



MOAT HOMES FINANCE PLC

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 March 2026**

REGISTERED NUMBER: 07743490

MOAT HOMES FINANCE PLC

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MOAT HOMES FINANCE PLC
DIRECTORS, REGISTERED OFFICE, ADVISORS AND LEGAL STATUS

Directors: Gloria Yang
Gavin Cansfield (appointed July 25)
Chris Ellmore (resigned July 25)
Hazel Sharp (resigned July 25)

Secretary: David Betteridge (appointed September 25)
Gloria Yang (resigned September 25)

Registered office: Mariner House
Galleon Boulevard
Crossways
Dartford
Kent
DA2 6QE

Advisors:

Registered auditor: BDO LLP
55 Baker Street
London
W1U 7EU

Bankers: National Westminster Bank plc
Europa House
49 Sandgate Road
Folkestone
Kent
CT20 1RU

Legal status: Registered under the Companies Act 2006 No. 07743490

MOAT HOMES FINANCE PLC

STRATEGIC REPORT for the year ended 31 March 2026

Moat Homes Finance plc (MHF), the Company, is a wholly owned subsidiary of Moat Homes Limited (MHL). MHF obtains finance directly from capital markets and on-lends to MHL. MHL is a charitable registered provider of social housing. MHF operates as part of the Moat group (Moat).

Business review

MHF has issued a £300m, 5%, 2041, secured bond.

The finance raised has been fully lent to MHL under a secured loan agreement.

There are no plans to raise additional funding in 2026/27.

The profit and loss account shows a result of £nil for the year (2025: £nil). This is consistent with the Company's role as a special purpose lending vehicle, which does not seek to generate financial returns. The impact of the discount, premium and the bond issuance costs have been passed through to MHL. At 31 March 2026, the net assets of the Company were £50k (2025: £50k).

Key performance indicators

MHF's main performance indicator is to meet the asset cover requirements of the bond. The bond is secured by first fixed charges over housing properties, valued at either market value subject to tenancy or existing use value for social housing. The properties charged are owned by MHL and under a Security Trust Deed, provide the security for the intercompany loan and the bond. An annual valuation is carried out to ensure the asset cover ratio is met.

	Target	2026	2025
Asset cover	>115%	146%	141%

Principal risks and uncertainties

As MHF on-lends to MHL, the main risk facing MHF is that MHL will be unable to make its interest or principal payments when they fall due. The risk is mitigated by:

- the on-lent funding to MHL is under a secured loan agreement, which is backed by housing assets of MHL. If there are any payments which are not made to MHF, then it has the right to enforce the security under the loan.
- the financial strength of MHL. MHL's 30-year financial plan shows a strong liquidity position and is fully compliant with all external covenants and with Moat golden rules throughout the 30-year period. The stress testing of the plan also indicates that there is sufficient headroom on covenants to allow it to take remedial action in the event of adverse external conditions or if the assumptions used in the plan change. MHL has a Moody's rating of A3 stable.

Section 172 statement

The Company was formed for the sole purpose of raising debt finance for MHL. It is a wholly owned subsidiary and does not have any employees. The Directors, accordingly, do not consider that the interests of the Company's employees or the need to act fairly between members of the Company are relevant to the proper discharge of their duty under section 172. Each of these factors is considered by Moat.

The Directors take guidance from Moat on matters relating to the impact of the Company's operations on the community and environment.

MOAT HOMES FINANCE PLC

STRATEGIC REPORT (continued) for the year ended 31 March 2026

Section 172 statement (continued)

Given the purpose of the Company the relevant stakeholder groups are the investors in the listed debt and the parent group. The Directors consider that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of those stakeholders, and in doing so have regard (amongst other matters) to:

- 📍 the likely consequences of any decision in the long term
- 📍 the need to foster the Company's business relationships with suppliers, customers and others, and
- 📍 the desirability of the Company maintaining a reputation for high standards of business conduct.

The Directors' intention is to behave responsibly and ensure that management operate the business in a responsible manner, operating within the high standards of business conduct and good governance expected for a business such as MHF.

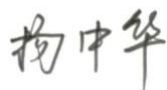
Key decisions in the year:

- 📍 No additional bond finance to be raised before March 2027, in line with MHL's funding requirements. The Directors are engaging with MHL Board and senior management about future requirements and whether a public issuance would be the best way to obtain additional borrowings.

