our success?*

At Accent we benchmark ourselves using the Regulatory Standard VFM Metrics, compared against the sector.

In a time of real pressures brought on by high inflation, high fuel costs, increase in interest rates, it is more difficult to directly compare performance not least because the statistics available from the Regulator through the published Global Accounts reflect performance in the previous 12 months (2022/23) and not those for the 2023/24 financial year, therefore the movement in Accent's performance year on year is perhaps of greater importance than before.

The measures chosen by Accent are those of the seven core areas identified by the Regulator of Social Housing but in addition we monitor and record a number of KPI's that help us assess progress in key areas. These are ones which are considered strategically important in measuring our effectiveness and success.

Reinvestment *in housing stock*



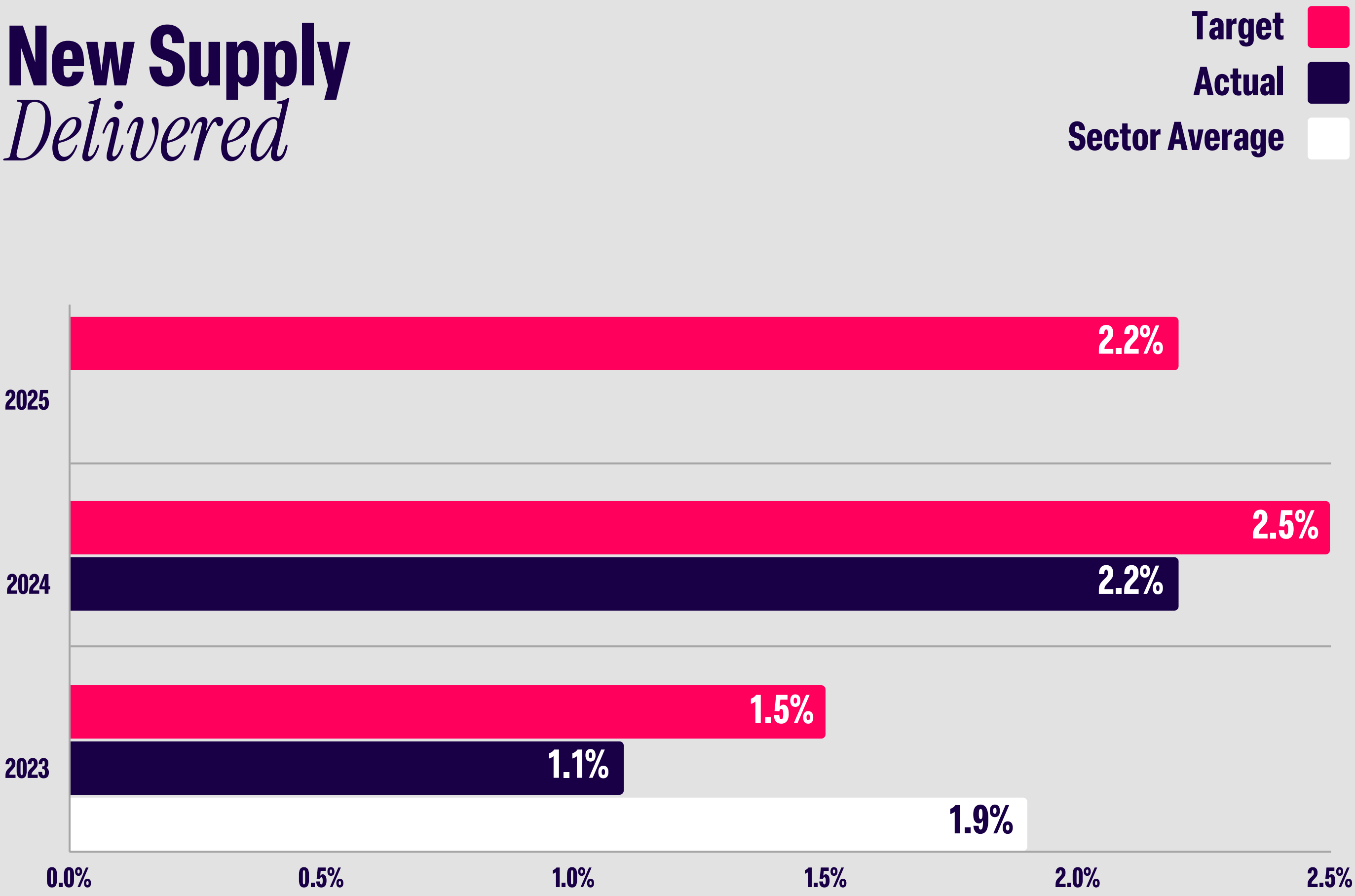
This metric looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.

Accent launched its development strategy with a commitment to becoming a more significant player in the UK's response to the housing crisis. Despite recent challenges faced by the UK economy, such as high inflation, high fuel costs, an increase in interest rates, and supply chain challenges, Accent has made strong progress over the last couple of years.

The Group has continued to secure new development sites and has a strong pipeline of sites to enable future development.

The capital spend on existing properties in 2023/24 was £26.2m, which is higher than 2022/23 capital spend of £12.5m, as a result of accelerated capital work. Accent will continuously set ambitious targets for investing in both existing and new properties. Accent plans to deliver circa 3,150 new homes before 2031, indicating its commitment to actively playing its part in addressing the UK's housing crisis. In addition, decarbonisation is a key area of focus for Accent and the sector and will lead to additional investment in existing homes in the coming years as we look to meet the government's targets and support the carbon reduction agenda.

New Supply *Delivered*



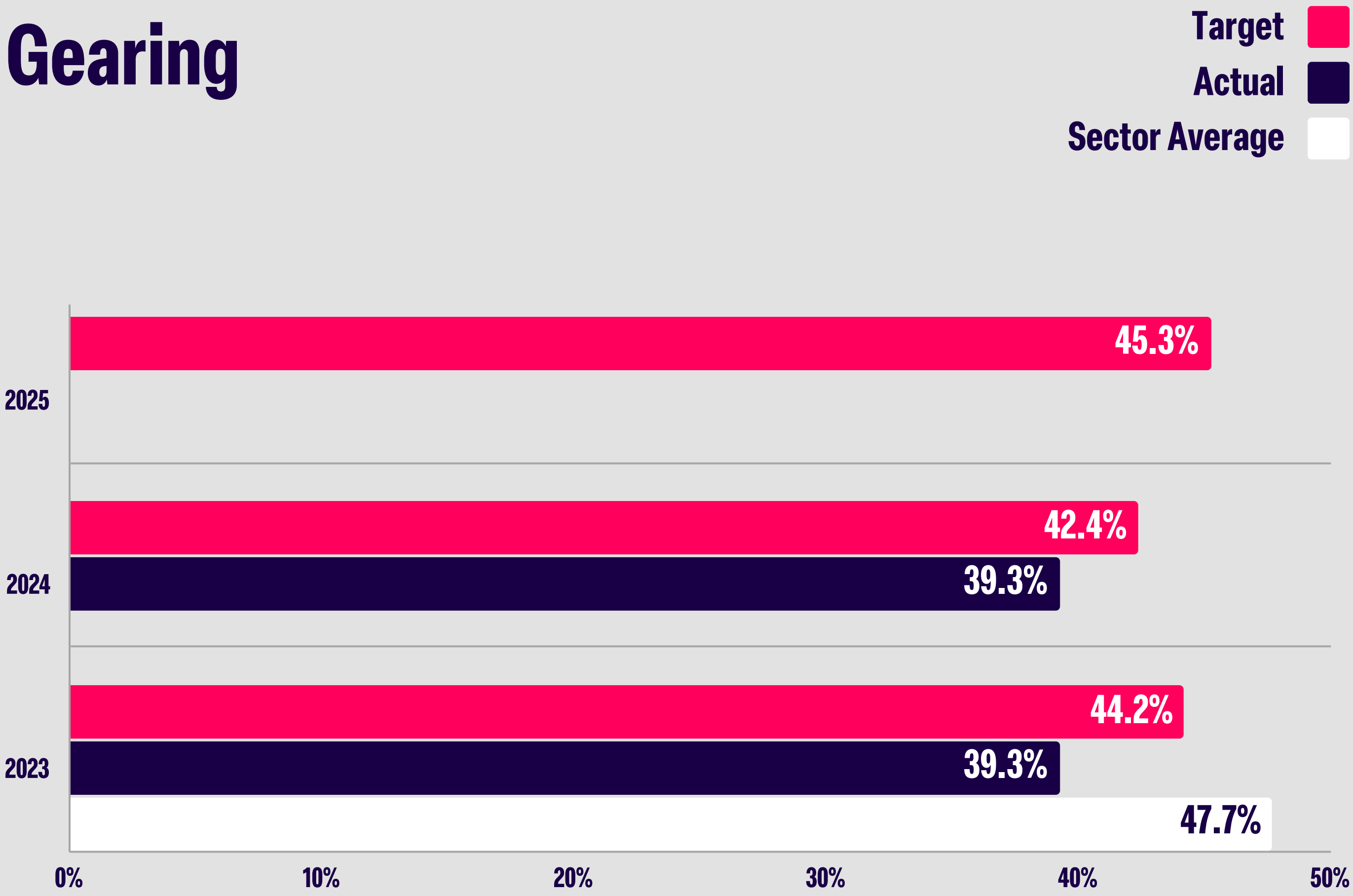
The new supply metric sets out the number of new social housing units that have been acquired or developed in the year as a proportion of total social housing units owned at period end.

Accent's commitment to providing quality, affordable homes to those in need has been further strengthened through its development strategy and ambition. The establishment of a dedicated development team with years of combined experience has enabled Accent to carefully identify development sites that best meet the needs of its future customers while aligning with its overarching strategy. The new supply delivered has increased from 1.1% to 2.2% in the year, however it is slightly below the target due to a number of constraints in the operating environment, including delays in planning consent.

The identified and working sites are expected to continue the current performance trend, with a target set at 2.2%.

During the year we delivered nil market based (non-social) homes. As a result, the metric does not translate into a meaningful graph and is not included on that basis. Plans going forward do not include any great exposure to the market excepting a programme of shared ownership new units where we continue to see strong demand despite current uncertainties in the economy.

Gearing

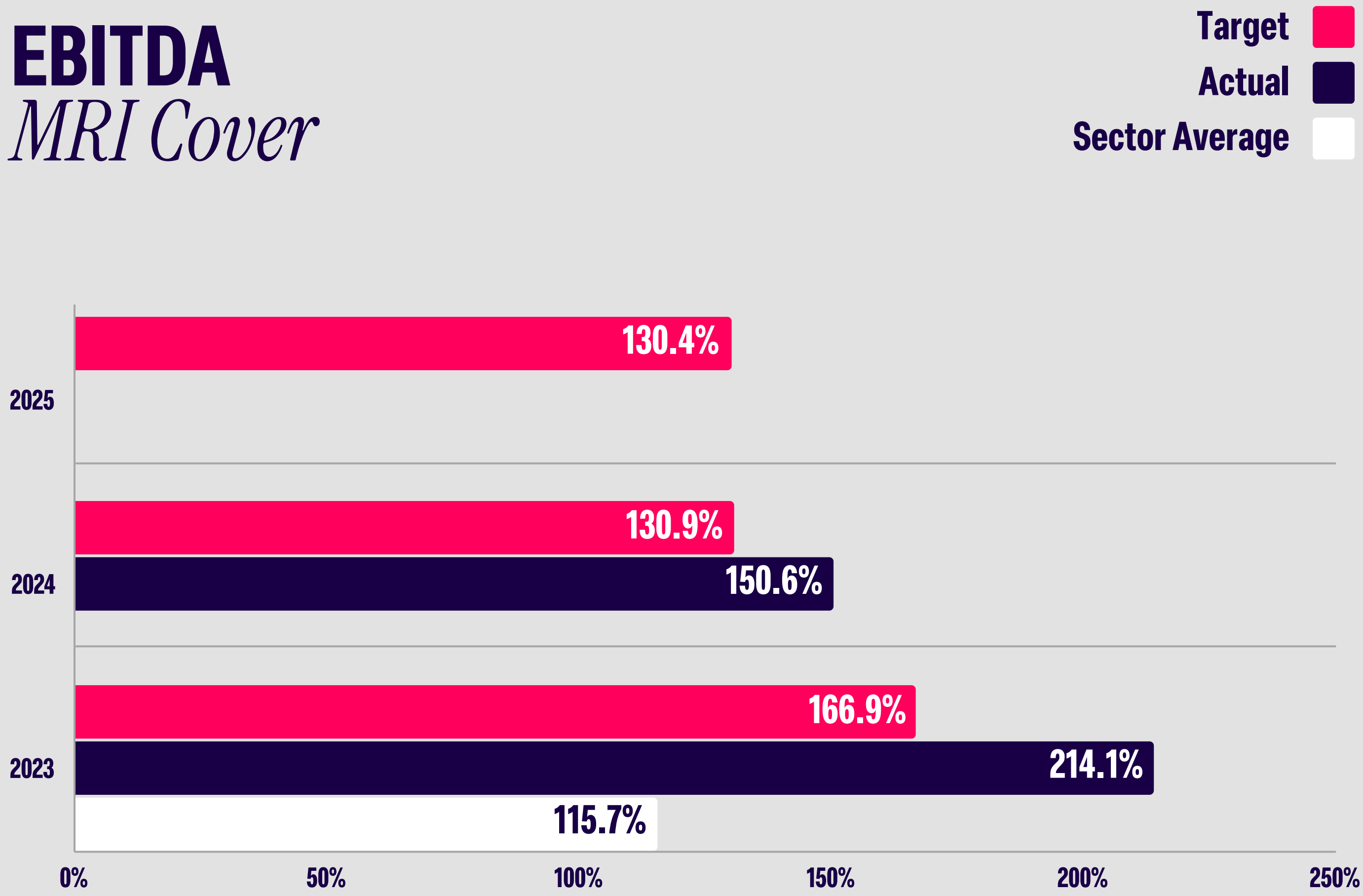


This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. It is often a key indicator of a registered provider's appetite for growth.

Accent has maintained relatively low levels of gearing for a number of years, and this trend continued in 2023/24, with a year-end position of 39.3%, in line with 2022/23 and significantly below 2023 sector average at 47.7%. Our surplus funds have benefited from high interest rates. The low level of gearing provides Accent with the capacity and opportunity to borrow further funds to continue its commitment to developing much-needed new homes for rent and sales.

This capacity has been factored into our medium and long-term plans, which have been reviewed and approved by the Board. We have also considered our 'Going Concern' accounting statement and reaffirm the future strength and viability of the business in respect of our capacity.

EBITDA *MRI Cover*



The EBITDA MRI interest cover measure (Earnings Before Interest Tax Depreciation and Amortisation Major Repairs Included Interest Cover) is a key indicator for liquidity and investment capacity. The EBITDA MRI ratio measures the ability of businesses to generate cash.

For the financial year 2023/24, Accent's EBITDA MRI cover is 150.6%, ahead of the target set at 130.9%. The actual results reflect our commitment to invest in our existing and new stock. The capital spend on existing properties in 2023/24 was £26m, a significant increase from the 2022/23 capital spend of £12.5m, due to accelerated capital work. We are confident that our commitment to financial discipline and value for money will enable us to continue delivering quality homes to our customers while ensuring the long-term strength and viability of the business.

Operating *Margin*

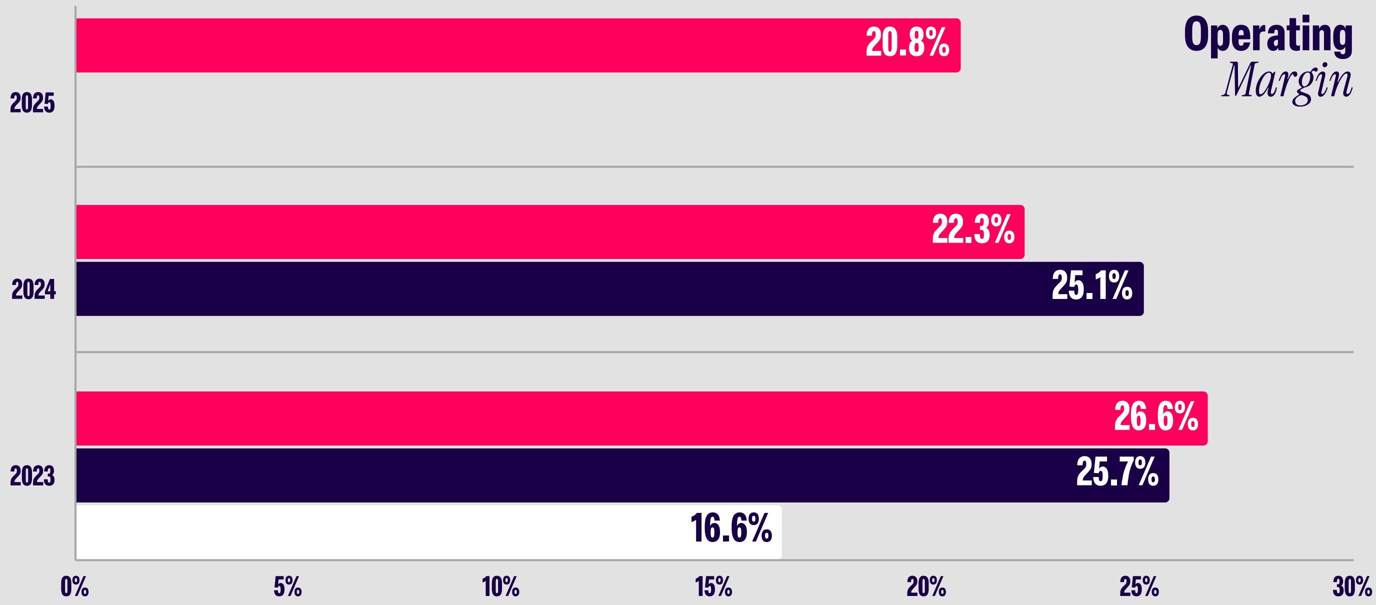
Target
Actual
Sector Average

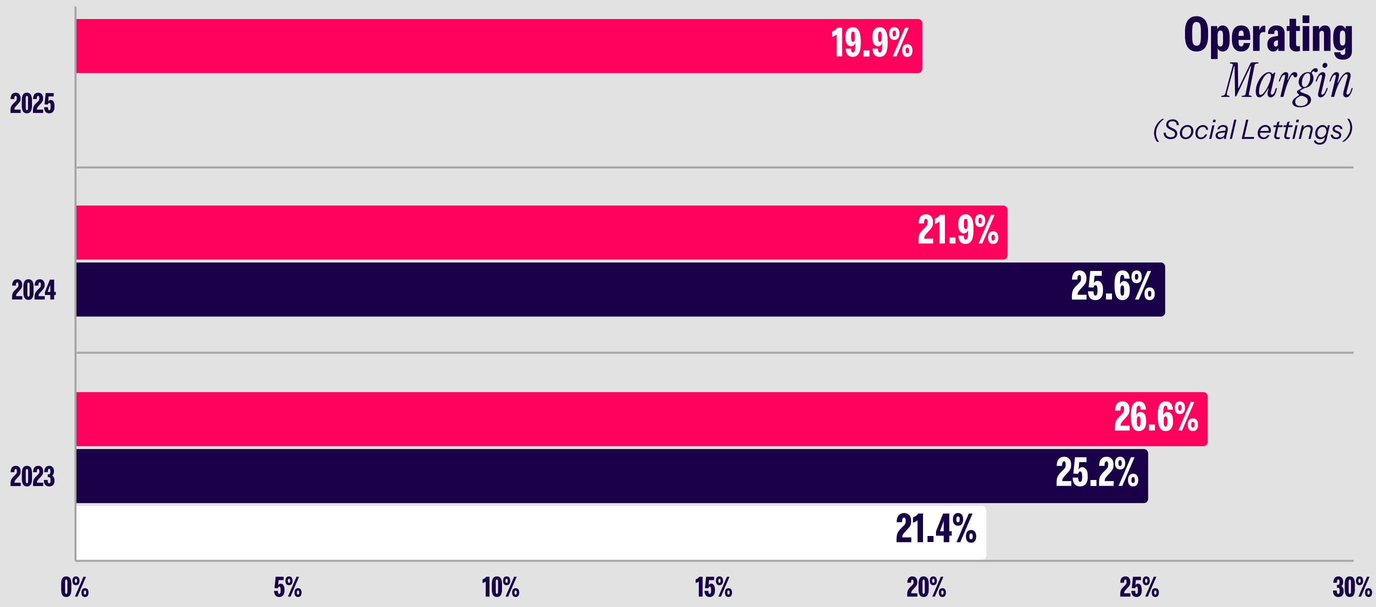
The operating margin demonstrates the profitability of operating assets before exceptional expenses are considered.

Accent's operating margin remains strong, ahead of the target and 2023 sector average. Accent's operating margin demonstrates its ability to adapt and thrive in unpredictable economic conditions. By carefully managing costs and restructuring operations for greater efficiency, the Group has positioned itself well for continued success.

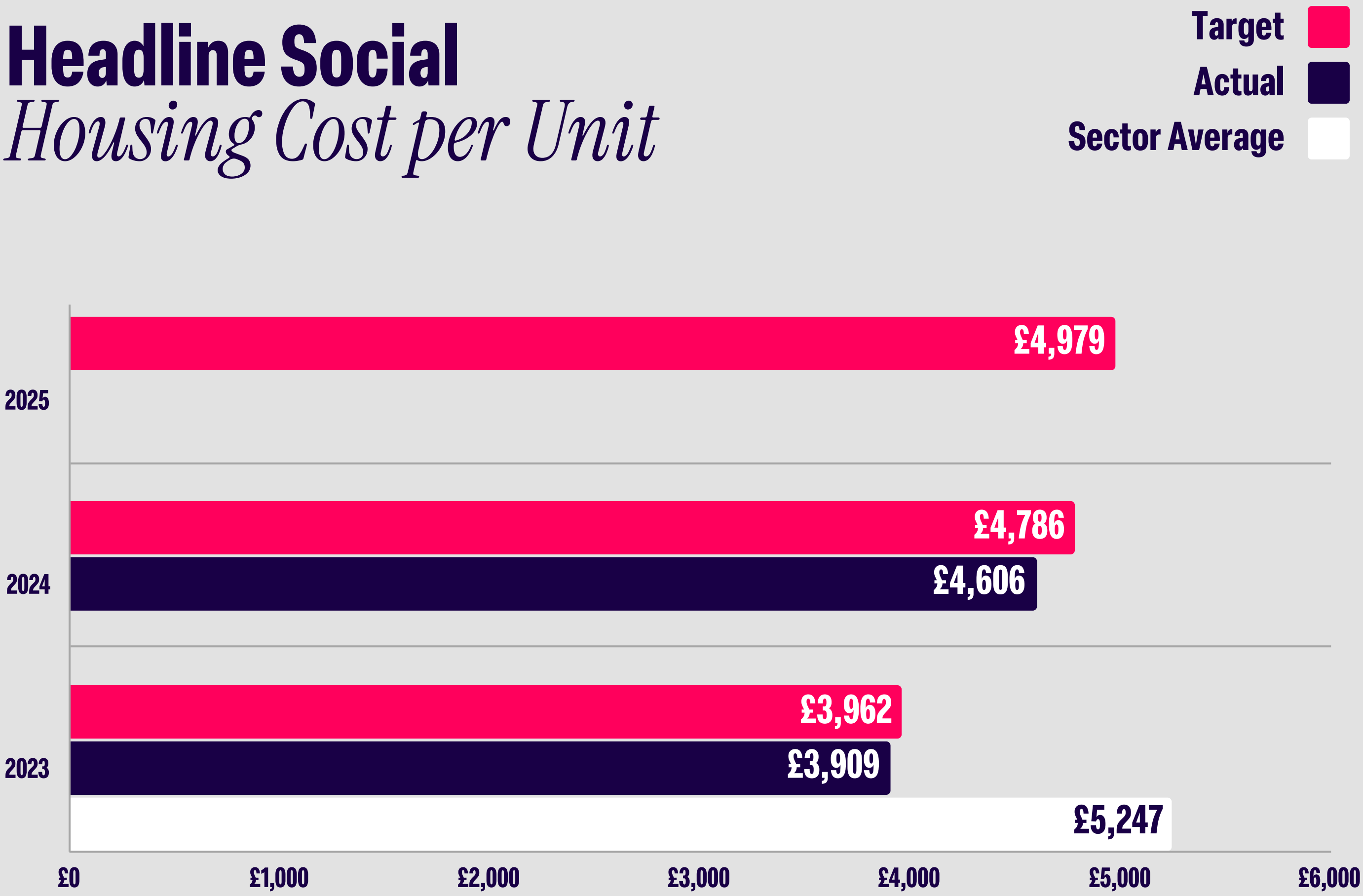
These strategic decisions not only benefit the organisation financially, but also underscore Accent's dedication to its social purpose and commitment to providing value for its stakeholders.

Moving forward, the Group will maintain its focus on driving operational efficiency and maximising the value of its investments. The goal is to strike a balance between expanding the business and adding new homes while keeping other costs in check.





Headline Social *Housing Cost per Unit*

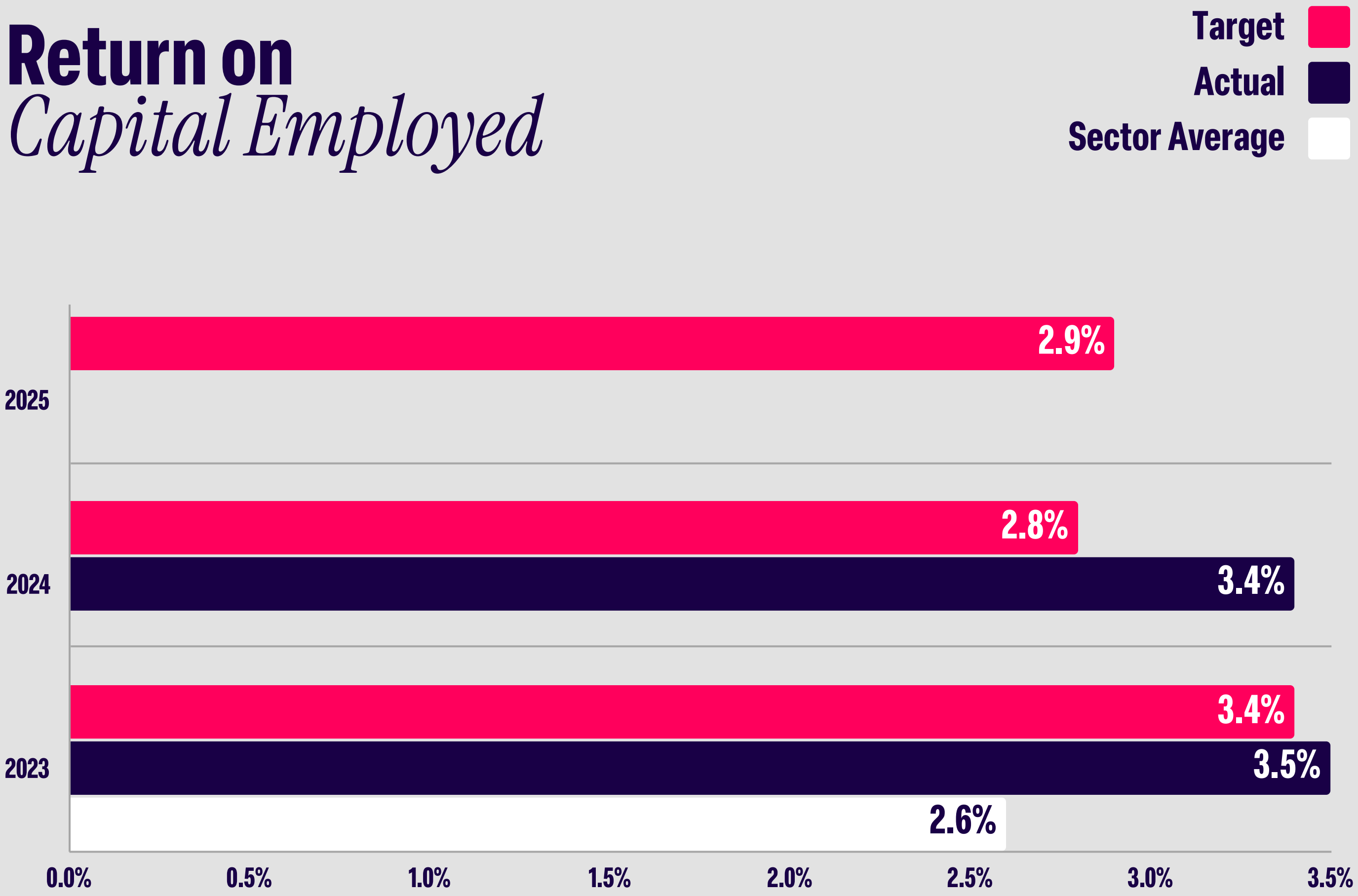


Headline Social Housing cost per unit is very sensitive to fluctuations in repairs delivery activity and to a lesser degree from decisions that impact our asset base, such as disposals etc. As we look ahead to the future, it is clear that managing costs in the social housing sector will be crucial. The increase in the Headline Social Housing cost per unit, from £3,909 to £4,606, highlights the impact of the challenging economic environment on our operations. Despite this, our commitment to providing value for money remains unwavering.

In the upcoming years, we will face the challenge of balancing our budgets while also investing in our services and existing units to enhance the lives of our customers. This requires careful financial planning and a focus on cost management to ensure that we continue to provide high-quality housing at an affordable price.

By maintaining our careful approach to managing costs, always seeking best value, and prioritising customer safety and satisfaction, we are confident that we will be able to make progress in improving our social housing cost per unit. This ongoing commitment to efficiency and effectiveness will allow us to meet the demands of the changing economic landscape and continue to provide quality housing for those in need.

Return on *Capital Employed*



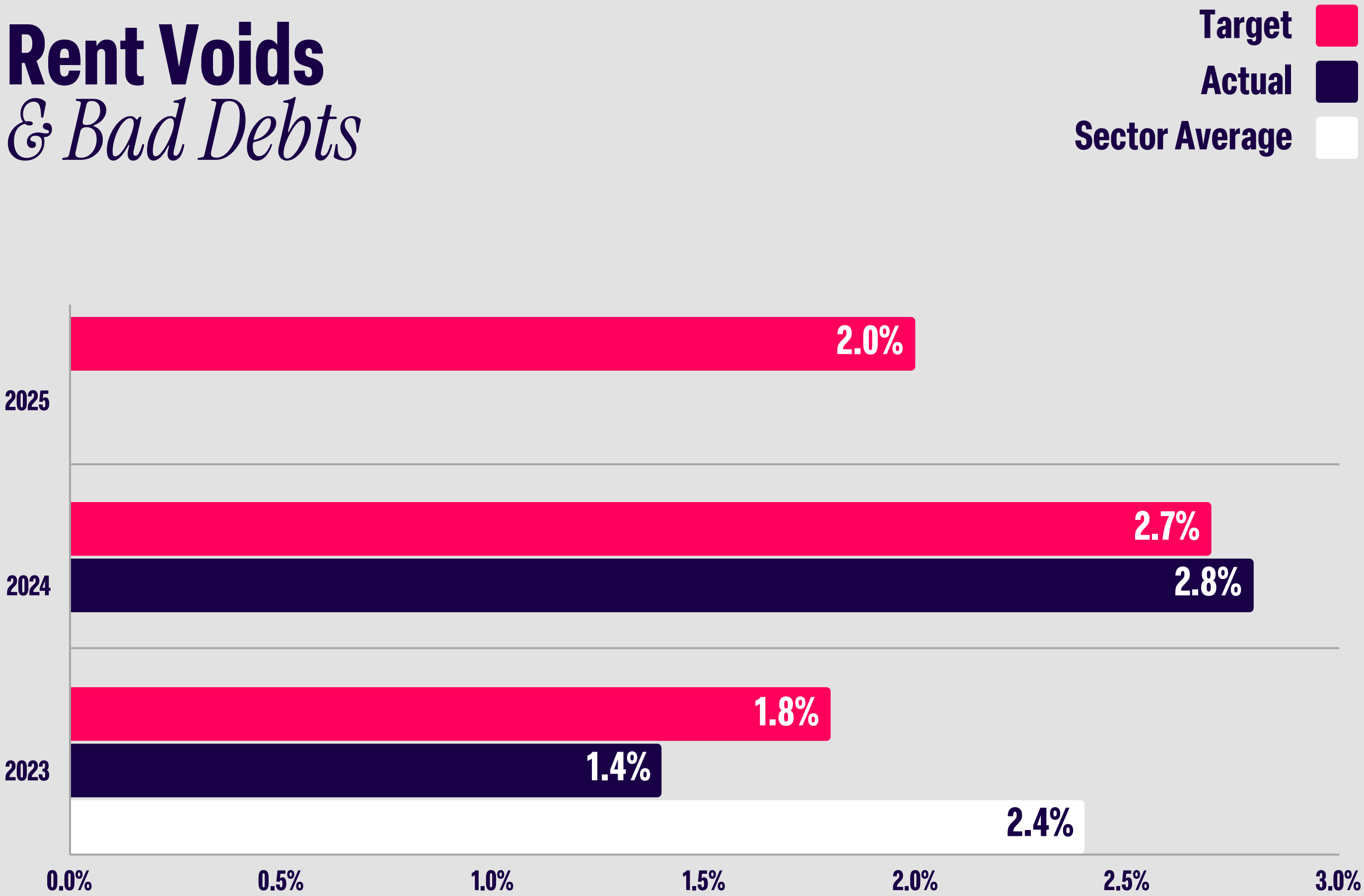
Another key measure of financial performance is the Return on Capital Employed. This provides investors with an assessment on how effective an organisation's assets are being used to drive economic returns.

The return on capital employed (ROCE) for 2023/24 has remained relatively stable, 3.4% in 2023/24 comparing to 3.5% in 2022/23. The actual results are ahead of the target. Accent remains committed to improving its operating margin and ROCE, while ensuring that quality and reinvestment in sustaining its existing stock are not compromised.

In the coming years, Accent plans to invest more in existing homes, customer service, and digital innovation, alongside raising further debt to support these programs. We will also continue to invest in existing homes to meet government targets for carbon reduction and energy efficiency measures. This will have a short to medium-term impact on ROCE, which has been reflected in our 2024/25 target. All housing associations, including Accent, need to make difficult choices regarding their cost base and investment.

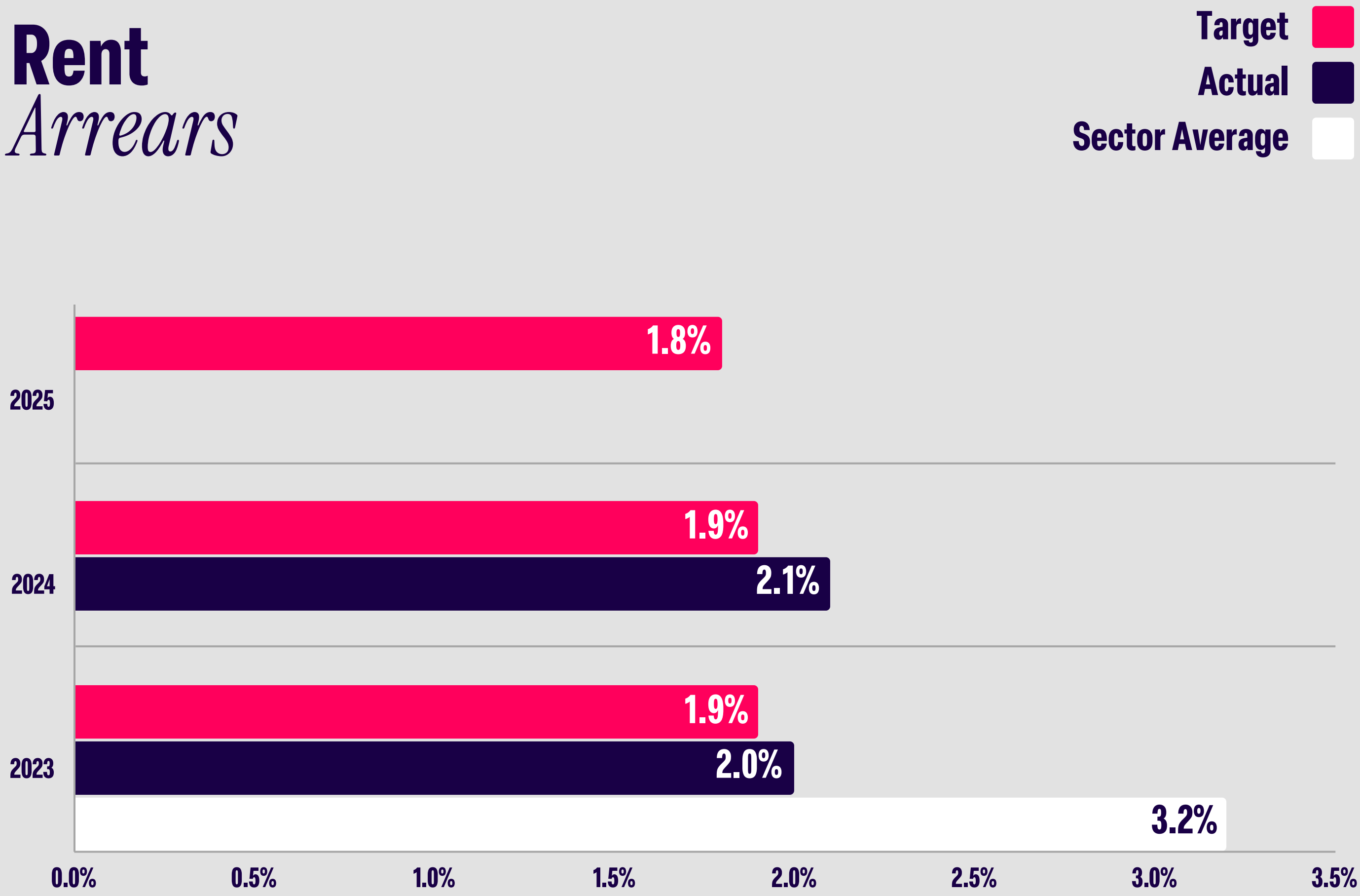
Other KPI's monitored
by the Board include:

Rent Voids
& Bad Debts



Void and bad debt rate for 2023/24 is in line with the target, at 2.8%. Despite the challenges posed by the cost-of-living crisis and high inflation, our bad debt record remains relatively low but our void losses increased.

Rent *Arrears*



In the face of an increasingly challenging operating environment and acute financial pressures felt by many of our customers due to the cost-of-living crisis and high inflation, Accent has demonstrated a strong performance in rent arrears, which has been consistent with 2022/23 results, at 2.1%. This is slightly above our target at 1.9%. This achievement is a testament to our team's commitment to engaging and supporting customers through these difficult times.