Considerations in year:

- 📍 Monitoring of MHL's performance, including review of MHL's 30-year plan and cash flow forecast
- 📍 Existing investors are provided with all statutory information and meetings are arranged on request.

On behalf of the Board



Gloria Yang

Director

Mariner House, Galleon Boulevard, Crossways, Dartford, Kent DA2 6QE

29 July 2026

MOAT HOMES FINANCE PLC

DIRECTORS' REPORT for the year ended 31 March 2026

The Directors present the Directors' Report and financial statements for Moat Homes Finance plc (MHF) for the year ended 31 March 2026.

Directors

The Directors who served during the year are listed on page 2.

Principal activities

MHF is a special purpose funding vehicle used to secure funding for Moat. Future development and principal risks and uncertainties are discussed in the Strategic Report.

Employees

MHF does not employ any staff (2025: nil).

Proposed dividend

The Directors do not recommend the payment of a dividend (2025: £nil).

Post year-end review

There have been no events since the financial year-end that require disclosure.

Going concern

The Board has approved the budget for 2026/27 and its long-term plan to continue to act as a special purpose vehicle raising finance on behalf of Moat.

As MHF's main risk is the inability of MHL to make interest and principal payments when they fall due, the Board has reviewed MHL's 30-year financial plan and stress testing scenarios. The Board focussed on the earlier years of the plan and on the scenarios MHL is most sensitive to, high interest rates, high inflation with capped rent increases, and reduction in sales income. The base plan is fully compliant with all external covenants and Moat's golden rules throughout the 30-year period. Based on the results of the stress testing, the plan is compliant under all sensitivities for the first two years, the timeframe deemed sufficient for management to take corrective action as set out in its mitigation policy. Top mitigations are under management control and do not require asset disposal.

In terms of liquidity, MHL maintains sufficient liquidity to cover 18 months net cash requirement (including committed development), excluding all types of sales income.

As a result, the Board has a reasonable expectation that MHF has adequate resources to continue in operational existence for a period exceeding 12 months from the date of these accounts. It therefore continues to adopt the going concern basis in the financial statements.

Statement of effectiveness of internal controls

The Board has overall responsibility for establishing and maintaining an adequate system of internal control for MHF and for reviewing its effectiveness. Its responsibility extends over matters covering strategic, operational, financial, and compliance issues.

The Board recognises that no system of internal control can provide absolute assurance or eliminate all risk. The system of internal control is designed to manage and reduce the risk of failing to achieve business objectives, giving reasonable, but not absolute, assurance against material misstatement or loss. It also exists to give reasonable assurance about the preparation and reliability of financial information and the safeguarding of MHF's assets and interests.

The Board has adopted a risk-based approach to internal controls. It also believes that outsourced provision of the internal audit function best supports an independent and detailed review of key procedures and controls across the business. The Board delegates the review of the effectiveness of the internal control and risk management environment to the Audit & Risk Committee.

MOAT HOMES FINANCE PLC

DIRECTORS' REPORT (continued) for the year ended 31 March 2026

Statement of effectiveness of internal controls (continued)

The Audit & Risk Committee reviews the Risk Management Policy and Framework every three years and monitors strategic risks and mitigations at each meeting. It oversees the appointment of the internal auditors and agrees the annual audit plan, which is risk based, in advance. The internal auditors present their reports at each Committee meeting.

The Audit & Risk Committee presents an annual report to the Board.

The Board have reviewed the system of internal controls for the year ended 31 March 2026 and have received sufficient assurance on the adequacy of controls in the year under review. There has been no major breach within the year and up to the date of signing the financial statements that requires disclosure.

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

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

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

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

MOAT HOMES FINANCE PLC
DIRECTORS' REPORT (continued) for the year ended 31 March 2026

Qualifying third party indemnity provisions

Directors' and officers' insurance cover has been established for Directors to provide appropriate cover for their reasonable actions on behalf of the Company.

Statement of confirmation

The Board confirms that it considers that the Strategic Report, Directors' Report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for members to assess the Company's performance, business model and strategy.

Disclosure of information to auditor

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

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BDO LLP will therefore continue in office.

On behalf of the Board



Gloria Yang
Director

Mariner House, Galleon Boulevard, Crossways, Dartford, Kent DA2 6QE

29 July 2026

Independent auditor's report to the members of Moat Homes Finance Plc

Report on the audit of the financial statements

Opinion

In our opinion:

- 🔸 the financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2026 and of its results for the year then ended;
- 🔸 the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 🔸 the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Moat Homes Finance Plc for the year ended 31 March 2026, which comprise:

- 🔸 the Profit and Loss account and statement of Retained Earnings;
- 🔸 the statement of financial position; and
- 🔸 notes 1 to 14 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.

Independence

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

Conclusions relating to going concern

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

- 🔸 we obtained the Directors' going concern assessment, which includes an assessment of the recoverability of funds on-lent to the parent entity, Moat Homes Limited; as such, our work has focussed on the parent and group business plans that underpin the Directors' assessment;

Independent auditor's report to the members of Moat Homes Finance Plc (continued)

- we considered the appropriateness of management's forecasts by reviewing and assessing assumptions applied by management, assessing historical forecasting accuracy and considered the reasonableness of the range of scenarios included in management's consideration of downside sensitivity analysis;
- we challenged management on the suitability of the mitigating actions identified in their assessment and the quantum and period ascribed to these mitigating actions;
- we obtained an understanding of the financing facilities from the finance agreements, including the nature of the facilities, covenants and attached conditions;
- we assessed the facility and covenant headroom calculations; and
- we reviewed the wording of the going concern disclosures and assessed its consistency with management's forecasts.

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

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

Overview

Key audit matters		
	2026	2025
	Recoverability of intercompany debt	
	✓	✓
Materiality	<i>Financial statements as a whole</i>	
	£7.0m (2025: £5.3m) based on 2.0% (2025: 1.5%) of total assets	

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, the applicable financial reporting framework and the system of internal control. We identified and assessed the risks of material misstatement in the financial statements. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

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.

**Independent auditor's report to the members of Moat Homes Finance Plc
(continued)**

Key audit matter		How the scope of our audit addressed the key audit matter
Recoverability of intercompany debt As disclosed in note 7 of the Financial Statements the Company is owed £350.5m by its parent entity, Moat Homes Limited. As disclosed in note 2, a judgment has been made by the Directors in respect of Moat Homes Limited's ability to make interest and principal payments as they fall due.	As the entity on-lends to its parent, the principal risk facing the entity is that the parent will be unable to make its interest or principal payments when they fall due and this impacts on the entity's ability to service its debt. Recoverability of these balances is intrinsically linked to the future viability of the Group and needs to be reviewed at each balance sheet date. The Directors of the entity have confirmed their review of the viability assessment as demonstrated by the updated 30-year business plans prepared by the Group and assessed that there are no factors or events that may cast doubt on the ability of it to continue to operate for the foreseeable future, and as a result, will be able to make its interest and principal payments when they fall due. The Group's updated 30-year business plan, of which the first 5 years used in their viability assessment, involves a number of subjective judgements. We have therefore spent significant audit effort in assessing the appropriateness of the assumptions involved, and as such this was identified as a Key Audit Matter.	Our audit response involved the following procedures to challenge the Directors of the Company's reliance on the long-term forecasts of the parent to assess its ability to repay its debt to the Company: 🔍 We considered the appropriateness of forecasts prepared by the parent entity by reviewing and assessing assumptions applied by management, assessing historical forecasting accuracy and understanding management's consideration of downside sensitivity analysis. 🔍 We challenged management on the suitability of the mitigating actions identified in the assessment and the quantum and period ascribed to these mitigating actions. 🔍 We obtained an understanding of all of the financing facilities of the parent from the finance agreements, including the nature of the facilities, covenants and attached conditions; we further assessed the facility and covenant headroom calculations, and re-performed sensitivities and stress testing. 🔍 We have, in completing the review, considered the ability of the parent to repay their debt to the Company as it falls due. Key observations: We noted no material exceptions through performing these procedures.

Independent auditor's report to the members of Moat Homes Finance Plc (continued)

Our application of materiality

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

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

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

	Company financial statements	
	2026	2025
Materiality	£7.0m	£5.3m
Basis for determining materiality	2.0% of total assets	1.5% of total assets
Rationale for the benchmark applied	The total assets represent the level of secured assets that underpin the funds raised in the capital markets. We have increased the benchmark this year (2026) as year-on-year we have seen stable performance, highly predictable results, and very limited misstatements identified during audit processes.	
Performance materiality	£5.3m	£3.9m
Basis for determining performance materiality	75% of materiality	75% of materiality
Rationale for the percentage applied for performance materiality	We have determined that 75% 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 and the limited areas of the financial statements subject to estimation uncertainty.	