Our income collection strategy involves taking a much more supportive approach to handling arrears with customers, using behavioural analytics to target activity towards preventing those most at risk of falling into rent debt. This approach has had a positive impact on minimising increases in overall arrears.

We remain dedicated to supporting our customers and ensuring their financial wellbeing, while maintaining the financial sustainability of our organisation.

Summary of the results produced by Accent *Group and comparing the key criteria set by the Regulator of Social Housing*

Key Measures	Sector Average 2023	Accent 2023	Accent 2024 Actual	Accent 2025 Target
Reinvestment %	7.3%	10.2%	12.0%	14.3%
New supply delivered/ *Social Housing*	1.9%	1.1%	2.2%	2.2%
New supply delivered/ *Non Social Housing*	0.1%	0.0%	0.0%	0.0%
Gearing	47.7%	39.3%	39.3%	45.3%
EBITDA MRI *Interest Cover*	115.7%	214.1%	150.6%	130.4%
Headline Social *Housing Cost per unit*	5,247	3,908	4,606	5,211
Operating Margin *Social Housing*	21.4%	25.2%	25.6%	19.9%
Operating *Margin overall*	16.6%	25.7%	25.1%	20.8%
ROCE	2.6%	3.5%	3.4%	2.9%

Forward *Looking*

Accent sets clear and well thought through targets for all aspects of Value for Money on an annual basis, all of which underpin our corporate strategy and its delivery.

Setting forward looking targets for the organisation remains an important aspect of the strategic planning cycle and budgets are set with this in mind. Moving into the 2024/25 financial year Accent has again set a stretching budget but one which meets the needs of our customers and seeks to address some of the existing customer expectations on works and improvements to their homes whilst also ensuring there remains capacity to deliver more new homes to new customers that need them.

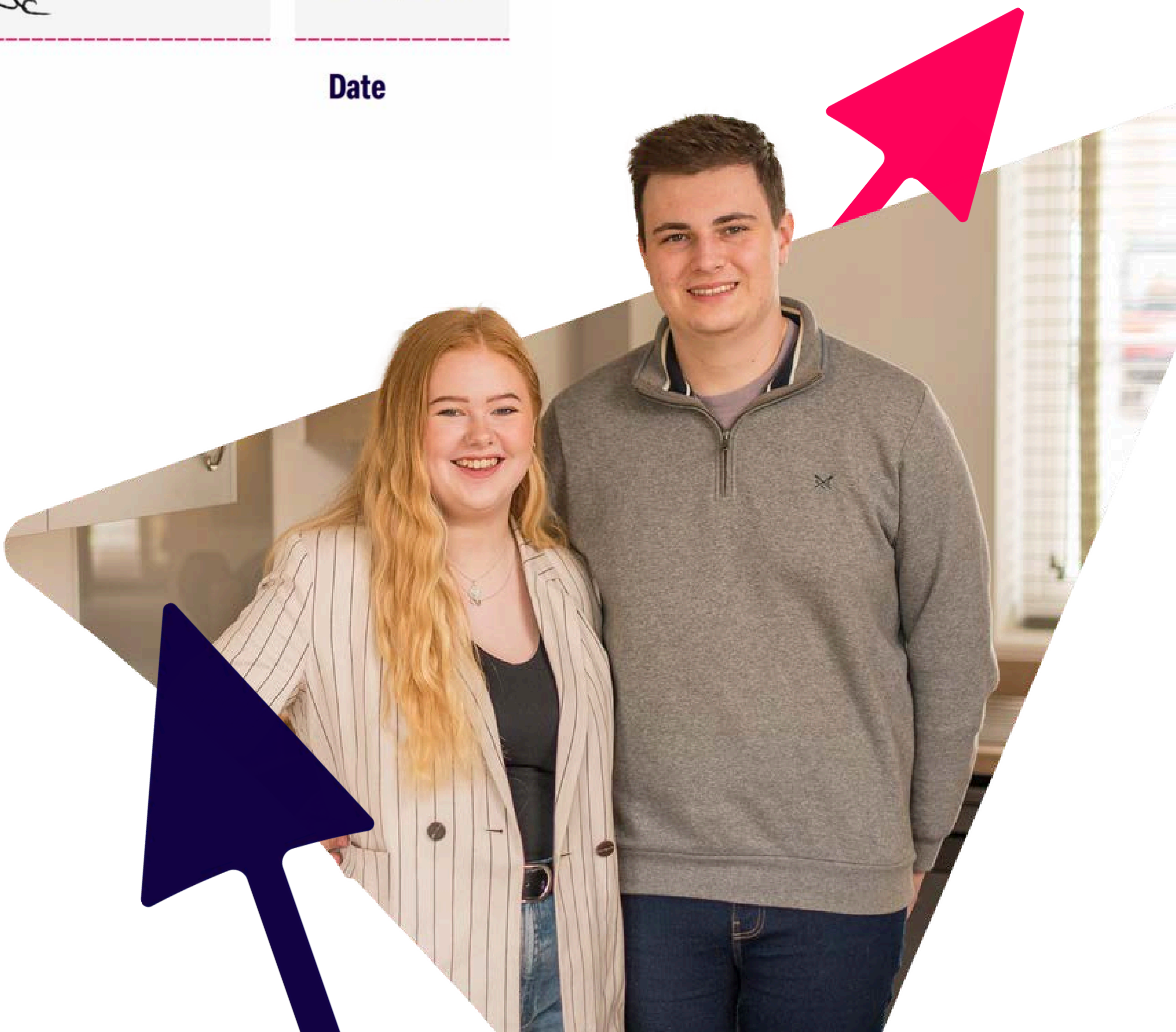
The Strategic Report was approved and authorised by the Board and signed on its behalf by:

Signed by:
K Spark
D3ACBEF0C8004E3...

25 July 2024

Kirsty Spark
Secretary

Date



Report of *the Board*

Report of *the Board*

The Board presents its report and the financial statements for the year ended *31 March 2024*.

Principal activities

We are Team Accent. We were formed in 1966 and have grown in the time since to now serve over 41,000 customers across the north, east and south of the country.

We are driven by the fundamental belief that helping to solve the housing crisis will provide people with stability, a foundation for better living and contribute to the nation's wider objectives for local and national growth.

We are clear on the impact we can make across our areas of operation and motivated by our values, strong vision and core purpose of providing top quality homes and services for our customers. We know that we have a large part to play in helping to overcome the difficulties that households on lower incomes face, and it is incumbent on us to deliver our core services to the best standard possible so that all of our customers feel that it is 'good to be home'.

At Accent we care, we are inclusive, smart and driven and we work in partnership with others to ensure our customers and communities are heard and supported to grow and thrive. Our customers' voice drives our decision making and our colleagues are invested in to deliver the best outcomes, ensuring that together, we create moments that matter.

Management judgements and estimates

The preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made are described in note 1 – Accounting Policies.

Performance for the year and future developments

Details of the Group's performance for the year and future plans are set out in the Strategic Report on pages 8 to 52.

Report of *the Board*

(continued)

Going concern

The Group and Society's business activities and its current financial position are set out above in the Strategic Report and the Report of the Board. In preparing the financial statements on the going concern basis the Board considered the current economic situation with immediate potential for increased costs resulting from higher inflation, higher wage costs, higher interest costs, higher material costs and factored in the following possibilities and outcomes:

- That the current budget, medium- and long-term financial forecasts, including pension obligations, demonstrate that the Group and the Society have sufficient resources to meet all liabilities as they fall due, for the foreseeable future and at least for the 12 months following approval of these accounts.

- Flexing and stress testing of long-term financial forecasts have been prepared to demonstrate that appropriate and practical mitigations are available to the Group and the Society in the case of wider economic uncertainty. The stress tests, which included but were not limited to factors such as increased inflation rates, increased interest rates, rent cap, exceptional expenditure, development delays, and sales price fluctuation, aimed to determine their impact on the plan. Multiple stress scenarios were also applied, and when the plan was 'broken', meaning bank covenants have been breached, mitigating actions were identified, quantified, and their timing determined.

- That banking covenants and funders' requirements have been met and are forecast to be met going forward.

- The continuing impact of the war in Ukraine, the Middle East unrest, and the unknown political landscape have all been considered within the forecasts and stress tests applied to assess the potential impact of various scenarios. The Group and the Society continue to maintain sufficient liquid resources and committed funding to mitigate any immediate and foreseeable impact in the short, medium and long term, to ensure they can manage the potential impact of increased risks identified, including inflation, increased interest rates, and a significant decline in the housing market.

The Group cash position as at 31 March 2024 was £136.8m, which includes current asset investment cash of £25m. Cashflow projections do not rely on Government support schemes. The primary reliance the Group and the Society have in respect of Government funding is attributable to rents and service charges settled through Universal Credit and Housing Benefits and other customer focussed support. Appropriate stress testing, including rent cap, has been undertaken to ensure that a variation in Government policy on such payments can be accommodated within future cash flow forecasts.

The Board has reviewed and considered the expected performance and commitments of the Group and the Society over the short and medium term and believes there is a reasonable expectation that the Group has adequate resources to continue in operational existence for foreseeable future, thus ensuring a period of at least 12 months after the date on which the report and financial statements are signed. For this reason, the Board continues to adopt the going concern basis in the financial statements.

Board Members and Co-opted Executive Director

The Board members and co-opted executive director (the current Interim Group Chief Executive) are shown on page 4. The principal responsibilities of the Board are to:

Mission -
Lead the Society in pursuit of achieving its social purpose. The Group Board sets the company's mission and values, and regularly reviews and reaffirms their relevance.

Resident focus -
The needs and safety of the Society's current and future residents and other customers are placed at the heart of the Group Board's decision-making.

Report of *the Board*

(continued)

Board Members and Co-opted Executive Director (continued)

Equality, diversity and inclusion -
Demonstrate a clear and active commitment to achieve equality of opportunity, diversity and inclusion in all of the Society's activities, as well as in its own composition. It has policies and publicly visible statements which meaningfully demonstrate this commitment and sets priorities and objectives for the organisation.

Culture -
Regularly consider and define the culture and behaviours that will best enable the Society to deliver its mission and values.

Integrity -
Ensure that the Group Board, its members and the Society maintain high standards of probity and conduct.

Accountability -
Operates openly and transparently, and demonstrates accountability to key stakeholders including residents, other customers, and partner statutory bodies.

Reputation and trust -
Take into account in its actions and decisions the importance of maintaining trust in the Society and upholding its reputation.

To monitor the implementation of our corporate strategy and ensure that our business delivers operationally the Board has put in place a committee structure. This committee structure, and its effectiveness, is regularly reviewed by external consultants as part of a triennial independent governance review.

The committee structure in operation during the year comprised:

- **Group Audit and Risk Committee –** which supports the Board in relation to the audit and risk function and to provide reassurance that internal control arrangements across the Group are appropriate and operate to the highest standards.
- **Group Remuneration and Nominations Committee –** which supports the Board in relation to and provides assurance that appropriate governance arrangements are in place in respect of Executive and Non-Executive appointments, succession plans, performance assessments, development plans, and Executive and Non-Executive reward and remuneration.
- **Group Capital Investment Committee –** which is responsible for ensuring delivery of Accent's development programme and asset management strategy. This includes procuring, developing and disposing of land and property.
- **Group Customer Experience Committee –** which reviews the performance and operational service delivery of all housing and customer services and property customer facing functions, including resident feedback. Approves annual operational key performance indicators and set targets for agreed areas of operational service delivery.
- **Health and Safety Group –** which ensure that our policies, procedures and working practices regarding health and safety meet or exceed any legal obligations, with the object of promoting the well-being and safety of our customers, colleagues and communities. The Committee has agreed key performance indicators for both colleague and customer safety and has oversight of a dedicated health and safety risk register.

External Governance Review

Accent commissioned the David Tolson Partnership Limited (DTP) to conduct an independent and objective review of its governance arrangements in 2023.

The review was scheduled in accordance with the National Housing Federation (NHF) Code of Governance 2020 Section 3.9, which requires the Board to evaluate its effectiveness and assess its business practices. DTP analysed the size, structure, and overall effectiveness of the governance arrangements. In their report, DTP determined that Accent's governance approach is operating well and effective. They found no evidence of non-compliance in respect of the Regulator of Social Housing's (RSH) Governance and Financial Viability Standard or the NHF Code of Governance 2020. Their suggestions were not formal recommendations but rather made in the context of further, continuous improvement for Accent to consider. The Group has the flexibility to apply them or not, but they were made with the aim of enhancing compliance and optimising resource utilisation.

The key recommendations included streamlining the number and composition of committees, reviewing non-executive remuneration, and further developing board reporting.

The Board reviewed and approved the suggestions in the DTP Report, and an Implementation Plan was agreed upon. The Board retained oversight of the plan's execution until completion was achieved in 2023/24.

Board Members and Co-opted Executive Directors

The current process for reviewing individual Board and Committee members' performance has been further improved with external challenge provided by the DTP consultants. The appraisal meetings will continue to appraise contribution, attendance and training and development needs. All Board and Committee members are required to provide an annual governance declaration, including declarations of interest, to ensure on-going independence.

During the past year the Board comprised of the Group Chair and nine non-executive directors and the Group Chief Executive. One member resigned during the year and one new appointment has been made. For details, please see page 4. Biographies for individual Board members are available on the Group's website at www.accentgroup.org. Details of Board members' remuneration are included in note 7 to the audited financial statements. Board members' remuneration is benchmarked by external consultants. The co-opted Executive Director is entitled to a vehicle allowance. Group insurance policies indemnify Board members and officers against liability when acting in their professional capacity on Group business. Remuneration details and attendance levels for Non-Executive Board members at Board and Committee Meetings for the year ended 31 March 2024 is as follows:

Report of *the Board*

(continued)

Non-Executive Board Members attendance and total remuneration

	Group Board *No.*	Audit and Risk *No.*	Customer Experience *No.*	Capital Investment *No.*	Accent Capital *No.*	Accent Homemade *No.*	People *No.*	Total Remuneration* *£*
Tom *Miskell (Chair)*	7/7	-	-	-	2/2	-	1/1	£22,548
James *Kelly*	3/3	4/4	-	-	-	-	-	£7,232
Archana *Makol*	7/7	2/2	-	-	-	-	-	£13,424
Richard *Wilkinson*	7/7	-	4/4	-	-	-	-	£10,088
Helen *Jaggar*	6/7	-	4/4	-	-	-	-	£11,303
Steve *Pearson*	7/7	-	-	6/6	-	3/3	-	£11,332
Nici *Audhlam-Gardiner*	7/7	4/4	-	-	-	-	-	£9,238
David *Williams*	7/7	-	-	6/6	-	-	-	£10,199
Akshay *Shah*	6/7	-	-	-	-	-	-	£9,622
Ilona *Blue*	7/7	2/2	-	-	-	-	1/1	£12,190

*Inclusive of expenses and employer's national insurance contributions

Report of *the Board*

(continued)

Pensions

The Group participates in the following pension scheme arrangements:

Employees across the Group are eligible to join the Accent Group Pension Scheme (AGPS), a defined benefit pension scheme in which the Society and employees contribute to the scheme.

The Group also participates in the Social Housing Pension Scheme (SHPS) defined contribution (money purchase) scheme. Both AGPS and SHPS schemes comply with auto enrolment legislation. The co-opted Executive Director and Executive Directors are all active members of the Accent Group Pension Scheme. They participate in the scheme on the same terms as all other eligible staff.

The Group previously participated in the Social Housing Pension Scheme (SHPS) defined benefit scheme. This scheme was closed to Accent employees from 1 August 2016.

Employees, diversity and inclusion

The strength of the Group lies in the quality and commitment of its employees. The Group's ability to meet its objectives and commitments to residents in an efficient and effective manner depends on the contribution of all its employees. The Group continues to provide information on its objectives, progress and activities through regular office and departmental meetings and detailed one to one meetings for staff members with their line managers.

The Group is an equal opportunity employer and complies with all current legislation with regard to equal opportunities. As part of this policy, encouragement is given to the employment of disabled people.

Political and charitable donations

The Group made grants and awards of £3.6k (2023: £8.5k) to individuals and groups based in the communities in which we work. No donations were made to political parties during the year.

Compliance with regulatory standards

The Board understands that robust governance arrangements are essential to ensure delivery of our corporate strategy and to meet the needs of our stakeholders.

All registered providers are required by the Regulator of Social Housing Governance and Financial Viability Standard to adopt a code of governance. A code of governance sets out the standards that organisations can reasonably be expected to achieve if they are to be well governed.

The Board is committed to ensuring that it has robust governance arrangements that deliver its aims and objectives for tenants and potential tenants in an effective, transparent and accountable manner. Accent was rated as V1 G1 on 26 July 2023 by the Regulator of Social Housing following its In-depth Assessment in March 2023 and this was re-affirmed by the Regulator of Social Housing on 13 December 2023 following annual stability checks.

The National Housing Federation (NHF) 2020 Code of Governance has been adopted by the Board as a formal framework to underpin its governance arrangements. This particular code of governance was selected as it is bespoke to the housing sector and it is a widely recognised example of best practice. Compliance with this code follows the four principles below:

- Mission and Values
- Strategy and delivery
- Board effectiveness
- Control and assurance

Compliance with the Regulatory Standards ensures we will:

- Adhere to all relevant laws.
- Ensure that its constitutional documents are, and remain, fit for purpose.
- Be accountable to residents and relevant stakeholders.
- Safeguard taxpayers' interests and the reputation of the housing sector.
- Have an effective risk management and internal controls assurance framework.

The Board has assessed compliance through self-assessment processes which have included a detailed examination of the effectiveness of the internal controls framework, a comprehensive review of compliance with the Regulatory Standards (which includes adherence to all relevant laws) and an assessment of compliance with the NHF Code of Governance 2020.

Report of *the Board*

(continued)

Compliance with regulatory standards (continued)

An external review of governance, as outlined above, has also been undertaken by external consultants, DTP, in 2022/23 and provided assurance that Accent complies with its chosen code. The Board has assessed that it fully complies with its chosen code of governance.

As part of the annual accounts process the Audit and Risk Committee undertakes a detailed review of regulatory compliance in accordance with standards set by the Regulator of Social Housing.

A regulatory review was undertaken and presented to the Committee in July 2024. The Audit and Risk Committee have received suitable assurance that Accent complies with the Governance and Financial Viability Standard.

Accent utilises a range of additional assessment methods to monitor performance and maintain standards. This includes, for example, the annual self-assessment of internal controls and assurance and a number of external independent reviews of key business areas. The insight and opinion of third-party specialists provides the Board with robust assurance and enables Accent to benefit from knowledge of best practice across the sector.

In addition to the self-assessments on the effectiveness of internal controls and a review of compliance with the regulatory standards external assurance has been obtained on compliance with all relevant laws and regulations. A small number of improvements have been identified to ensure that Accent continues to be in compliance with all relevant laws and regulations and steps are in place to mitigate the risk of non-compliance particularly in respect of the increased legislation and regulation around building safety. The work to address these recommendations is currently on going.

At Accent we self-assess compliance with the regulatory standards annually. For the financial year 2023/24 we have also commissioned an external validation of our self-assessment and provide subsequent assurance reports to the Audit and Risk Committee on the economic standards and to the Customer Experience Committee on the consumer standards. The Board has reviewed a summary report covering all of the regulatory standards. The overall outcome is that Accent fully complies with the standards though there are areas that we recognise we need to strengthen, for example increasing the level of customer consultation about services and ensuring that customers can influence policy and service design across multiple business streams.