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £350k (2025: £100k). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Independent auditor's report to the members of Moat Homes Finance Plc (continued)

Other information

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: - the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and - the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: - adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or - the Company financial statements are not in agreement with the accounting records and returns; or - certain disclosures of Directors' remuneration specified by law are not made; or - we have not received all the information and explanations we require for our audit.

Independent auditor's report to the members of Moat Homes Finance Plc (continued)

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

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

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

Non-compliance with laws and regulations

Based on:

-  our understanding of the Company and the industry in which it operates;
-  discussion with management and those charged with governance; and
-  obtaining an understanding of the Company's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be the UK GAAP, the Companies Act 2006 and the laws and regulations relating to the company's registration with Companies House.

Independent auditor's report to the members of Moat Homes Finance Plc (continued)

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

Our procedures in respect of the above included:

- 🔍 enquiries of management whether there were any litigations and claims;
- 🔍 review of minutes of meetings 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.

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 regarding any known or suspected instances of fraud;
- 🔍 obtaining an understanding of the Company's policies and procedures relating to:
 - detecting and responding to the risks of fraud; and
 - internal controls established to mitigate risks related to fraud.
- 🔍 review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- 🔍 discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- 🔍 performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and through accounting estimates and inappropriate journal entries.

Our procedures in respect of the above included:

- 🔍 testing all journal entries that met defined risk criteria, as well as a random sample from the non-risky population, by agreeing to supporting documentation;
- 🔍 involvement of forensic specialists in the audit at the planning stage to challenge our planning review and the assumptions we were making over the areas fraud would most likely be perpetrated;
- 🔍 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; and
- 🔍 assessing significant estimates made by management for bias, in particular in relation to the recoverability of related party debt.

Independent auditor's report to the members of Moat Homes Finance Plc (continued)

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.

Other matters which we are required to address

We were appointed by the Board on 20 January 2017 to audit the financial statements for the period ended 31 March 2017 and subsequent years.

Our total uninterrupted period of engagement is 10 years, covering the periods ended 31 March 2017 to 31 March 2026.

Our audit opinion is consistent with the additional report to the Audit Committee.

Use of our report

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

DocuSigned by:

E Kulczycki

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Elizabeth Kulczycki (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
30 July 2026

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

MOAT HOMES FINANCE PLC
PROFIT AND LOSS ACCOUNT AND STATEMENT OF RETAINED EARNINGS
for the year ended 31 March 2026

	Notes	2026 £000	2025 £000
Finance income	3	12,322	12,385
Finance costs	6	(12,322)	(12,385)
Result on ordinary activities before taxation	4	-	-
Taxation		-	-
Result for the financial year		-	-
Retained earnings at the beginning of the year		-	-
Result for the financial year		-	-
Retained earnings at the end of the year		-	-

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

All amounts relate to continuing activities.

There were no recognised profits or losses in the year other than those shown above.

MOAT HOMES FINANCE PLC
STATEMENT OF FINANCIAL POSITION
as at 31 March 2026

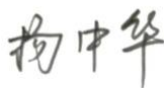
	Notes	2026 £000	2025 £000
Current assets			
Debtors: amounts due in more than one year	7	347,436	350,180
Debtors: amounts due within one year	7	3,124	3,059
Cash and cash equivalents	10	658	657
		351,218	353,896
Creditors: amounts due within one year	8	(3,087)	(3,022)
Total assets less current liabilities		348,131	350,874
Creditors: amounts due after more than one year	9	(348,081)	(350,824)
Total net assets		50	50
Capital and reserves			
Called up share capital	11	50	50
Reserves		-	-
Equity shareholders' funds		50	50

The notes on pages 16 to 21 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board on 29 July 2026 and signed on its behalf by:



Gavin Cansfield
Director



Gloria Yang
Director



David Betteridge
Secretary

Registered Number: 07743490

MOAT HOMES FINANCE PLC
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2026

1. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been presented in pounds Sterling (£000s).

Disclosure exemptions

Under FRS 102 the Company has taken advantage of reduced disclosures for subsidiaries and has not prepared a statement of cash flows as its parent MHL consolidates MHF in its own financial statements.

Going concern

The Board has approved the budget for 2026/27 and its long-term plan to continue to act as a special purpose vehicle raising finance on behalf of Moat.

As MHF's main risk is the inability of MHL to make interest and principal payments when they fall due, the Board has reviewed MHL's 30-year financial plan and stress testing scenarios. The Board focussed on the earlier years of the plan and on the scenarios MHL is most sensitive to, high interest rates, high inflation with capped rent increases, and reduction in sales income. The base plan is fully compliant with all external covenants and Moat's golden rules throughout the 30-year period. Based on the results of the stress testing, the plan is compliant under all sensitivities for the first two years, the timeframe deemed sufficient for management to take corrective action as set out in its mitigation policy. Top mitigations are under management control and do not require asset disposal.

In terms of liquidity, MHL maintains sufficient liquidity to cover 18 months net cash requirement (including committed development), excluding all types of sales income.

As a result, the Board has a reasonable expectation that MHF has adequate resources to continue in operational existence for a period exceeding 12 months from the date of these accounts. It therefore continues to adopt the going concern basis in the financial statements.

Finance income

Finance income represents income receivable from MHL in relation to the on-lending of the finance raised and interest on cash balances. It is recognised on an accruals basis as it falls due.

Financial instruments

Financial assets and liabilities are recognised when MHF becomes a party to the contractual provisions of the instrument and are offset only when the organisation currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method, less any impairment losses. Any losses arising from impairment are recognised in the profit and loss account in other operating expenses.

MOAT HOMES FINANCE PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2026

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprises cash balances in instant access bank accounts.

Impairment of financial assets

Financial assets not carried at fair value are assessed for indicators of impairment at each reporting date. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Impairment losses are recognised in the profit and loss account.

Bond issuing costs

All the Company's costs related to providing funding services are billed to MHL which includes bond issuing costs. In MHL, the costs are deferred and written off to the profit for the year over the expected life of the bond.

Premium/ discount on the bond

The premium/discount on the bond is passed through to MHL, where they are amortised over the life of the bond.

Taxation

The charge for taxation is based on the profit or loss for the financial year and accounts for taxation deferred. Deferred taxation on differences between the treatment of certain items for accounting and taxation purposes is accounted for to the extent that a liability or asset is expected to be payable or recoverable in the foreseeable future.

VAT

MHF is a member of the registered Moat VAT group. A large proportion of Moat's income comprises rental income, which is exempt for VAT purposes and gives rise to a partial exemption calculation. Expenditure is therefore shown inclusive of VAT. Recoverable VAT arising from partially exempt activities is credited to the profit and loss account.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of MHF's accounting policies, which are described in note 1, the Directors may be required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities.

In preparing these financial statements, a judgement has been made in respect of MHL's ability to make interest and principal payments when they fall due as detailed in Note 10.

MOAT HOMES FINANCE PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2026

3. FINANCE INCOME

	2026 £000	2025 £000
On intercompany loans at amortised cost	12,321	12,381
Interest received on cash balance	1	4
	12,322	12,385

Intercompany income is received from MHL, relating to the on-lending of the finance raised via the bond.

4. PROFIT AND LOSS ACCOUNT

During the year, the Company recharged interest paid on loans, discount and premium to MHL. Audit and tax fees for MHF are paid on its behalf by MHL. Consequently, during the year the Company made neither a profit nor a loss.

5. DIRECTORS' EMOLUMENTS

The Company does not have any employees. The Directors are employed by MHL. They do not receive remuneration for their duties as Directors of MHF. Any employment costs are retained by MHL and disclosed as appropriate.

6. FINANCE COSTS

	2026 £000	2025 £000
Interest payable on bond	15,000	15,000
Amortisation of bond premium	(2,724)	(2,659)
Amortisation of bond discount	46	44
	12,322	12,385

Interest is payable and receivable six monthly and is collected and paid on the same day.

7. DEBTORS

	2026 £000	2025 £000
Due in more than one year:		
Loan due from other group entities	347,436	350,180
Due within one year:		
Due from other group entities	3,124	3,059
	350,560	353,239

The loan receivable from MHL has the same maturity and interest rate as the 30-year bond (note 9) and is repayable to MHF on 23 September 2041.

The set-up costs, discount and premium on issue are passed through to MHL.

MOAT HOMES FINANCE PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2026

8. CREDITORS – amounts due within one year

	2026 £000	2025 £000
Premium on issue of bond	2,792	2,724
Discount on issue of bond	(48)	(46)
Other creditors: interest payable and similar charges	343	344
	3,087	3,022

9. CREDITORS – amounts due after more than one year

	2026 £000	2025 £000
30 year fixed rate bond	300,000	300,000
Premium on issue of bond	49,133	51,924
Discount on issue of bond	(1,052)	(1,100)
	348,081	350,824
	2026 £000	2025 £000

Loans are repayable, other than by instalments as follows:

In five years or more	300,000	300,000
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The 30-year bond is repayable on maturity on 23 September 2041. Interest is payable at 5%.