In addition to the reflective assessment of compliance against the standards for 2023/24, we have undertaken a thorough and careful review of the new consumer standards and the associated code of practice. We have delivered briefings on the new standards at various levels of the organisation and we have developed plans to enhance our ability to demonstrate compliance. Third party assurance from independent specialists will be commissioned during 2024/25 in order to keep the Board and Committees apprised of our compliance with the new standards.

Internal controls assurance

Introduction

The ongoing harsh economic climate in which we operate continues to present particular risks and challenges across the sector. At the same time, Accent has undergone a period of significant internal change at rapid pace as we refocussed our organisation on the core business and made changes to governance, leadership and delivery models. As the level of inherent risk is significant, the role of internal controls within the organisation has never been greater. The following section of this report summarises the results of our 2023/24 in-depth review of internal controls. The review is based on the previous year's internal audit findings, management of risks and a survey of members of the executive, Audit and Risk Committee and the Board. The outcome of the review was that our internal controls framework was assessed as effective.

Strategic approach

Strategic approach and business planning

The financial aspects of business planning are covered elsewhere in this report and so this section focuses on wider governance controls. The Board and Committees have maintained oversight and received assurance over completion of strategic objectives throughout 2023/24. Non-executive directors have discussed the progress of the 2021-24 corporate strategy and determined how this will evolve to create a new strategy for 2024-27. The Board is clear on the challenges we face and the strategies that are in place to ensure objectives are met and services are delivered.

Report of *the Board*

(continued)

Strategic approach (continued)

Strategic approach and business planning (continued)
At the start of 2023/24, we underwent an in-depth assessment from the Regulator of Social Housing, the outcome of which was a G1 V1 assessment which has been maintained since. We are proud of this assessment but not complacent and, particularly with new regulatory standards in mind, we have continued our restructuring of the senior leadership team. New colleagues across the organisation have injected fresh perspectives and significant reviews have taken place to ensure that we have the appropriate resources and the best processes in place to deliver services to our customers. The Board has been engaged throughout this period of change and has navigated our course, ensuring an appropriate balance between investing in existing homes, new homes, systems and people.

Risk management

Risk is discussed at different levels throughout Accent from the Board through to team meetings. The Audit and Risk Committee play a key role in scrutinising detailed analysis of the Sector Risk Profile and Accent's awareness of, and readiness for, relevant risks. Accent's strategic risk register has been updated throughout the year and the Board have reviewed and updated our corporate risk appetite. As we move into the next iteration of the corporate strategy, further discussion around risk appetite and necessary trade offs in investment will take place.

Accent's top risks are largely related to the external operating environment and are included in this report on page 13 and so are not repeated here. In summary, risk identification and risk controls have proved effective through 2023/24.

Internal controls

Accent's programmes for both internal and external auditing are discussed in detail with the Audit and Risk Committee before assurance from auditing activity is provided to the Board. The internal audit programme is a three-year, risk-based programme that tests internal controls relating to 'business as usual' risks as well as controls identified on the strategic and operational risk registers. In 2023/24 the programme included audits on financial controls, health and safety, ICT and data security and key customer services such as repairs and complaints.All audits are reviewed by the Executive team and Audit and Risk Committee with summaries provided to the Board. The internal audit programme has become significantly more detailed since became a public interest entity and the subsequent thorough audit findings reports have provided significant assurance with no material concerns identified.

Assurance

Assurance is provided to the Board and committees through a variety of independent sources including the internal and external audit programmes and directly commissioned reviews delivered by external specialists. This includes dedicated audits commissioned to provide independent assurance on key health and safety areas including compliance with new building and fire safety legislation.

The recommendations from all audit reports are tracked and assurance regarding completion is provided to the Audit and Risk Committee. The in-depth assessment (IDA) conducted as a pilot for the consumer standards in 2023 also provided assurance along with valuable insight into areas that could be strengthened. One of the key areas we have been working on throughout 2023/24 is the need to strengthen the customer voice at Board and Committee level. Over the past year we have improved this through attention to consumer issues through standing agenda items including the Chief Executive Officer's health & safety report, the Chief Operating Officer's report and an updated performance reporting framework. We have made a strategic commitment to excellence through customer-influenced services and will ensure that there is an effective customer feedback loop in place. The Board will receive regular and ongoing assurance on the delivery of this, and all strategic objectives.

Report of *the Board*

(continued)

Statement of the responsibilities of the Board for the report and financial statements

Board members' responsibilities
The Board members are responsible for preparing the report of the Board and the financial statements in accordance with applicable law and regulations.
Co-operative and Community Benefit Society law and social housing legislation require the Board members to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
In preparing these financial statements, the Board members 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 and the Statement of Recommended Practice: Accounting by registered social housing providers 2018 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and association will continue in business.

The Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the group and association's transactions and disclose with reasonable accuracy at any time the financial position of the group and association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the group and association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for ensuring that the report of the Board is prepared in accordance with the Statement of Recommended Practice: Accounting by registered social housing providers 2018.

Financial statements are published on the group and association's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions.The maintenance and integrity of the Group and Association's website is the responsibility of the Board members. The Board members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Disclosure of information to auditor

At the date of making this report each of the Group's members, as set out on page 4, confirm the following:

- So far as each member is aware, there is no relevant information needed by the Group's auditors in connection with preparing their report of which the Group's auditors are unaware.
- 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 information needed by the Group's auditors in connection with preparing their report and to establish that the Group's auditors are aware of that information.

External auditor

BDO LLP has been appointed as auditor of the Group and the Society, which has been approved by the Board.

The Strategic Report was approved and authorised by the Board and signed on its behalf by:

Signed by:
K Spark
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Kirsty Spark
Secretary

25 July 2024

Date

Independent *Auditor's Report*

Independent auditor's report to the *members of Accent Group Limited*

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Society's affairs as at 31 March 2024 and of the Group's surplus and the Society's 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 properly prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

We have audited the financial statements of Accent Group Limited ("the Society") and its subsidiaries ("the Group") for the year ended 31 March 2024 which comprise the Consolidated statement of comprehensive income, the Consolidated statement of changes in reserves, the Consolidated statement of financial position, the Consolidated statement of cash flows, the Society statement of comprehensive income, the Society statement of changes in reserves, the Society 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 and Risk Committee.

Independence

Following the recommendation of the Audit and Risk Committee, we were appointed by the Board on 13 January 2023 to audit the financial statements for the year ended 31 March 2024 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 2 years of the engagement, covering the years ending 31 March 2023 to 31 March 2024.

We remain independent of the Group and the Parent Society 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 Group or the Parent Society.

Conclusions relating to going concern

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

- obtaining management's assessment that supports the Board's conclusions with respect to the disclosures provided around going concern;
- assessing the internal forecasting process to confirm the projections are prepared by appropriate personnel that are aware of the detailed figures in the forecast and also have a high level understanding of the Group's markets, strategy and profile in the customer base;
- considering the forecasts prepared by management and challenging key assumptions based on our knowledge of the business.

Independent auditor's report to the *members of Accent Group Limited*

(continued)

Conclusions relating to going concern (continued)

- we have considered the appropriateness of the downside scenarios outlined in the going concern policy and challenged 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 management on the suitability of the mitigating actions identified by management in their assessment and the quantum and period ascribed to these mitigating actions;
- obtaining and assessing the availability of financing facilities, including the nature of the facilities, repayment terms and financial covenants. We considered management's financial covenant compliance calculations through to September 2025 and concluded on the consistency of such calculations with the ratios stated in relevant lender agreements; and
- considering the adequacy of the disclosures in the financial statements against the requirements of the accounting standards and consistency of the disclosure against the going concern assessment performed.

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 and the Parent Association'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 Board with respect to going concern are described in the relevant sections of this report.

Overview

Coverage	• 100% of Group surplus before tax • 100% of Group revenue • 100% of Group total assets
Key audit matters	• 2024 - Management override of controls through journal entry postings • 2023 - Change in accounting policy from valuation to historic cost for Housing Properties • Change in accounting policy from valuation to historic cost for housing properties is no longer considered to be a key audit matter because the change in policy was specific to the previous period and there has been no further change during the current year.
Materiality	• Group financial statements as a whole based on Total Assets. • £13,450k based on 1.2% of group total assets. • Group specific materiality based on Revenue. • £1,770k based on 1.4% of group total revenue

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's 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 Board that may have represented a risk of material misstatement.

Audit work on all components was performed by BDO UK both for the purposes of reporting on the individual financial statements and for group/consolidation purposes. However, for the purposes of the group audit opinion we identified three components which, in our view required an audit of their complete financial information independent of their statutory requirement due to their size or risk characteristics and were therefore considered to be significant components:

-Accent Housing Limited
-Accent Capital plc
-Accent Homemade Limited

All entities within the Group have been subject to a full scope audit by BDO UK.

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.

<table>
<tr><th colspan="2">Key audit matter</th><th>How the scope of our audit addressed the key audit matter</th></tr>
<tr><td>Management override of controls through journal entry postings</td><td>Management has the ability to manipulate accounting records and override controls that otherwise appear to be operating effectively. We are required to consider this as a significant risk of material misstatement due to fraud.
Our risk assessment is that the most susceptible areas of the accounting records, where management override could take place, are the posting of journals.
Given the level of work performed on the journals testing in the current year, as well as it being a significant risk that impacts on all financial statement areas we have considered this to be a key audit matter.</td><td>Our testing included the following procedures to address the key audit matter:
We obtained a complete list of journals and, using information gathered during the audit and our understanding of the entity we target tested those journals and adjustments that we considered may be inappropriate or unusual;
Specific procedures were performed on users with administrative access to finance applications to assess the reasonableness of the access rights and the journals posted by such users;
Tested a sample of journals throughout the period that were not related to the specifically identified risk criteria;
Reviewed and verified unusual journal entries and unusual combinations made in the year, agreeing the journals to supporting documentation;
Performed a critical review of the consolidation and, in particular, manual or late journals posted at consolidated level; and
Reviewed of unadjusted audit differences for indications of bias or deliberate misstatement.
Key observations:
We noted no material exceptions through performing these procedures.</td></tr>
</table>

Independent auditor's report to the *members of Accent Group Limited*

(continued)

Our application of materiality

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

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

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

	Group financial statements		**Parent Society financial statements**	
	2024	**2023**	**2024**	**2023**
Financial statement materiality				
Materiality	13.4m	1.021m	£0.001m	£0.001m
Basis for determining *materiality*	1.2% of total assets	7% of adjusted operating surplus as defined by the Group's lending covenants.	1% of total assets capped at de-minimis limit of £0.001m	1% of total assets capped at de-minimis limit of £0.001m
Performance *materiality*	£9.4m	£0.715m	£0.001m	£0.001m
Basis for determining *performance materiality*	70% of materiality	70% of materiality	70% of materiality. However value is already capped at de-minimis limit of £1,000.	70% of materiality. However value is already capped at de-minimis limit of £1,000.

Independent auditor's report to the *members of Accent Group Limited*

(continued)

	Group financial statements		Parent Society financial statements	
	2024	2023	2024	2023
Specific Materiality				
Materiality	£1.7m	N/A	£0.001m	N/A
Basis for determining *materiality*	1.4% of Revenue	N/A	1% of total assets capped at de-minimis limit of £0.001m	N/A
Performance *materiality*	£1.2m	N/A	£0.001m	N/A
Basis for determining *performance materiality*	70% of materiality	N/A	70% of materiality. However value is already capped at de-minimis limit of £1,000.	N/A

Independent auditor's report to the *members of Accent Group Limited*

(continued)

Our application of materiality (continued)

The materiality benchmark in the previous year was adjusted operating surplus. We have reflected on our approach to materiality and concluded that for housing associations key stakeholders are primarily focused on the value of the stable, rented asset portfolio, as their debt is secured on these assets. Total assets is therefore considered to be the appropriate benchmark for determining overall materiality. However, we also determined that for other classes of transactions and balances in income and expenditure recognised within the statement of comprehensive income that are used in covenant calculations and sector benchmarking metrics, as well as other financial statement areas such as property for sale stock and rent arrears that are subject to greater scrutiny by key stakeholders, a misstatement of less than materiality for the financial statements as a whole could influence the economic decisions of the users of the financial statements. As a result, we applied a specific materiality calculated using Revenue as the benchmark to these balances and transactions. Revenue is considered to be a more stable metric to use for this purpose than adjusted operating surplus and is also more transparent and more easily understood by the users of the financial statements.

We have determined that 70% of materiality is an appropriate basis for performance materiality based on our previous experience of the audit and factors such as the low levels of misstatements previously identified partially offset by some areas of the financial statements subject to significant estimation uncertainty.

Component materiality

For the purposes of our Group audit opinion, we set materiality for each significant component of the Group, apart from the Parent Society whose materiality is set out above, based on a percentage of between 46% and 99% (2023: 39% and 93%) of Group materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality ranged from £830,000 to £1,750,000 (2023: £400,000 and £951,000). In the audit of each component, we further applied performance materiality levels of 70% (2023: 70%) of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit and Risk Committee that we would report to them all individual audit differences in excess of £70,000 (2023: £40,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Board are responsible for the other information. The other information comprises the information included in the Report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
We have nothing to report in this regard.

Independent auditor's report to the *members of Accent Group Limited*

(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required by the Co-operative or Community Benefit Societies Act 2014 to report to you if, in our opinion:

- the Society has not kept proper books of account;
- the Society has not maintained a satisfactory system of control over its transactions;
- the financial statements are not in agreement with the Society's books of account; or
- we have not received all the information and explanations we need for our audit.

Responsibilities of the Board

As explained more fully in the Statement of responsibilities of the Board, the Board is 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 Board members 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 Board are responsible for assessing the Group and the Society'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 Board either intend to liquidate the Group or the Society 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.

Independent auditor's report to the *members of Accent Group Limited*

(continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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 Group 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 Group's policies and procedures regarding compliance with laws and regulations; and
- Review of Financial Conduct Authority Regulatory Permissions

We considered the significant laws and regulations to be FRS 102, Co-operative and Community Benefit Societies Act 2014, Direction for Private Registered Providers of Social Housing 2022, UK tax legislation and the Financial Services and Markets Act 2000 (FSMA).

The Group 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, Financial Conduct Authority Regulatory Permissions and health and safety 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;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and
- Assessed the risk of the building safety act in relation to provisions and the performed procedures to assess the completeness of provisions in relation to buildings in scope of the regulation.

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, Accent Group internal auditor and their co-sourced external provider regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group'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 (which include a Fraud Register review) 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;
- 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 to revenue or capitalised major expenditure.

Independent auditor's report to the *members of Accent Group Limited*

(continued)

Auditor’s responsibilities for the audit of the financial statements (Continued)

Fraud (Continued)
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 (see key audit matter);
- 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;
- Considering the IT controls around the journal posting and the impact control limitations could have on the validity of data available and the testing conducted.

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 members of the Association, as a body, in accordance with the Housing and Regeneration Act 2008 and the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association’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 Association and the members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
BDO LLP
829727ECC12041D...

26 July 2024

BDO LLP
Statutory Auditor

Manchester, United Kingdom

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

Date

Financial *Statements*

Consolidated statement *of comprehensive income*

for the year ended 31 March 2024

	Notes	2024 £'000	2023 £'000
Turnover	2	126,738	115,345
Other income	2	65	1,294
Operating costs	2	(94,942)	(87,040)
Gain on disposal of housing properties	2	775	2,805
Operating surplus		**32,636**	**32,404**
Surplus/(Deficit) from interest in associated undertakings	27	3	(7)
Interest receivable and other income	5	7,015	3,100
Interest payable and financing costs	6	(16,242)	(14,011)
Surplus for the year before taxation	8	**23,412**	**21,486**
Taxation on ordinary activities	9	(10)	-
Surplus for the year after taxation		**23,402**	**21,486**
Actuarial gain in respect of Accent Group Pension Scheme	26	2,352	7,127
Actuarial gain/(loss) in respect of Social Housing Pension Scheme	26	45	(1,060)
Total comprehensive income for the year		**25,799**	**27,553**

All amounts relate to continuing activities.

The accompanying notes on pages 79-127 form part of these financial statements.

The financial statements were approved and authorised by the Board on and were signed on its behalf by:

Signed by:
69377C1E8D074AE...
Tom Miskell *Chair*
25 July 2024
Date

Signed by:
97F0F0C46E574C6...
Archana Makol *Member*
25 July 2024
Date

Signed by:
D3ACBFF0C8004E3...
Kirsty Spark *Secretary*
25 July 2024
Date

Consolidated statement *of changes in reserves*

for the year ended 31 March 2024

	Revenue reserve £'000
Balance at 1 April 2022	**111,573**
Surplus for the year	21,486
Other comprehensive income for the year:	
Actuarial gain in respect of Accent Group Pension Scheme	7,127
Actuarial loss in respect of Social Housing Pension Scheme	(1,060)
Balance at 31 March 2023	**139,126**
Surplus for the year	23,402
Other comprehensive income/(loss) for the year:	
Actuarial gain in respect of Accent Group Pension Scheme	2,352
Actuarial gain in respect of Social Housing Pension Scheme	45
Balance at 31 March 2024	**164,925**

Consolidated statement *of financial position*

as at 31 March 2024

	Notes	2024 £'000	2023 £'000
Tangible fixed assets			
Housing properties	10	937,883	844,985
Other tangible fixed assets	11	6,290	5,230
Other intangible fixed assets	11	193	206
Investment properties	11	5,060	4,995
		949,426	855,416
Interest in associated and joint venture undertakings			
Share of net assets	27	13	9
		949,439	855,425
Current assets			
Properties held for sale	13	25,705	14,258
Debtors: due within one year	14	6,494	5,236
due after one year	14	1,626	1,702
Current asset investments	12	25,002	25,002
Cash at bank held in constructive trust		4,938	6,823
Cash at bank and in hand		106,875	132,457
		170,640	185,478
Current liabilities			
Creditors: Amounts falling due within one year	15	(150,061)	(105,359)
Net current assets		20,579	80,119
Total assets less current liabilities		970,018	935,544
Creditors: Amounts falling due after more than one year	16	(802,395)	(789,167)
Net pensions liability	26	(2,698)	(7,251)
Total net assets		**164,925**	**139,126**
Capital and reserves			
Share capital	21	-	-
Revenue reserve		164,925	139,126
Total reserves		**164,925**	**139,126**

The accompanying notes on pages 79-127 form part of these financial statements.

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Tom Miskell *Chair*
25 July 2024
Date

Signed by:
Archana Makol
97F0E0C46E574C6...
Archana Makol *Member*
25 July 2024
Date

Signed by:
K Spark
D3ACBFF0C8004E3...
Kirsty Spark *Secretary*
25 July 2024
Date

Consolidated statement *of cash flows*

for the year ended 31 March 2024

	Notes	2024 £'000	2023 £'000
Net cash generated from operating activities	22	36,658	47,243
Cash flow from investing activities			
Purchase of tangible fixed assets – Housing properties		(109,350)	(90,142)
Purchase of tangible fixed assets - Other fixed assets		(1,670)	(436)
Proceeds from sale of tangible fixed assets		1,928	5,837
Grants received		51,606	41,125
Interest received		6,110	2,355
		(51,376)	(41,261)
Cash flow from financing activities			
Interest paid		(16,997)	(15,401)
Repayments of borrowings		(5,752)	(5,730)
New secured loan		10,000	15,000
		(12,749)	(6,131)
Net change in cash and cash equivalents		**(27,467)**	**(149)**
Cash and cash equivalents at beginning of the year		164,282	164,431
Cash and cash equivalents at end of the year		**136,815**	**164,282**
Current assets investments		25,002	25,002
Cash at bank held in constructive trust		4,938	6,823
Cash at bank and in hand		106,875	132,457
Cash and cash equivalents at end of the year		**136,815**	**164,282**

The accompanying notes on pages 79-127 form part of these financial statements.

Society Statement of *comprehensive income*

for the year ended 31 March 2024

During the year the Society undertook no transactions. The Society has not traded since its incorporation on 1 April 2008.

Audit fees were borne and Board members were remunerated by Accent Housing Limited.

Society Statement *of changes in reserves*

The Society has not traded since incorporation and does not have any accumulated reserves, other than share capital.

Society Statement of *financial position*

as at 31 March 2024

	Notes	2024 £	2023 £
Fixed asset investments		8	8
Current assets			
Debtors		1	1
Current liabilities			
Creditors		-	-
		9	**9**
Capital and reserves			
Share capital	21	**9**	**9**

The accompanying notes on pages 79-127 form part of these financial statements.

The financial statements were approved and authorised by the Board on and were signed on its behalf by:

Signed by:
69377C1F8D074AE...
Tom Miskell *Chair*
25 July 2024
Date

Signed by:
Archana Makol
97F0F0C46E574C6...
Archana Makol *Member*
25 July 2024
Date

Signed by:
K Spark
D3ACBFF0C8004E3...
Kirsty Spark *Secretary*
25 July 2024
Date

Notes to the *financial statements*

Legal status and Group structure

Accent Group Limited is the ultimate holding entity into which the results of all subsidiary companies are consolidated. The terms “Group” or “Accent” in the report and financial statements refers to the consolidation of Accent Group Limited and all its subsidiaries. The term ‘Society’ refers to the statutory entity Accent Group Limited.

The subsidiaries in the Group include Accent Housing Limited, Accent Homemade Limited and Accent Capital PLC.

The Society is a charitable society incorporated under the Co-operative and Community Benefit Societies Act 2014, registered society number 30444R, and registered with the Regulator of Social Housing (RSH), registered number L4511.

Accent Housing Limited is a charitable society incorporated in England under the Co-operative and Community Benefit Societies Act 2014, registered society number 19229R, and registered with the Regulator of Social Housing (RSH), registered number LH1722.

Accent Homemade Limited is a limited company incorporated and registered under the Companies Act 2006 in England and Wales, registered number 05591747.

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, BD1 4AS.

1. Accounting policies

Basis of accounting and comparative amounts
The financial statements of the Group and Society are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS102) and the Housing SORP2018; Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

The financial statements are prepared in Sterling (£).

The individual accounts of the Society have also adopted the following disclosure exemptions:

- The requirement to present a statement of cash flows and related notes.
- Financial instrument disclosures.
- Accent Group Limited is a public benefit entity in accordance with FRS102.

Going concern
The Group and Society’s business activities and its current financial position are set out above in the Strategic Report and the Report of the Board. In preparing the financial statements on the going concern basis the Board considered the current economic situation with immediate potential for increased costs resulting from higher inflation, higher wage costs, higher interest costs, higher material costs and factored in the following possibilities and outcomes:

- That the current budget, medium- and long-term financial forecasts, including pension obligations, demonstrate that the Group and the Society have sufficient resources to meet all liabilities as they fall due, for the foreseeable future and at least for the 12 months following approval of these accounts.
- Flexing and stress testing of long-term financial forecasts have been prepared to demonstrate that appropriate and practical mitigations are available to the Group and the Society in the case of wider economic uncertainty. The stress tests, which included but were not limited to factors such as increased inflation rates, increased interest rates, rent cap, exceptional expenditure, development delays, and sales price fluctuation, aimed to determine their impact on the plan. Multiple stress scenarios were also applied, and when the plan was ‘broken’, meaning bank covenants have been breached, mitigating actions were identified, quantified, and their timing determined.
- That banking covenants and funders’ requirements have been met and are forecast to be met going forward.
- The continuing impact of the war in Ukraine, the Middle East unrest, and the unknown political landscape have all been considered within the forecasts and stress tests applied to assess the potential impact of various scenarios. The Group and the Society continue to maintain sufficient liquid resources and committed funding to mitigate any immediate and foreseeable impact in the short, medium and long term, to ensure they can manage the potential impact of increased risks identified, including inflation, increased interest rates, and a significant decline in the housing market.

1. Accounting policies (continued)

Going concern (continued)
Cashflow projections do not rely on Government support schemes. The primary reliance the Group and the Society have in respect of Government funding is attributable to rents and service charges settled through Universal Credit and Housing Benefits and other customer focussed support. Appropriate stress testing, including rent cap, has been undertaken to ensure that a variation in Government policy on such payments can be accommodated within cash flow forecasts.

The Board has reviewed and considered the expected performance and commitments of the Group and the Society over the short and medium term and believes there is a reasonable expectation that the Group has adequate resources to continue in operational existence for foreseeable future, thus ensuring a period of at least 12 months after the date on which the report and financial statements are signed. For this reason, the Board continues to adopt the going concern basis in the financial statements.

Segmental reporting
For the purpose of segmental reporting, the chief operating decision maker (CODM) is considered to be the Group Executive. In line with the segments reported to the CODM, the presentation of these financial statements and accompanying notes are in accordance with the Accounting Direction for Private Registered Providers of Social Housing 2022 and is considered appropriate. Information about income, expenditure and assets attributable to material operating segments are presented on the basis of the nature and function of housing assets held by the Group. This is appropriate on the basis of the similarity of the services provided, the nature of the risks associated, the type and class of customer and the nature of the regulatory environment across all of the geographical locations in which the Group operates. The CODM do not review disaggregated financial information of assets and liabilities at this level of operating segment. Segmental information is disclosed in note 2.

Basis of consolidation
Consolidated financial statements have been prepared in accordance with the requirements of FRS102. The Group accounts consolidate the accounts of the Society and all its subsidiaries at 31 March using acquisition accounting. The Group accounts also include its associate and its joint venture at 31 March using the equity method. The subsidiary and associated undertakings and the basis for inclusion within the consolidated financial statements are set out in note 27. Transactions within the Group have been eliminated on consolidation.

Turnover
Turnover represents rental and service charge income receivable, first tranche shared ownership sales, finance lease income receivable, grants, management charges, and the value of goods and services supplied within the year. Turnover is recognised in the statement of comprehensive income on the following bases:

- Rent income is included in turnover for the period that the residents are in occupation of the property during the accounting period, as opposed to the date on which the rent is charged, net of voids.
- The Group adopts a fixed method for calculating and charging service charges to its tenants and a variable method for leaseholders. Income is recognised based on the amounts chargeable. Expenditure is recorded when a service is provided.
- Income from first tranche shared ownership sales is recognised at the point of legal completion of the sale.
- Government grants include grants receivable from Homes England, local authorities, and other government organisations.Government grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.
- Non-social housing letting income is included in turnover for the period that the tenants are in occupation of the property during the accounting period, as opposed to the date on which the rent is charged.
- Management charges and charges for services are included in income over the period for which the service is provided during the accounting period.

Revenue grants
Grants in respect of revenue expenditure are credited to the statement of comprehensive income in the same period as the expenditure to which they relate.

Supported housing projects managed by agencies
Supported housing grants are managed by the relevant Local Authority (LA). As the grants are paid to cover expenditure related to housing support they are only payable to the organisation that provides the support and is therefore contracted by the LA. It is the Agents that provide the support and the Group provides the housing management. The grants are paid direct to the Agents and the Group invoices on a monthly basis for its charges. The treatment of other income and expenditure in respect of projects depends on whether the Group carries the financial risk.

1. Accounting policies (continued)

Supported housing projects managed by agencies (continued)
Where the Group carries the majority of the financial risk, for example, for losses from voids and arrears, all the project's income and expenditure is included in the statement of comprehensive income (see note 2). Where the agency carries the majority of the financial risk, the statement of comprehensive income includes only that income and expenditure which relates solely to the Group. Other income and expenditure of projects in this category is excluded from the statement of comprehensive income.

Where the Group holds the support contract with the Supporting People Administering Authority and carries the financial risk, all the project's income and expenditure is included in the Group's statement of comprehensive income (see note 2). Where the agency holds the support contract with the Supporting People Administering Authority and carries the financial risk, the statement of comprehensive income includes only that income and expenditure which relates solely to the Group. Other income and expenditure of projects in this category is excluded from the Group's statement of comprehensive income.

Value added tax
The Group charges value added tax (VAT) on some of its income and is able to recover only part of the VAT it incurs on expenditure. This irrecoverable VAT is a cost to the Group and consequently the financial statements include VAT to the extent that it is suffered by the Group and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Taxation
The charge for corporation tax is based on the surplus or deficit arising from non-charitable activities for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation
The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method on all timing differences that have arisen, but not reversed by the statement of financial position date, unless such provision is not permitted by FRS102. Deferred tax liabilities are not discounted. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

In accordance with FRS102 deferred tax is not provided for gains on the sale of non-monetary assets, if the taxable gain will probably be rolled over, or on revaluation gains on housing properties unless there is a binding agreement to sell them at the statement of financial position date.

Deferred tax relating to investment property that is measured at fair value is measured using the tax rates and allowances that apply to the sale of the asset, except for investment property that has a limited useful life and is held in a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the statement of financial position date.

Tangible fixed assets and depreciation
Housing properties and other properties held for letting

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit.

Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements. Costs are capitalised only to the extent that they are incremental to the process and directly attributable to bringing the asset into its intended use.

All housing properties are assumed to comprise several components which require periodic replacement and have substantially different useful economic lives. The components comprising a housing property are accounted for separately and are defined as follows:

- 15 years – Heat source (boilers etc)
- 20 years – Kitchen
- 30 years – Windows, doors and rainwater goods; bathroom; heat system (radiators etc); electrical system; and external works
- 60 years – Roof covering
- 100 years – Structure
- Not depreciated – Land

1. Accounting policies (continued)

Tangible fixed assets and depreciation (continued)

Housing properties and other properties held for letting (continued)

Where components are replaced before they have been fully depreciated the remaining un-depreciated amount is charged to the statement of comprehensive income and disclosed as part of the depreciation charge for the period. In doing this the component is derecognised from the financial statements upon replacement.

Replacement components are added to Housing Properties, stated at cost and depreciated over their useful economic life. The estimated useful economic lives are based on the Group's current experience of component replacement. The Group will continue to monitor and review the useful economic lives of all components and make revisions where material changes arise.

Housing properties under the course of construction are stated at cost. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred in respect of improvements. Administration costs relating to development are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the property into its intended use.

Costs are transferred into completed housing properties when practical completion is achieved. Expenditure on schemes which are subsequently aborted is written off in the year in which it is recognised that the scheme or property will not be developed to completion.

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds included in turnover, the remaining element is classed as a fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment.

Impairment – housing properties

Housing properties are subject to an annual review to ensure whether an event triggering a potential impairment has occurred. Indicators of impairment considered include, but are not limited to, increasing void losses, asset management decisions which may impact the long-term use of the property, government policy decisions (such as changes to the rent settlement) and significant repairs or maintenance requirements.

Where indicators are identified an assessment for impairment is undertaken comparing the property's carrying amount to its estimated recoverable amount. The estimated recoverable amount is calculated with reference to future income streams generated less costs to maintain the properties under review.

Where the carrying amount of a property is deemed to exceed its recoverable amount, the property is written down to its recoverable amount. The recoverable amount is the higher of the assets value in use and fair value less costs to sell. The resulting impairment is recognised as operating expenditure and is charged to the surplus before tax in the statement of comprehensive income. The reversal of an impairment loss is included in the statement of comprehensive income as a separate line within operating expenditure.

Social housing grant

Grants relating to revenue are recognised in income over the same period of the expenditure to which they relate once reasonable assurance has been gained that the Group will comply with the conditions and that the funds will be received.

Government grants received for housing properties are recognised in income over the useful life of the housing property structure.

Homes England Government grants for new developments due from government organisations or received in advance are included as current assets or liabilities until such time development conditions have been met. Once met, they will be paid to Accent Housing consortium partners or allocated to Accent schemes and amortised over the list of the housing property structure.

Social housing grant can be recycled by the Group under certain conditions, if a property is sold, or if another relevant event takes place. Recycled grant can be used for projects approved by Homes England. The recycled grant may have to be repaid if certain conditions are not met or if re-investment is not committed within three years following the year of disposal, then the grant becomes due for repayment. Until the grant is either re-invested or repaid it is included within current liabilities the recycled capital grant fund. The amount repaid will be restricted to net proceeds of sale and subordinated behind any deemed private loans on the properties where appropriate. It is not the general intention of the Group to dispose of property except under the following circumstances:

- where a tenant has exercised a right-to-buy or a right-to-acquire option;

1. Accounting policies (continued)

Tangible fixed assets and depreciation (continued)

Social housing grant (continued)

- where the property was specifically built for sale e.g. shared ownership; or
- where rationalisation is carried out as part of the ongoing business of the Group.

Where individual components are disposed of and this does not create a relevant event for recycling purposes, any grant which has been allocated to the component is released to income and expenditure.

Other grant

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable.

A grant that imposes specified future performance-related conditions on the Group is recognised only when these conditions are met.

A grant received before the revenue recognition criteria are satisfied is recognised as deferred income.

Grants relating to other tangible fixed assets are treated as deferred income and released to the statement of comprehensive income over the expected useful lives of the assets concerned.

Other tangible and Intangible fixed assets

Other tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged over the expected useful economic lives of the assets on the following bases:

- Freehold offices: 2% p.a. on cost
- Leasehold offices: over the life of the lease
- Service equipment - Other: 5% to 8% p.a. on costs
- Service equipment - Laundry/door entry: 10% to 12% p.a. on costs
- Service equipment - Furnishings: 20% p.a. on cost
- Office equipment, fixtures and fittings: 20% p.a. on cost
- Computer software: 20% p.a. on cost
- Leased equipment: over the life of the lease
- Freehold land is not depreciated

Tangible fixed assets impairment – freehold offices

Freehold offices are subject to an annual review to consider whether an event triggering a potential impairment has occurred. Where indicators are identified an assessment for impairment is undertaken comparing the freehold offices carrying amount to their recoverable amount. Where the carrying amount of an office is deemed to exceed its recoverable amount, the office is written down to its recoverable amount which is fair value less associated costs to sell. The resulting impairment is recognised as operating expenditure and is charged to the surplus before tax in the statement of comprehensive income. The reversal of an impairment loss is included in the statement of comprehensive income as a separate line within operating expenditure.

Investment properties

Investment properties consist of properties let at market rent, are measured at cost on initial recognition and subsequently at fair value at the year end. Fair value is determined through annual formal external valuation or where triggers indicate a valuation may be appropriate. Changes in fair value are recognised in operating activities. Depreciation is not provided.

Donated land

Land donated by local authorities and other government sources is added to cost at the fair value of the land at the time of the donation. Where the land is not related to a specific development and is donated by a public body an amount equivalent to the difference between fair value and consideration paid is treated as a non-monetary government grant and recognised in the statement of financial position as deferred income within liabilities. Where the donation is from a non-public source, the value of the donation is included as income.

On disposal of an asset for which non-monetary government grant was received by the Group any unamortised grant remaining within liabilities in the statement of financial position is derecognised and recognised as income in the statement of comprehensive income

Capitalisation of interest and interest payable

Interest on capital specifically borrowed to finance a development is capitalised from the commencement of construction up to the time of practical completion of the scheme, unless there is a prolonged delay. Where schemes are not financed by specific facilities an appropriate proportion of the interest charged on the Group's overall borrowing is allocated to the cost of the scheme up to the date of practical completion. Other interest payable is charged to the statement of comprehensive income account in the year.

1. Accounting policies (continued)

Capitalisation of maintenance
Any expenditure on an existing property that meets one of the following circumstances is capitalised into one of the housing property components:

- Replacement or restoration of a component of the property that has been previously treated separately for depreciation purposes and has been depreciated over its individual useful economic life.
- The economic benefits of the property have been enhanced in excess of the previously assessed standard of performance.
- A major overhaul or inspection of a property that restores the economic benefits of the property that have been consumed by the business and have already been reflected in depreciation.

Any expenditure on an existing property that does not replace a component or result in an enhancement to the economic benefits of that property is charged to the statement of comprehensive income.

Employee Benefits
Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

Pension costs
The Group operates a defined benefit pension scheme, Accent Group Pension Scheme (AGPS) and participated in a funded multi-employer defined benefit scheme, the Social Housing Pension Scheme (SHPS-DB). In addition, the Group contributes to a money purchase scheme (Social Housing Pension Scheme (SHPS-DC), the Auto Enrolment option for staff) for those employees who are not members of the defined benefit scheme and the charge to the financial statements is based on contributions paid.

<u>Accent Group Pension Scheme (AGPS)</u>

Pension costs for AGPS are assessed in accordance with the advice of an independent qualified actuary. Costs include the regular cost of providing benefits, which it is intended should remain at a substantial level percentage of current and expected future earnings of the employees covered. Variations from the regular pension costs are spread evenly through the statement of comprehensive income over the average remaining service lives of current employees.

The assets associated with the AGPS are held separately from the assets of Accent Group Limited and its subsidiaries. The AGPS assets are measured using fair values. The Scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The deficit in respect of AGPS is recognised in full and presented on the face of the statement of financial position for each Group company participating in the scheme. The movement in the Scheme deficit charged or credited to either the operating surplus or the actuarial gain or loss reported on the face of the statement of comprehensive income. Past service costs are recognised in the current reporting period within the statement of comprehensive income. Interest is calculated on the net defined liability. Any re-measurements are reported in other comprehensive income. See note 26 for further details.

<u>Social Housing Pension Scheme (SHPS-DB)</u>

For the SHPS, the Group is able to identify its share of the scheme assets and scheme liabilities from 1 April 2018 and therefore has applied defined benefit accounting from this date onwards.

The scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the statement of financial position. This has been recognised within the defined benefit pension liability on the face of the statement of financial position.

The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period within the income and expenditure account.

Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income. Refer to note 26 for more details.

Holiday pay accrual
Unused annual leave accrued by employees as a result of services provided in the period, and to which they are entitled to carry forward and use within the next 12 months, is recognised within accruals. The accrual amount is measured at the salary cost for the period of absence.

Sinking funds
Unutilised contributions to service charge sinking funds which are repayable to tenants or leaseholders or are intended to be reflected in reductions to future service charge contributions are recognised as a liability in the statement of financial position. Sinking funds are split between current and non-current based on budget expectations to realise expenditure.

1. Accounting policies (continued)

Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Group. All other leases are classified as operating leases.

Finance lease liabilities are stated at the lower of fair value and minimum lease payments, determined at the lease inception. The finance charge in the statement of comprehensive income is derived by applying the effective interest method. Finance lease assets are stated at the gross amount receivable under the lease less related unearned income, and are included in debtors.

Rentals payable under operating leases are charged to the statement of comprehensive income on a straight-line basis over the lease term.

Financial leases are subject to a periodic impairment review and consideration given to whether an event triggering a potential impairment has occurred. Where indicators are identified an assessment for impairment is undertaken comparing the lease carrying amount to the recoverable amount. Where the carrying amount of a lease is deemed to exceed its recoverable amount, the lease is written down to its recoverable amount.

The resulting impairment is recognised as operating expenditure unless it is a reversal of a past revaluation surplus in which case it would be charged to the surplus before tax in the statement of comprehensive income.