The loan receivable from MHL (note 7) has the same maturity and interest rate as the 30-year bond and is repayable to MHF on 23 September 2041.

The set-up costs, discount and premium on issue are passed through to MHL.

10. FINANCIAL INSTRUMENTS

The carrying value of financial assets and liabilities are summarised by category:

	2026 £000	2025 £000
Financial assets		
Measured at historic cost:		
Cash and cash equivalents	658	657
Measured at amortised cost:		
Loan to MHL (note 7)	347,436	350,180
Measured at undiscounted amount receivable:		
Income receivable from MHL re loan (note 7)	3,087	3,022
Amount receivable from MHL re share capital (note 7)	37	37
	351,218	353,896

MOAT HOMES FINANCE PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2026

10. FINANCIAL INSTRUMENTS (continued)

	2026 £000	2025 £000
Financial liabilities		
Measured at historic cost:		
Bond, premium and discount (<i>notes 8 and 9</i>)	350,825	353,502
Measured at undiscounted amount payable:		
Interest payable (<i>note 8</i>)	343	344
	351,168	353,846
	2026 £000	2025 £000
Income and expense in relation to financial instruments		
Total income for financial assets at amortised cost	12,321	12,381
Total income for financial assets at historic cost	1	4
	12,322	12,385
Total interest expense for financial liabilities at amortised cost	(12,322)	(12,385)

There is one class of financial instrument as all of the financial assets and liabilities relate to the bond issue and the on-lending of the funds at the same rates.

Risk Management Objectives and Policies

Moat's treasury function is responsible for the management of the funds and control of the associated risks. Its activities are governed by the MHL Board and the Group's Finance Committee which is responsible for the treasury issues in all of Moat's legal entities which include MHF. The treasury function does not operate as a profit centre.

Market Risk

Interest Rate Risk/Hedging

The Company currently borrows funds on a fixed rate basis from the capital markets and then on-lends these to MHL at the same fixed rate. As such the Company does not bear any interest rate risk, apart from the underlying credit risk with MHL, which is discussed below. The Company does not undertake any hedging activities and it does not have any derivatives.

Currency Risk

There is no currency risk as the bond is issued in Sterling.

Liquidity and Credit Risks/Uncertainties

As MHF on-lends to MHL, the main risk facing MHF is that MHL will be unable to make its interest or principal payments when they fall due. The risk is mitigated by:

- 🔹 the on-lent funding to MHL is under a secured loan agreement, which is backed by housing assets of MHL. If any payments are not made to MHF, it has the right to enforce the security under the loan.
- 🔹 the financial strength of MHL. MHL's 30-year financial plan shows a strong liquidity position and is fully compliant with all external covenants and with Moat's golden rules throughout the 30-year period. The stress testing of the plan also indicates that there is sufficient headroom on covenants to allow it to take remedial action in the event of adverse external conditions or if the assumptions used in the plan change. MHL has a Moody's rating of A3 stable.

MOAT HOMES FINANCE PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2026

11. CALLED-UP SHARE CAPITAL

	2026 £000	2025 £000
Allotted and issued ordinary shares of £1 each:		
As at 1 April and 31 March	50	50
Amount paid up at 25p per share:		
As at 1 April and 31 March	13	13

MHF's capital comprises its share capital. No further capital is required as interest is received and paid on the same day and operating costs (e.g. audit fees and bank charges) are paid by MHL.

12. RELATED PARTY TRANSACTIONS

Intra-group transactions are not required to be disclosed under FRS 102 as MHF is a wholly owned subsidiary. All intra-group transactions have taken place in the normal course of business and are shown in the relevant notes to the financial statements. There are no other related party transactions requiring disclosure.

13. GROUP STRUCTURE

Moat Homes Finance plc is a subsidiary undertaking of Moat Homes Limited. The results of the Company have therefore been consolidated within the parent financial statements, which are available on request from:

**The Company Secretary,
Moat Homes Limited
Mariner House
Galleon Boulevard
Crossways
Dartford
Kent
DA2 6QE**

14. LEGISLATIVE PROVISIONS

Moat Homes Finance plc is incorporated under the Companies Act 2006.