Operational leases are assessed to determine whether they have onerous conditions.

Financial instruments
Financial instruments which meet the criteria of a basic financial instrument as defined in section 11 of FRS102 are accounted for under the amortised cost model.

Non-basic financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in surplus or deficit. At each year end, the instruments are revalued to fair value, with movements posted to the statement of comprehensive income. The Group has not applied hedge accounting for the financial instruments.

Loan and Bond finance issue costs
Loan and bond finance issue costs on basic capital financial instruments are written off evenly over the life of the related funding. Loans are stated in the statement of financial position at the amount of the net proceeds after issue.

Bond financial instruments are held in the statement of financial position at gross proceeds less the cost of raising the funds. The discount or premium on issue is unwound over the life of the instrument utilising the effective interest rate. The Group issued a £350m bond in July 2019. The bond has been assessed against the criteria of section 11 of FRS102. The bond pays a fixed coupon rate of 2.625% with a fixed maturity date of July 2049, has no provision which could result in the holder losing the principal sum or any interest thereon, prepayment is only permitted for appropriate contractual purposes.

Provisions
A provision is only recognised when; the Group has a present legal or constructive obligation as a result of past events, an outflow of resources will be required to settle the obligation and the amount has reliably estimated.

The amount recognised is the best estimate of the consideration required to settle the liability at the end of the reporting period, taking into account the risk and uncertainties surrounding the obligation. Where the time value of money is material, the amount expected to be required to settle the obligation is recognised at net present value. The unwinding of the net present value in each period is recognised in the statement of comprehensive income in the period to which it relates.

Debtors
Short term debtors are measured at the transaction price, less any impairment. Where deferral of payment terms have been agreed at below market rate, and where material, the balance is shown at the present value, discounted at a market rate.

Long term debtors
Long term debtors are those which fall due for repayment in more than one year at the balance sheet date. These debtors are measured at the transaction price less any impairment.

Liquidity and Interest Service Reserve Fund
Amounts ringfenced in respect of future interest payments on borrowings in accordance with the terms of the respective loans.

Bad debts
A tenant's debt is considered to be bad when there is virtual certainty it will not be paid. All bad debts written-off are charged to the statement of comprehensive income. A tenant's debt is considered to be doubtful when there is some uncertainty whether it will be paid. In this case a provision is created against the doubtful debt and a charge is made to the statement of comprehensive income.

1. Accounting policies (continued)

Properties for sale
Shared ownership first tranche sales completed properties for outright sale, and property under construction are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises materials, direct labour and direct development overheads.

As and when Accent re-purchases equity from Leaseholders, they are held in properties held for sale until the lease is sold, they are held at cost.

Included within properties for sale is Charlestown House, Accents Shipley former head office which is due to be sold. The property transferred from other tangible fixed assets within the year and is held at net book value.

Cash at bank and in hand
Cash includes cash in hand, deposits repayable on demand and cash equivalents. Deposits repayable on demand are available within 24 hours without penalty. Cash equivalents are short term investments that are readily disposable liquid resources that can be withdrawn without penalty on maturity and are available as Cash within 30 days.

Current asset investments
Deposits and other investments that take over a 30-day but under a 90-day notice period to move into Cash are treated as Current Asset Investments.

Cash held in constructive trust
Cash held on behalf of leaseholders or other third parties is ring fenced in separate bank accounts and disclosed as cash held in constructive trust. The corresponding creditors are recognised in liabilities under notes 15 and 16.

Creditors
Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured subsequently at amortised cost.

Significant judgements and estimates
The preparation of the financial statements requires management to make significant judgements and estimates concerning the future. The items in the financial statements where these judgements and estimates have a significant risk of causing a material adjustment to the carrying values of the assets and liabilities include:

Significant management judgements

Transfer of engagements
On 31 March 2024 a Transfer of Engagements has been completed as provided for by the Co-operative and Community Benefit Societies Act 2014. On this date, Domus Limited, wholly owned subsidiary of the Accent Housing Limited, wholly owned subsidiary of Accent Group Limited, transferred all its assets, liabilities and activity to Accent Housing Limited. The transfer of engagements does represent a public benefit entity combination under FRS102 and the Housing SORP, hence merger accounting has been applied and comparative amounts have been restated in the Accent Housing Limited financial statements.

There is no impact on the consolidated Accent Group Limited financial statements as both entities were previously consolidated.

Introduction of a new capitalisation of salaries policy
Within components replacements, a proportion of salaries has been included to recognise the fact that these costs were incurred to deliver component replacement programmes, hence, to be capitalised. The current year impact is £0.4m.

As this is a new accounting policy for the year ending March 2024, the impact on prior years was considered for comparative purposes. The impact was assessed as not material. The prior year numbers have not been adjusted.

Classification and valuation of investment properties
Accent holds some properties as investments (housing properties which are rented out at market rent) and carries these at fair value. In accordance with FRS102 the fair value of these properties must be reviewed for annually. These properties were revalued at Market Value Subject to Tenancies (MVSTT) by externally qualified RICS surveyors, Savills as at 31 March 2024. Management have considered the assumptions and discount rate applied to the properties in arriving at their fair value valuation and are comfortable that they are reasonable. The movement in value thereon is reported within these financial statements. Carrying value at 31 March 2024 £5.1m (2022: £5.0m). See note 11.

Impairment
As part of the Group's continuous review of the performance of its assets, management consider any apparent triggers of impairment which may affect any properties, or schemes. In making this assessment management have made a judgement regarding the indicators that they feel are reflective of an impairment. Triggers considered include but are not limited to increasing void losses suggesting longer term letting issues, government policy changes (such as rent cuts or housing benefit changes) and significant damage or significant repair needs of a property.

1. Accounting policies (continued)

Impairment (continued)
In the current year consideration has also been given to the impact of the state of the economy on the future income streams of properties, considerations have included the potential increase in rent arrears, voids and cost base implications.

Management have also considered any exposure to any unsold new schemes on site where there is or could be exposure to reductions in market values. Having considered the indicators and the potential impact on the Group's management have concluded that in their judgement there were no indicators of impairment present at the reporting date.

This review also considers additions to housing properties both in respect of Shared Ownership and Rented units. Properties held for sale are also considered in this review. Post year-end no diminution in value has been seen in respect of properties held for sale with completions progressing at expected values and volumes.

Where impairment is found, the fixed asset value is reduced and a charge in the Statement of Comprehensive Income is recognised. Where there is a requirement for a previous impairment to be reversed. Based on the impairment review performed for the year ended 31 March 2024, no impairment charge has been recognised (2023: £nil).

Significant management estimates

The following are the areas where management estimates and assumptions have the most significant effect on the recognition and measurement of income and expenditure, and assets and liabilities. The actual results may be substantially different:

Retirement benefits
Section 28 of FRS102 sets out the rules for accounting for defined benefit pension schemes. Accent operates two defined benefit schemes:

- Accent Group Pension Scheme (AGPS) (open to new members); and
- Social Housing Pension Scheme DB (SHPS) (closed to both new members and future accrual of benefits for existing members).

For AGPS the scheme deficit has decreased by £4m to £0.3m, primarily driven by increase in the fair value of scheme assets. Independent actuaries are employed by the Society to prepare the actuarial valuations and disclosures for the AGPS on an annual basis. Key financial assumptions used in calculating the pension liability are the discount rate, rate of increase of pensions in payment, rate of revaluation of deferred pensions, CPI and expected mortality of scheme members. Management reviews the assumptions applied to the actuarial valuation on an annual basis and considers the sensitivity of the valuation to the variables thereon.

The independent actuary appointed to value the schemes assets and liabilities estimates that a 0.5% change in the discount rate could result in an 8.0% increase in liabilities, similarly a 0.5% increase in the long-term projected mortality rate could result in a 3.0% increase in liabilities. These movements are not considered material and having considered the variables applied management are comfortable that the assumptions are appropriate for use in calculating the schemes liabilities. Please see details in note 26.

For SHPS, the scheme deficit included within the accounts as at 31 March 2024 is £2.4m (2023: £2.8m). See note 26.

2. **Particulars of turnover, cost of sales, operating** *costs, operating surplus and disposal of property*

	Turnover £'000	Other income £'000	Operating costs £'000	Operating surplus /(deficit) £'000
Group 2024				
Social housing lettings	114,991	-	(85,563)	29,428
Other social housing activities				
First tranche low cost home ownership sales	9,884	-	(7,827)*	2,057
Charges for support services	35	-	(170)	(135)
Other	407	-	(1,070)	(663)
	10,326	-	(9,067)	1,259
Activities other than social housing activities				
Fair value movement of investment properties	-	65	-	65
Non-social letting activities	141	-	(75)	66
Other	1,280	-	(237)	1,043
	1,421	65	(312)	1,174
	126,738	**65**	**(94,942)**	**31,861**

	Proceeds £'000	Cost of disposal £'000	Amortised grant £'000	Gain on disposal £'000
Disposal of Fixed Asset Housing Property				
Sale of housing properties	521	(477)	(10)	34
Sale of subsequent tranche low cost home ownership	1,407	(652)	(14)	741
Gain on disposal of housing properties	1,928	(1,129)	(24)	775
Operating surplus				**32,636**

*The operating costs reflected on these rows reflects the cost of sales in relation to the property sale transactions disclosed.

2. Particulars of turnover, cost of sales, operating *costs, operating surplus and disposal of property*

(continued)

	Turnover £'000	Other income £'000	Operating costs £'000	Operating surplus /(deficit) £'000
Group 2023				
Social housing lettings	103,779	-	(77,637)	26,142
Other social housing activities				
First tranche low cost home ownership sales	5,287	-	(3,741)*	1,546
Charges for support services	34	-	(152)	(118)
Other	279	-	(1,277)	(998)
	5,600	-	(5,170)	430
Activities other than social housing activities				
Fair value movement of investment properties	-	1,294	(20)	1,274
Non-social letting activities	1,377	-	(1,185)	192
Open market property sales	4,545	-	(3,028)	1,517
Other	44	-	-	44
	5,966	1,294	(4,233)	3,027
	115,345	**1,294**	**(87,040)**	**29,599**

	Proceeds £'000	Cost of disposal £'000	Amortised grant £'000	Gain on disposal £'000
Disposal of Fixed Asset Housing Property				
Sale of housing properties	3,259	(1,680)	(164)	1,415
Sale of subsequent tranche low cost home ownership	2,578	(1,109)	(79)	1,390
Gain on disposal of housing properties	5,837	(2,789)	(243)	2,805
Operating surplus				**32,404**

*The operating costs reflected on these rows reflects the cost of sales in relation to the property sale transactions disclosed.

2. Particulars of income and expenditure *from social housing lettings - Group*

(continued)

	General housing £'000	Supported housing and housing for older people £'000	Shared ownership £'000	Intermediate market rent £'000	2024 Total £'000	2023 Total £'000
Income						
Rent receivable	84,908	8,808	4,005	1,196	98,917	90,011
Service charge income	3,969	6,413	1,593	-	11,975	9,796
Other grant received	31	-	-	-	31	-
Amortisation of government grants	3,733	94	197	44	4,068	3,972
Turnover from social housing lettings	**92,641**	**15,315**	**5,795**	**1,240**	**114,991**	**103,779**
Expenditure						
Management	(13,052)	(2,348)	(969)	(196)	(16,565)	(19,497)
Service charge costs	(6,013)	(5,042)	(685)	3	(11,737)	(11,248)
Routine maintenance	(20,583)	(2,468)	(728)	(247)	(24,026)	(17,061)
Planned maintenance	(9,929)	(1,746)	(10)	(107)	(11,792)	(8,316)
Major repairs expenditure*	(1,590)	(450)	(10)	-	(2,050)	(1,848)
Bad debts	(789)	(124)	5	(16)	(924)	(266)
Depreciation and write off of replaced components	(16,868)	(460)	(665)	(264)	(18,257)	(17,044)
Impairment	-	-	-	-	-	-
Other costs	(172)	-	(40)	-	(212)	(2,357)
Operating costs on social housing lettings	**(68,996)**	**(12,638)**	**(3,102)**	**(827)**	**(85,563)**	**(77,637)**
Operating surplus on social housing lettings	**23,645**	**2,677**	**2,693**	**413**	**29,428**	**26,142**
Void losses	(1,466)	(451)	(72)	(50)	(2,039)	(1,100)

* for comparative purposes 2023 numbers have been restated to split major repairs expenditure, previously included in routine maintenance.

3. Accommodation in *management - Group*

	Owned and directly managed by Accent Group Number	Managed by Accent Group on behalf of others Number	Owned by Accent Group managed by others Number	2024 Total Number	2023 Total Number
Social housing					
General needs housing:					
- Social rent	15,003	12	20	15,035	14,928
- Affordable rent	1,067	-	-	1,067	841
Supported housing	14	-	-	14	15
Housing for older people	1,845	-	-	1,845	1,861
Intermediate rent	162	4	-	166	167
Low cost home ownership *	1,302	27	-	1,329	1,218
Social leased homes **	-	914	-	914	814
Non-social housing					
Market rent	17	-	11	28	28
Leased housing	-	179	234	413	99
Managed freeholders	-	791	-	791	718
Total	**19,410**	**1,927**	**265**	**21,602**	**20,689**

3. **Accommodation in** *management - Group*

(continued)

	Opening Units Number	Additions Number	Disposed/ Demolished Number	Movements /Others Number	Total Number
Reconciliation of unit numbers					
Social housing					
General needs housing:					
- Social rent	14,928	95	(4)	16	15,035
- Affordable rent	841	227	-	(1)	1,067
Supported housing	15	-	-	(1)	14
Housing for older people	1,861	-	-	(16)	1,845
Intermediate rent	167	-	-	(1)	166
Low cost home ownership *	1,218	115	(2)	(2)	1,329
Social leased homes **	814	2	-	98	914
Non-social housing					
Market rent	28	-	-	-	28
Leased housing	99	413	-	(99)	413
Managed freeholders	718	67	-	6	791
Total	**20,689**	**919**	**(6)**	**-**	**21,602**

Accent Group also owns and manages 868 (2023: 868) garages.
* Where the purchaser has not acquired 100% of the equity (shared ownership).
** Where the purchaser has acquired 100% of the equity but not the freehold

3. **Accommodation** *under development*

	2024 Number	2023 Number
Social housing		
General needs housing:		
- Affordable rent	475	434
- Social rent	9	159
Low cost home ownership	350	390
	834	**983**

4. Employee *information - Group*

Average monthly number of employees expressed as full time equivalents (based on contracted hours compared to our standard working week):	2024 Number	2023 Number
Housing, support and care	298	313
Administration	118	112
Development	28	23
	444	**448**

	2024 £'000	2023 £'000
Staff costs:		
Wages and salaries	17,045	16,998
Social security costs	1,744	1,723
Pension costs in respect of AGPS (note 26a)	1,375	1,929
Pension costs in respect of SHPS (note 26b)	10	-
Other pension contributions - SHPS Defined Contribution (note 26c)	222	225
	20,396	**20,875**

A salary sacrifice scheme is operated by the Group in order to mitigate national insurance costs.

The number of full time equivalent staff including executive directors whose remuneration for the period fell into the following bands is as follows:	2024 Number	2023 Number
£60,000 - £69,999	16	10
£70,000 - £79,999	8	7
£80,000 - £89,999	1	-
£90,000 - £99,999	3	4
£100,000 - £109,999	2	-
£110,000 - £119,999	-	-
£120,000 - £129,999	1	1
£130,000 - £139,999	-	-
£140,000 - £149,999	1	2
£150,000 - £159,999	-	1
£190,000 - £199,999	-	1
£200,000 - £209,999	1	-

The highest paid director as disclosed in note 7 is included within the bandings above.

5. **Interest receivable and** *other income - Group*

	2024 £'000	2023 £'000
Interest receivable from term deposits and bank deposits	6,891	2,933
Unwinding of the bond premium and accrued interest	124	167
	7,015	**3,100**

6. **Interest payable and** *financing costs - Group*

	2024 £'000	2023 £'000
Interest payable on bank loans and overdrafts	17,447	15,282
Interest on recycled capital grant fund	304	198
Amortisation of loan issue costs	138	137
Unwinding of the bond discount	111	108
Finance lease interest	-	(83)
	18,000	15,642
Net interest cost – Accent Group Pension Scheme (note 26a)	164	328
Net interest cost – Social Housing Pension Scheme (note 26b)	120	55
Less: Capitalised interest (note 10)	(2,042)	(2,014)
	16,242	**14,011**
Interest rate used to determine the finance costs capitalised during the period	3.47%	3.01%

7. Board members, executive directors *and key management personnel*

Aggregate emoluments paid during the year

	2024 £'000	2023 £'000
Executive directors		
- remuneration	771	724
- redundancy	-	15
- benefits in kind	25	32
- pension contributions	107	149
	903	**920**

	2024 £'000	2023 £'000
Executive directors and key management team		
- remuneration	1,643	1,473
- benefits in kind	71	77
- employers NIC	242	220
- pension contributions	198	285
- redundancy	-	15
	2,154	**2,070**

	2024 £'000	2023 £'000
Board members – including employers national insurance contributions	**118**	**193**

	2024 £'000	2023 £'000
Emoluments of the highest paid director (co-opted executive director) during the year excluding pension contributions and employers national insurance contributions and including car allowance	**203**	**197**

The same group of non-executive directors are appointed to each of the following companies; Accent Group Limited and Accent Housing Limited. All directors are remunerated by Accent Housing Limited and their emoluments are disclosed in these financial statements. All of the executive directors that served during the year to 31 March 2024 are members of the Accent Group Pension Scheme. There were no other benefits or special pension arrangements for the co-opted executive director or executive directors or for any Board member.

The highest paid co-opted executive director (the Group Chief Executive) is a member of Accent Group Pension Scheme, which is a defined benefit scheme. He is an ordinary member of the pension scheme and no enhanced or special terms applied. The organisation does not make any further contributions to an individual pension arrangement for the Group Chief Executive. During the year to 31 March 2024 the Group Chief Executive received a salary of £193k (2023: £187k) and car allowance of £10k (2023: £10k). No bonus was paid or accrued to the Group Chief Executive during the year to 31 March 2024 (2023: £nil).

8. Surplus on ordinary activities *before taxation - Group*

	2024 £'000	2023 £'000
Surplus on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation of housing properties and write off of replaced assets	18,257	17,044
Depreciation of housing properties and other social	54	-
Depreciation of tangible fixed assets other	623	718
Surplus on disposal of tangible fixed assets	775	2,805
Auditors' remuneration (excluding VAT):		
- In respect of audit services (Group and subsidiaries)	235	175
- In respect of audit services (prior year)	60	-
- In respect of other services	-	20
Operating lease rentals:		
- Plant and machinery	237	240
- Land and buildings	235	168
Bad debts:		
- Current residents	44	(201)
- Former residents	633	456
- Other debtors	258	7

9. **Taxation on ordinary** *activities - Group*

	2024 £'000	2023 £'000
Current tax		
UK corporation tax on surplus for the year	-	-
Adjustments in respect of prior periods	-	-
Total current tax	**-**	**-**

	2024 £'000	2023 £'000
Deferred tax		
Balance at 1 April 2023	(203)	(203)
Origination and reversal of timing differences	10	-
Total deferred tax	**(193)**	**(203)**

	2024 £'000	2023 £'000
Tax charge on surplus on ordinary activities	**10**	**-**

Factors affecting tax (credit) / charge for period
The tax assessed is at the standard rate of corporation tax in the UK at 25% (2023: 19%). The differences are explained below:-

	2024 £'000	2023 £'000
Surplus on ordinary activities before tax	23,412	21,486
Adjustment in respect of charitable activities	(23,326)	(19,661)
Surplus on ordinary activities subject to tax	**86**	**1,825**

	2024 £'000	2023 £'000
Surplus on ordinary activities subject to tax multiplied by the standard rate of corporation tax in the UK of 25% (2023: 19%)	21	345
Effects of:		
Recognition of movement in deferred tax	-	-
Amounts relating to changes in tax rate	-	-
Adjustment in respect of prior periods	-	-
Charitable tax exemption	(11)	(338)
Non-deductible expenditure	-	(7)
Current and deferred tax (credit) / charge for period	**10**	**-**

10. Tangible fixed assets – *housing properties - Group*

	Housing properties held for letting £'000	Housing properties under construction £'000	Shared ownership housing properties £'000	Supported housing and housing for older people £'000	Intermediate market rent £'000	Total housing properties £'000
Cost or valuation						
At 1 April 2023	851,114	104,820	77,665	67,751	21,103	1,122,453
Schemes completed	67,812	(78,868)	11,056	-	-	-
Additions	-	85,925	-	-	-	85,925
Work to existing properties	-	26,157	-	-	-	26,157
Completed components	27,280	(28,119)	24	712	103	-
Transfer between categories	-	-	233	-	(233)	-
Write off replaced components	(6,122)	-	(9)	(210)	(78)	(6,419)
Disposals	(428)	-	(637)	-	-	(1,065)
At 31 March 2024	**939,656**	**109,915**	**88,332**	**68,253**	**20,895**	**1,227,051**
Depreciation						
At 1 April 2023	(241,264)	-	(8,081)	(24,162)	(3,961)	(277,468)
Charge for year	(15,805)	-	(662)	(376)	(290)	(17,133)
Transfer between categories	11	-	(6)	-	(5)	-
Write off replaced components	4,990	-	-	171	80	5,241
Disposals	104	-	88	-	-	192
At 31 March 2024	**(251,964)**	**-**	**(8,661)**	**(24,367)**	**(4,176)**	**(289,168)**
Net book value at 31 March 2024	**687,692**	**109,915**	**79,671**	**43,886**	**16,719**	**937,883**
Net book value at 31 March 2023	**609,850**	**104,820**	**69,584**	**43,589**	**17,142**	**844,985**

Included in the above are finance costs capitalised in the year of £2.0m (2023: £2.0m) which equates to a capitalisation rate of 3.47% (2023: 3.01%).

10. Tangible fixed assets – *housing properties - Group*

(continued)

Social housing grant

	2024 £'000	2023 £'000
Total accumulated social housing grant received or receivable at 31 March		
Recognised in the statement of comprehensive income	120,339	116,296
Held as deferred income (note 18)	300,774	291,074
	421,113	**407,370**

	2024 £'000	2023 £'000
Expenditure on works to existing properties		
Amounts capitalised	26,157	12,543
Amounts charged to the statement of comprehensive income	13,842	10,164*
	39,999	**22,707**

* for comparative purposes 2023 numbers have been restated to split major repairs expenditure, previously included in routine maintenance.

Impairment

The Group considers individual schemes to be separate Cash Generating Units (CGU's) when assessing for impairment, in accordance with the requirements of FRS102 and SORP 2018. A total impairment provision of £nil (2023: £nil) was made during the year to 31 March 2024 to reduce the carrying value of certain fixed asset and investment properties within the Group to their value in use, being the estimated recoverable amount.

11. Other tangible and Intangible fixed *assets and investments – Group*

	Leasehold and freehold properties £'000	Plant and equipment £'000	Sub total £'000	Software £'000	Total £'000
Cost					
At 1 April 2023	4,073	6,527	10,600	6,142	16,742
Additions	430	1,167	1,597	73	1,670
Transfer	187	(187)	-	-	-
Disposals	(1,716)	-	(1,716)	(1,609)	(3,325)
At 31 March 2024	**2,974**	**7,507**	**10,481**	**4,606**	**15,087**
Depreciation					
At 1 April 2023	(2,289)	(3,081)	(5,370)	(5,936)	(11,306)
Charge for year	(57)	(480)	(537)	(86)	(623)
Disposals	1,716	-	1,716	1,609	3,325
At 31 March 2024	**(630)**	**(3,561)**	**(4,191)**	**(4,413)**	**(8,604)**
Net book value at 31 March 2024	**2,344**	**3,946**	**6,290**	**193**	**6,483**
Net book value at 31 March 2023	**1,784**	**3,446**	**5,230**	**206**	**5,436**

* Please note the balances for software components have been split for the 31st March 2024 disclosure.

11. **Other tangible and Intangible fixed** *assets and investments – Group*

(continued)

Investment properties

	2024 £'000	2023 £'000
At 1 April	4,995	3,701
Revaluation movement	65	1,294
At 31 March	**5,060**	**4,995**

At 31 March 2024 the Group held 28 (2023: 28) properties which were let on a market rent basis and as such are considered investment properties.

Investment properties owned by the Group held for letting were professionally independently valued by Savills (UK) Limited as at 31 March 2024. This was a full valuation and was undertaken in accordance with the RICS Appraisal and Valuation Standard (The Red Book).

Key assumptions include:

- Discount rate applied to Market Value with Vacant Possession - 20% to 30% dependent on nature and age of stock
- Net yield applied of 5.44% dependant on location.

12. **Current asset** *investments - Group*

	2024 £'000	2023 £'000
Deposits	**25,002**	**25,002**

Deposits take over a 30-day but under a 90-day notice period to move into cash.

13. **Properties for** *sale - Group*

	2024 £'000	2023 £'000
Shared ownership properties – completed	3,421	1,682
Shared ownership properties – under construction	20,858	10,913
Properties held for sale	1,426	1,663
	25,705	**14,258**

14. Debtors – *Group*

	2024 £'000	2023 £'000
Amounts falling due within one year:		
Rent and service charges receivable	6,402	5,485
Less: Provision for bad and doubtful debts	(4,102)	(3,454)
	2,300	2,031
VAT	145	38
Prepayments and accrued income	1,928	2,082
Other debtors	2,121	1,085
	6,494	**5,236**

Included in debtors are £1.7m (2023: £1.4m) of arrears with payment plans which are outside normal payment terms. No discounting is provided for against this balance as the impact of discounting is not considered to be material.

	2024 £'000	2023 £'000
Amounts falling due after one year:		
Liquidity and interest service reserve fund	1,116	1,182
Other long term debtors	317	317
Deferred tax asset	193	203
	1,626	**1,702**

	2024 £'000	2023 £'000
Debtor analysis:		
In one year or less	6,494	5,236
Between one and two years	-	-
Between two and five years	-	-
After more than five years	1,626	1,702
	8,120	**6,938**

The liquidity and interest service reserve fund relates to a requirement within one loan agreement held with The Housing Finance Corporation for Accent to reserve the cash equivalent of not less than one year's interest cost in their favour.

15. **Creditors: Amounts falling** *due within one year - Group*

	2024 £'000	2023 £'000
Loans (note 17)	6,627	5,752
Trade creditors	8,015	5,185
Grant received in relation to properties under construction	52,540	31,958
Consortium Homes England grant	46,837	26,692
Deferred grant income - social housing grant (note 18)	4,010	4,120
Deferred grant income (note 19)	53	22
Recycled capital grant fund (note 20)	526	2,565
VAT	104	33
Other taxation and social security payable	444	424
Rent and service charges in advance	3,221	3,059
General accruals	8,206	7,399
Routine maintenance accruals	3,797	4,906
Housing properties and major work creditors	10,604	8,243
Loan interest accrual	2,927	2,480
Deferred income	7	474
Sinking funds	314	534
Other creditors	1,068	904
Other tenant recharges	788	637
	150,088	**105,387**
Unamortised premium and accrued interest on issue	175	171
Unamortised discount on issue	(114)	(111)
Capital instrument issue costs	(88)	(88)
	150,061	**105,359**

Held within Housing properties and major work creditors is an accrual of £nil (2023: £0.3m) in respect of fire remediation works at Alexander House and Stafford House in Aldershot, Hampshire.

16. Creditors: Amounts falling due *after more than one year - Group*

	2024 £'000	2023 £'000
Bond (note 17)	350,000	350,000
Unamortised premium and accrued interest on issue	5,826	6,001
Unamortised discount on issue	(3,980)	(4,094)
	351,846	351,907
Bank loans (note 17)	142,150	138,778
Deferred grant income - social housing grant (note 18)	296,764	286,954
Loan premiums	2,420	2,544
Deferred grant income (note 19)	1,595	1,517
Recycled capital grant fund (note 20)	4,500	4,894
Sinking funds	5,736	5,328
	805,011	791,922
Capital instrument issue costs	(2,616)	(2,755)
	802,395	**789,167**

	2024 £'000	2023 £'000
Unamortised premium and accrued interest on issue (see note below)	6,416	6,416
Amortised to date	(415)	(244)
	6,001	**6,172**

	2024 £'000	2023 £'000
Discount on bond:		
Unamortised discount on issue	(4,590)	(4,590)
Amortised to date	496	385
	(4,094)	**(4,205)**

17. Debt analysis – *Group*

	2024 £'000	2023 £'000
Due within one year		
Bank loans	6,627	5,752
Unamortised premium and accrued interest on issue	175	171
Unamortised discount on issue	(114)	(111)
	6,688	**5,812**

	2024 £'000	2023 £'000
Due after more than one year		
Bank loans	142,150	138,778
Bond	350,000	350,000
Unamortised premium and accrued interest on issue	5,826	6,001
Unamortised discount on issue	(3,980)	(4,094)
	493,996	**490,685**

	2024 £'000	2023 £'000
Total loans repayable as follows:		
Within one year	6,688	5,812
Between one and two years	6,718	6,749
Between two and five years	68,343	64,422
After five years	418,935	419,514
Total indebtedness	**500,684**	**496,497**

17. Debt analysis – *Group*

(continued)

Facilities, terms of repayment and interest rates

At 31 March 2024 the Group had a facility with Royal Bank of Scotland of £67.6m (2023: £70.1m) fully drawn (2023: £10m available) plus an unused Revolving Credit Facility of £20m (2023: £20m). The borrowings are secured by fixed charges on individual properties. The loan is a mixture of fixed and variable rates amortising until expiry in 2027. Fixed rates being plus a margin and variable rates being SONIA (Sterling Overnight Index Average) plus a margin.

At 31 March 2024 the Group had a facility with Lloyds Bank and Scottish Widows of £95m (2023: £98m) of which £45m was a term loan (2023: £48m) and £50m was an unused revolving credit facility (2023: £50m). The borrowings are secured by fixed charges on individual properties. The loans are a mixture of fixed and variable rates amortising until expiry in 2037. Fixed rates being plus a margin and variable rates being SONIA (Sterling Overnight Index Average) plus a margin.

At 31 March 2024 the Group had a facility with The Housing Finance Corporation of £30m (2023: £30m) which was fully utilised.

The borrowings are secured by fixed charges on individual properties and are repayable at varying rates of interest between 2.89% and 5.20% maturing in 2043.

At 31 March 2024 the Group had a facility of £6.2m (2023: £6.4m) with Orchardbrook Limited. This loan is repayable on a fixed rate basis at 12.08% amortising until expiry in 2037.

At 31 March 2024 subsidiary company Accent Capital PLC held a thirty-year bond, with a bullet repayment due in July 2049. The bond was raised on the debt capital markets through wholly owned subsidiary, Accent Capital PLC, with the entire funds on-lent to Accent Housing Limited. The bond was issued on 18 July 2019 at a coupon rate of 2.625% for £350m, of which £225m was sold and £125m retained for future sale. The retained bond was sold on 5 October 2021. The amount of funds raised from external bond holders through the bond issuance plus accrued interest totals £351.8m (2023: £351.8m). The bond is fully secured on housing assets owned by Accent Housing Limited.

18. Deferred grant income – *social housing grant – Group*

	2024 £'000	2023 £'000
At 1 April	291,074	293,515
Grant received in the year	14,080	2,759
Released to income in the year	(4,067)	(3,973)
Released on disposal	24	243
Transfer to RCGF	(337)	(1,470)
As at 31 March	**300,774**	**291,074**
Amounts to be released within one year	4,010	4,120
Amounts to be released in more than one year	296,764	286,954
As at 31 March	**300,774**	**291,074**

19. Deferred grant income – *other – Group*

	2024 £'000	2023 £'000
At 1 April	1,539	789
Additions	162	772
Released to income in the year	(53)	(22)
As at 31 March	**1,648**	**1,539**
Amounts to be released within one year	53	22
Amounts to be released in more than one year	1,595	1,517
As at 31 March	**1,648**	**1,539**

20. Recycled capital *grant fund - Group*

	2024 £'000	2023 £'000
At 1 April	7,460	6,035
Interest received	304	198
Grant released by Homes England	222	-
Grant recycled	337	1,470
Admin charges	(12)	-
Purchase or development of properties	(3,285)	(243)
As at 31 March	**5,026**	**7,460**
Grant due for repayment	**526**	**2,565**

£0.5m (2023: £2.6m) of Recycled capital grant fund (RCGF) is due for repayment. Discussions with Homes England are ongoing to agree the rollover of these funds. No repayment was requested in the year to March 2024.

Withdrawals from the recycled capital grant fund have been used for the purchase and development of new housing schemes for letting and shared ownership sale.

21. Share capital – *non equity - Society*

	2024 £	2023 £
Allotted, issued and fully paid:		
At 1 April	9	8
Issued during the year	3	3
Surrendered during the year	(3)	(2)
At 31 March	**9**	**9**

Each member of the Board holds one share of £1 in the Society. Shareholders are entitled to vote at general meetings, but do not have any rights to receive dividends or distributions on a winding up.

22. Cash flow from operating *activities - Group*

	2024 £'000	2023 £'000
Surplus for the year after taxation	23,402	21,486
Adjustments for non-cash items:		
Depreciation of housing assets	17,133	15,685
Depreciation of other assets	623	718
Component write offs	1,178	1,359
Amortisation of government grants	(4,121)	(3,972)
Pension costs less contributions payable	(2,440)	(1,840)
Gain on disposal of housing properties	(775)	(2,805)
Gain on revaluation of investment properties	(65)	(1,294)
Share of operating profit/(deficit) in joint venture and associate	(3)	7
Taxation	(10)	-
Working capital movements:		
Properties for sale	(11,448)	1,370
Debtors	(575)	(1,673)
Creditors	4,532	7,291
Adjustments for investing and financing activities:		
Interest payable	16,242	14,011
Interest received	(7,015)	(3,100)
Net cash generated from operating activities	**36,658**	**47,243**

22. Cash flow from operating *activities - Group*

(continued)

Analysis of changes in net debt	At 1 April 2023 £'000	Cash flows £'000	Other non cash movements £'000	At 31 March 2024 £'000
Cash	132,457	(25,582)	-	106,875
Cash on constructive trust	6,823	(1,885)	-	4,938
Deposits	25,002	-	-	25,002
Bank loans due within one year	(5,752)	5,752	(6,627)	(6,627)
Bank loans due greater than one year	(138,778)	(9,999)	6,627	(142,150)
Bond due greater than one year	(350,000)	-	-	(350,000)
Premium/discount on bond issue*	(1,967)	-	60	(1,907)
	(332,215)	**(31,714)**	**60**	**(363,869)**

* for transparency these unamortised costs / premium figures are now identified separately.

23. Capital *commitments - Group*

	2024 £'000	2023 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	149,285	168,343
Capital expenditure that has been authorised by the Board but has not yet been contracted for	62,492	127,974
	211,777	**296,317**

The above commitments are expected to generate Social Housing and other grants totalling:	2024 £'000	2023 £'000
In relation to expenditure contracted for but not provided for	(17,337)	(10,613)
In relation to expenditure authorised by the Board but not yet contracted for	(20,841)	(18,018)
	(38,178)	**(28,631)**

The remaining commitments (net of committed grants) of £174m (2023: £268m) can be fully funded by the facilities already in place. As at 31 March 2024 the Society had £25m (2023: £25m) on deposit and cash at bank of £107m (2023: £132m) to meet these commitments and had agreed unused facilities of £70m (2023: £80m).

24. **Leasing** *commitments - Group*

The future minimum lease payments which the Group is committed to make are set out below. The operating leases relate to office and residential space, commercial equipment, and office equipment.

The Group's future minimum operating lease payments are as follows:

	2024 £'000	2023 £'000
Within one year	602	503
One to five years	1,576	1,325
Beyond five years	134	312
	2,312	**2,140**

25. **Financial assets** *and liabilities - Group*

	2024 £'000	2023 £'000
Financial assets - categories		
Financial assets measured at amortised cost	**144,740**	**169,100**

Financial assets attract interest at a floating rate that varies with bank rates.

	2024 £'000	2023 £'000
Financial liabilities - categories		
Financial liabilities measured at amortised cost	**650,062**	**606,222**

25. **Financial assets** *and liabilities - Group*

(continued)

Financial liabilities – interest rate risk profile

The Society's financial liabilities are sterling denominated. The interest rate profile of the Society's financial liabilities as at 31 March 2024 was 83.4% fixed (2023: 86.4%) and 16.6% variable (2023: 13.6%) which is in line with the Group's Treasury Management Policy:

	2024 £'000	2023 £'000
Fixed rate	417,671	427,067
Variable rate	83,013	67,463
	500,684	**494,530**

The variable rate financial liabilities comprise bank loans that bear interest rates based on three-month SONIA. The fixed rate financial liabilities have a weighted average interest rate of 3.05% (2023: 3.11%) and the weighted average period for which it is fixed is 23 years (2023: 23.5 years).

Risks arising on financial instruments

The main risks arising from the Society's financial instruments are credit risk, liquidity risk, interest rate risk and market risk.

Credit risk

Credit risk is managed in accordance with the Board approved Treasury Management Policy, with security of amounts invested being more important than seeking the highest return. Surplus liquid funds are invested only with approved counterparties that meet minimum credit rating thresholds detailed in the Treasury Management Policy, with maximum exposure levels set for each counterparty.

Liquidity risk

Liquidity risk is managed in accordance with the Board approved Treasury Management Policy. The policy is to maintain sufficient cash to cover the next six months cash requirement and sufficient liquidity to cover the next 18 months liquidity requirement. Detailed cash flow forecasts are prepared to ensure compliance with its liquidity policy goals as well as the longer-term growth aspirations of the business.

Apart from its working capital and capital expenditure requirements, the nature of the Society's debt portfolio requires regular repayments of term loan principal and interest to certain lenders.

The maturity profile of debt has been structured to reflect the long-term nature of the assets and to achieve a balanced profile of scheduled repayments of loan principal. As at the 31 March 2024 83.7% (2023: 84.6%) of borrowings were due to mature in more than five years. It is considered that the Society has sufficient financial resources to make these repayments, and therefore the risk of being unable to meet its financial obligations to these lenders is considered to be low.

Interest rate risk

Operations are financed through a mixture of generated cash flows, government grant for development activities and loan borrowings. The interest rate strategy is regularly reviewed and aims to achieve a conservative balance between fixed and variable debt at an acceptable level of risk and cost. Covenant compliance and sensitivity analysis of interest rates are monitored on a regular basis.

Market risk

The treasury management function is responsible for developing and implementing an appropriate financial strategy to ensure the business holds the required level of liquidity to fund its capital investment programme and day to day operating activities. Close monitoring of financial covenants against the business plan to assess risk scenarios is completed on a regular basis.

25. Financial assets *and liabilities - Group*

(continued)

Borrowing facilities

The Society has undrawn committed borrowing facilities. The facilities available at 31 March 2024 in respect of which all conditions precedent had been met were as follows:

	2024 £'000	2023 £'000
Expiring within one year	-	10,000
Expiring in more than one year but not more than two years	-	-
Expiring in more than two years	70,000	70,000
	70,000	**80,000**

26. Pension *obligations - Group*

	2024 £'000	2023 £'000
The net pension liability is comprised as follows:		
Accent Group Pension Scheme - AGPS	316	4,462
Social Housing Pension Scheme - SHPS	2,382	2,789
	2,698	**7,251**

The total amounts recognised in the statement of comprehensive income within financing costs or as an actuarial movement, are comprised as follows:

	2024 £'000	2023 £'000
Recognised in the statement of comprehensive income – financing costs		
Charge in respect of Accent Group Pension Scheme	(164)	(328)
Charge in respect of Social Housing Pension Scheme	(120)	(55)
	(284)	**(383)**

	2024 £'000	2023 £'000
Recognised in the statement of comprehensive income – actuarial and assets movement		
Credit in respect of Accent Group Pension Scheme	2,352	7,127
Credit / (charge) in respect of Social Housing Pension Scheme	45	(1,060)
	2,397	6,067
Total credit recognised in the statement of comprehensive income	**2,113**	**5,684**

26. Pension *obligations - Group*

(continued)

26a. Accent Group Pension Scheme (AGPS)

The Group operates a defined benefit pension scheme, Accent Group Pension Scheme (AGPS) a funded defined benefit scheme which was established on 1 July 1992 to provide retirement and death benefits for employees.

Pension costs for AGPS are assessed in accordance with the advice of an independent qualified actuary. Costs include the regular cost of providing benefits, which it is intended should remain at a substantial level percentage of current and expected future earnings of the employees covered. Variations from the regular pension costs are spread evenly through the statement of comprehensive income over the average remaining service lives of current employees.

During the year Accent Housing Limited paid regular contributions of £1.6m (2023: £1.8m) being 16.4% (2023: 18.9%) of pensionable salaries during the accounting period together with recovery plan payments of £1.7m (2023: £1.7m) and salary sacrifice of £0.01m (2023: £0.02m). Employees' contributions were 7.5% (2023: 7.5%) of pensionable salaries.

The Scheme assets are held in a separate trustee-administered fund to meet long-term pension liabilities to past and present employees. The assets are measured using fair values and liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The deficit in respect of AGPS is recognised in full and presented on the face of the statement of financial position. The movement in the scheme deficit is split and charged or credited to either the operating surplus or the actuarial gain or loss reported on the face of the statement of comprehensive income. The assumptions adopted for FRS102 purposes and the results of the calculations are shown below.

The most recent actuarial valuation of the scheme as at 5 April 2023 has been updated by Broadstone Corporate Benefits Limited to 31 March 2024 to take account of the requirements of FRS102. This indicated that there was a £0.3m deficit (2023: £4.5m deficit) when comparing the actuarial value of the scheme with the value of its liabilities.

The main actuarial assumptions used in the valuation are:

Key financial assumptions	**31 March 2024 % pa**	**31 March 2023 % pa**
Discount rate	4.90	4.70
Rate of increase in pensions in payment (where capped at 5%)	2.80	2.85
Rate of increase in pensions in payment (where capped at 2.5%)	1.90	2.00
Rate of increase in salaries	3.20	3.10
Rate of Inflation (RPI)	3.20	3.30
Rate of Inflation (CPI)	2.90	2.90

The mortality assumption adopted for the purposes of the calculations as at 31 March 2024 (and at 31 March 2023 where applicable) is as follows:

- Base table: 107% of S3PMA / S3PFA_M tables (2024: 104% of S3PMA / S3PFA_M tables).
- Future mortality improvements: CMI_2022 [1.25%; Sk=7.0] (2023: CMI_2021 [1.25%; Sk=7.5]).

26. Pension obligations - Group
(continued)

26a. Accent Group Pension Scheme (AGPS) (continued)

Average life expectancies	As at 31 March 2024 Years	As at 31 March 2023 Years
Male age 65 at reporting date	21.0	21.9
Male age 65 at reporting date +20 years	22.3	23.3
Female age 65 at reporting date	23.5	23.7
Female age 65 at reporting date +20 years	24.9	25.2

Members are assumed to retire at their Normal Retirement Date. Late retirement factors are applied to any tranches where the pension can be taken from an earlier age without reduction. Members are assumed to commute 80% (2023: 80%) of their post 6 April 2006 maximum cash at retirement.

Amounts recognised in the statement of comprehensive income	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Current service cost	858	1,478
Expenses	517	451
Interest cost	2,757	2,265
Interest income on Scheme assets	(2,593)	(1,937)
Total charged to the statement of comprehensive income	**1,539**	**2,257**

Reconciliation of defined benefit obligation	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Defined benefit obligation at beginning of year	58,856	82,232
Current service cost	858	1,478
Interest cost	2,757	2,265
Contributions by Scheme members	729	605
Actuarial (gain)	(2,466)	(25,896)
Benefits paid	(1,975)	(1,828)
Defined benefit obligation at end of year	**58,759**	**58,856**

26. Pension *obligations - Group*

(continued)

26a. Accent Group Pension Scheme (AGPS) (continued)

Reconciliation of fair value of Scheme assets	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Fair value of Scheme assets at beginning of year	54,394	69,666
Interest income on Scheme assets	2,593	1,937
Expenses	(517)	(451)
Actuarial loss	(114)	(18,769)
Contributions by the employer	3,333	3,234
Contributions by Scheme members	729	605
Benefits paid	(1,975)	(1,828)
Fair value of Scheme assets at end of year	**58,443**	**54,394**

Amounts recognised in the statement of financial position	As at 31 March 2024 £'000	As at 31 March 2023 £'000
Fair value of Scheme assets	58,443	54,394
Actuarial value of Scheme liabilities	(58,759)	(58,856)
Deficit in the Scheme	**(316)**	**(4,462)**

Analysis of assets	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Equities, property and alternatives	10,605	9,639
Bond/ Liability driven investments	25,887	26,280
Diversified growth/ Multi asset funds	20,335	17,447
Cash	902	226
Other	714	802
	58,443	**54,394**

26. Pension *obligations - Group*

(continued)

26a. Accent Group Pension Scheme (AGPS) (continued)

Assets as a percentage of total plan assets	As at 31 March 2024 %	As at 31 March 2023 %
Equities, property and alternatives	18.1%	17.7%
Bond/ Liability driven investments	44.3%	48.3%
Diversified growth/ Multi asset funds	34.8%	32.1%
Cash	1.6%	0.4%
Other	1.2%	1.5%

Analysis of (loss)/ return on assets	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Interest income on Scheme assets	2,593	1,937
Actuarial (losses)	(114)	(18,769)
Actual return/ (loss) on assets	**2,479**	**(16,832)**

History of experience gains and (losses)	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
(Loss)/ gain on Scheme assets	(114)	(18,769)
Experience loss on Scheme liabilities	(978)	(3,461)
Gain on change in assumptions (financial and demographic)	3,444	29,357
Total actuarial gain recognised in the statement of comprehensive income	**2,352**	**7,127**

26. Pension *obligations - Group*

(continued)

26a. Accent Group Pension Scheme (AGPS) (continued)

Amounts for the current and previous periods are as follows	2024 £'000	2023 £'000	2022 £'000	2021 £'000
Present value of defined benefit obligation	(58,759)	(58,856)	(82,232)	(87,701)
Fair value of Scheme assets	58,443	54,394	69,666	66,299
Deficit on scheme	(316)	(4,462)	(12,566)	(21,402)
Experience (losses)/ gains on assets	(114)	(18,769)	175	8,132
Experience (losses) / gains on liabilities	(978)	(3,461)	(77)	4,996

Sensitivity

The following table provides an indication of the sensitivity of the value of liabilities to changes in assumptions. The impact on the Statement of Comprehensive Income tends to be hard to predict.

Change	Impact on liabilities*	
	Increase	Decrease
Change in discount rate by 0.5% per annum	-8%	+9%
Change in assumed inflation assumption by 0.5% per annum	+5%	-5%
Increase of 0.5% to mortality projection long term rate	+3%	-

* Approximate

AGPS is not impacted by GMP equalisation or the McCloud pension ruling.

26. Pension *obligations - Group*

(continued)

26b. Social Housing Pension Scheme (SHPS - DB)

Accent Group Limited participated in the Social Housing Pension Scheme (SHPS), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK. The SHPS scheme was closed to the Group's staff from 1 August 2016 and was contracted-out of the State Pension scheme until 5 April 2006. There are no longer any active members employed by the Group.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,560m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

The Scheme is classified as a 'last-man standing arrangement'. Therefore, the Group is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the Scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year ends from the following 31 March to 28 February inclusive.

The latest accounting valuation was carried out with an effective date of 30 September 2023. The liability figures from this valuation were rolled forward for accounting year ends from the following 31 March 2024 to 28 February 2025 inclusive.

The liabilities are compared, at the relevant accounting date, with the Group's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

The net defined benefit liability as at 31 March 2024 is £2.4m (2023: £2.8m).

Key financial assumptions	**31 March 2024 % pa**	**31 March 2023 % pa**
Discount rate	4.90	4.70
Rate of Inflation (RPI)	3.20	3.30
Rate of Inflation (CPI)	2.90	2.90
Salary Growth	3.20	3.10
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

26. Pension *obligations - Group*

(continued)

26b. Social Housing Pension Scheme (SHPS - DB) (continued)

Average life expectancies The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:	**31 March 2024 Years**	**31 March 2023 Years**
Male retiring in 2022	20.3	21.1
Female retiring in 2022	22.8	23.5
Male retiring in 2042	21.6	22.3
Female retiring in 2042	24.2	25.0

Amounts recognised in the statement of comprehensive income	**Year ended 31 March 2024 £'000**	**Year ended 31 March 2023 £'000**
Expenses	10	12
Interest cost	120	55
Total charged to the statement of comprehensive income (note 2 and note 6)	**130**	**67**

Reconciliation of defined benefit obligation	**Year ended 31 March 2024 £'000**	**Year ended 31 March 2023 £'000**
Defined benefit obligation at beginning of year	13,143	17,637
Expenses	10	12
Interest cost	606	486
Actuarial (gain)/ loss due to scheme experience	(100)	84
Actuarial (gain) due to change in demographic assumptions	(240)	-
Actuarial (gain) due to changes in financial assumptions	(363)	(4,623)
Benefits paid	(551)	(453)
Defined benefit obligation at end of year	**12,505**	**13,143**

26. Pension *obligations - Group*

(continued)

26b. Social Housing Pension Scheme (SHPS - DB) (continued)

Reconciliation of fair value of Scheme assets	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Fair value of Scheme assets at beginning of year	10,354	15,428
Interest income on Scheme assets	486	431
Experience (loss) on plan assets (excluding amounts included in interest income)	(658)	(5,599)
Contributions by the employer	492	547
Benefits paid	(551)	(453)
Fair value of Scheme assets at end of year	**10,123**	**10,354**

Amounts recognised in the statement of financial position	As at 31 March 2024 £'000	As at 31 March 2023 £'000
Fair value of Scheme assets	10,123	10,354
Actuarial value of Scheme liabilities	(12,505)	(13,143)
Deficit in the Scheme	**(2,382)**	**(2,789)**

The impact of GMP equalisation for Accent Group Limited at 31 March 2024 was calculated to be £1k (2023: £1k). This is reflected in the liability disclosed above.

26. Pension *obligations - Group*

(continued)

26b. Social Housing Pension Scheme (SHPS - DB) (continued)

Analysis of assets	As at 31 March 2024 £'000	As at 31 March 2023 £'000
Absolute Return	395	112
Alternative Risk Premia	321	19
Credit Relative Value	332	391
Distressed Opportunities	357	313
Emerging Markets Debt	131	56
Global Equity	1,009	193
Infrastructure	1,023	1,183
Insurance-Linked Securities	52	261
Liability Driven Instrument	4,120	4,769
Long Lease Property	65	312
Net Current Assets	17	26
Opportunistic Illiquid Credit	396	443
Private Equity	8	-
Private Debt	398	461
Property	406	446
Risk Sharing	593	762
Secured Income	302	475
Opportunistic Credit	-	1
High Yield	2	36
Currency Hedging	(4)	20
Cash	200	75
	10,123	**10,354**

26. Pension *obligations - Group*

(continued)

26b. Social Housing Pension Scheme (SHPS - DB) (continued)

Analysis of loss on assets	**Year ended 31 March 2024 £'000**	**Year ended 31 March 2023 £'000**
Interest income on Scheme assets	486	431
Actuarial loss	(658)	(5,599)
Actual loss on assets	**(172)**	**(5,168)**

History of experience gains and (losses)	**Year ended 31 March 2024 £'000**	**Year ended 31 March 2023 £'000**
(Loss) on Scheme assets	(658)	(5,599)
Experience gain/ (loss) on Scheme liabilities	100	(84)
Gain on change in assumptions (financial and demographic)	603	4,623
Total actuarial gain/ (loss) recognised in the statement of comprehensive income	**45**	**(1,060)**

Amounts for the current and previous periods are as follows	**2024 £'000**	**2023 £'000**	**2022 £'000**	**2021 £'000**
Present value of defined benefit obligation	(12,505)	(13,143)	(17,637)	(18,156)
Fair value of Scheme assets	10,123	10,354	15,428	14,677
Deficit on scheme	(2,382)	(2,789)	(2,209)	(3,479)
Experience (losses)/ gains on assets	(658)	(5,599)	468	1,321
Experience gains / (losses) on liabilities	703	4,539	433	(3,528)

26c. Social Housing Pension Scheme (SHPS - DC)

The Group also participates in the defined contribution section of the Social Housing Pension Scheme (SHPS) with 182 (2023: 197) active members employed by the Group at 31 March, this is the default Auto Enrolment scheme for staff. The regular pension contributions payable by the Group during the year were £222k (2023: £225k).

27. Related parties and interest in *associated undertakings - Group*

R Seldon (a Board member until his resignation on 19 March 2023) is a board member of Johnnie Johnson Housing Trust Limited (JJHT). Accent Housing Limited and Domus Services Limited (Accent Group Limited) traded with JJHT during the period of his membership. Figures given below refer to his period of office and so no reference is applicable to the current year. Services bought during the prior year amounted to £109k, relating to alarm monitoring services.

There was a credit of £4 due to Accent Group Limited from JJHT as at 31 March 2023. Services sold to JJHT during the prior year amounted to £1.5k relating to programme management services. There was £nil due to Accent Housing Limited from JJHT as at 31 March 2024. Financial Statements for Johnnie Johnson Housing Trust Limited can be obtained from Astra House, Spinners Lane, Poynton, Cheshire. SK12 1GA.

R Wilkinson (a Board member) is also a resident. His leasehold agreement is on normal commercial terms and he is not able to use his position to his advantage. During the year Accent Housing Limited has received service charges of £1,235 (2023: £1,069). At the 31 March 2024 there was a credit of £10 (2023: credit of £43) due to R Wilkinson.

At 31 March 2024 the subsidiary, joint venture and associate undertakings were:	**Percentage owned of controlled %**	**Accent Group Limited and Subsidiaries hold 100% of the share capital**	**Registered Society controlled by Accent Group Limited and regulated by the RSH**
Subsidiaries:			
Accent Housing Limited * ^	100		X
Accent Capital PLC	100		
Accent Homemade Limited	100	X	
Accent Group Pension Trustees Limited	100		
Joint Ventures:			
Franklands Park Limited ^^ (limited by guarantee) A management company for the Franklands Drive development.	50		

All undertakings are incorporated in Great Britain and registered in England and are included in the consolidated financial statements.

* Directors of these subsidiaries hold shares in the respective entities on a non-beneficial basis. In all cases effective control remains wholly with Accent Group Limited.
^ A registered provider of social housing regulated by the Regulator of Social Housing.

For completeness, the Group also had a 16.67% share in Procurement For All Limited, registered company 05472353, which provided services to its members securing value for money through joint procurement of capital and maintenance works.The trading activities of Procurement For All Limited were wound down in an orderly manner and the business was solvently liquidated on 28 October 2023.

27. Related parties and interest in *associated undertakings - Group*

(continued)

The activities of the principal subsidiaries listed on the previous page are as follows:

Accent Housing Limited

The principal activity of the Society is the provision of rented housing accommodation at affordable rents for those in most need. In addition, the Society provides assisted housing through low cost home ownership schemes and leasehold schemes for the elderly. The Society operates an assisted living scheme and special needs accommodation. Accent Housing Limited had the following transactions with related parties during the year:

Accent Homemade Limited

	2024 £'000	2023 £'000
Received from related group entities:		
Development costs	35,457	29,200
Management fee	665	348
	36,122	**29,548**

	2024 £'000	2023 £'000
Paid to related group entities:		
Management fee and supply of staff	985	451
Gift aid payment	1,721	-
Interest	398	182
	3,104	**633**

	2024 £'000	2023 £'000
Loan due to group entities:		
Accent Housing Limited	**13,000**	**-**

	2024 £'000	2023 £'000
Deposits received from group entities:		
Accent Housing Limited	**-**	**3,265**

Accent Homemade Limited provides development services associated with the design and construction of new homes for Accent Group Limited and its subsidiaries. Development costs are charged in totality and management fees cover the provision of development services.

27. Related parties and interest in *associated undertakings - Group*

(continued)

Accent Capital PLC

	2024 £'000	2023 £'000
Received from related group entities:		
Interest	**9,248**	**9,232**

On 18 July 2019 Accent Capital PLC issued a bond on the debt capital markets which then on-lent the funds to Accent Housing Limited.

Franklands Park Limited

	2024 £'000	2023 £'000
Received from related group entities:		
Service charge	**104**	**93**

Franklands Park Limited manages a single housing scheme Franklands Drive on behalf of joint owners Accent Housing Limited and Paragon Asra Housing Limited.

Procurement For All Limited

	2024 £'000	2023 £'000
Paid to related group entities:		
Membership fee	**-**	**-**
Received from related group entities:		
Amount returned to shareholder following liquidation	**2**	**5**

The Group had a 16.67% share in Procurement For All Limited, registered company 05472353, which provided services to its members securing value for money through joint procurement of capital and maintenance works. The trading activities of Procurement For All Limited have been wound down in an orderly manner and the business has been solvently liquidated.

Interest in associated undertakings

	2024 £'000	2023 £'000
Surplus arising from interest in Franklands Park Limited	3	-
Deficit arising from interest in Procurement For All Limited	-	(7)
	3	**(7)**

28. **Contingent** *liability*

Local Improvement Finance Trust Schemes

There is the potential for Accent Group Limited to be liable for claims in respect of historical contracts relating to local improvement finance trust schemes (LIFT). Future claims in this regard cannot be discounted however the liability cannot be determined and all such claims will be examined on a case by case basis to establish if liability exists and to limit financial exposure with expert third party advice where appropriate. Due to the sensitive nature of this matter Accent Group Limited is unable to disclose any further details regarding the timing or quantum of potential claims as this could be seriously prejudicial.

Social Housing Pension Scheme (SHPS DB)

We have been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

29. **Subsequent** *Event*

Following the year end, a further £130m Revolving Credit Facility has been secured with lenders.

0345 678 0555

customerservices@accentgroup.org