

PENINSULAR CAPITAL PLC

Annual Report and Financial Statements

Registered number 14372582

For the year ended 31 March 2024

Contents

	Page
Strategic Report	1
Directors' Report	3
Statement of Directors Responsibilities	5
Independent Auditors' Report	6
Statement of Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13

Strategic Report for the period ended 31 March 2024

Introduction

The Peninsular Capital Board present their report and the financial statements for the period ended 31 March 2024.

Performance highlights

Our £2bn EMTN programme was launched on 3 November 2022.

Principal activities and review of business performance

Peninsular Capital PLC (the “Company”) was established as a finance vehicle within VIVID Housing Limited (“VIVID”).

Any proceeds received under our £2bn EMTN programme will be on lent to VIVID.

Finance costs and payables will relate to interest charged from note holders. These costs will be on lent to VIVID as Finance income and receivables. The income will be equal and opposite to the finance costs.

Our future plans

At the reporting date, we have not yet issued under our £2bn EMTN programme.

Credit ratings

At 31 March 2024 Peninsular Capital’s parent had credit ratings from S&P (A) and Fitch (A+). Our reports can be read on our investor webpage, <https://www.vividhomes.co.uk/about-us/investor-relations>

Risk management and internal control

The Directors are responsible for our system of internal control and for reviewing its effectiveness. Our system of internal control is designed to manage rather than eliminate the risk of failure to achieve our corporate ambitions. It is designed to provide reasonable, but not absolute, assurance over the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information. Further details are provided in the consolidated group accounts.

Companies Act 2006 - Section 172

The Directors are aware of their responsibilities under Section 172 of the Companies Act 2006.

The Company acts within the governance framework of its parent, VIVID.

- a) the likely consequences of any decision in the long term,
- b) the interests of the company's employees,
- c) the need to foster the company's business relationships with suppliers, customers and others,
- d) the impact of the company's operations on the community and the environment,

Strategic Report (continued)

Companies Act 2006 - Section 172 (continued)

- e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- f) the need to act fairly as between members of the company.

Going concern

The proceeds and costs incurred by the Company are on lent to VIVID.

The Company's going concern is therefore reliant on VIVID being a going concern.

VIVID's board reviewed the VIVID Group business plan in May 2024 and was content that these plans were affordable and that the accounts should be prepared on a going concern basis.

The Board has a reasonable expectation that VIVID has adequate resources to meet its financial obligations to the Company over the foreseeable future, being 12 months from the date of these financial statements. For this reason, the financial statements have been prepared on a going concern basis.

This report was approved by the board and signed on its behalf.



Duncan Brown

Date: 20th June 2024

Directors' Report for the period ended 31 March 2024

Board of Directors

David Ball
Duncan Brown
Mark Perry
Jonathan Roberts

Company Secretary

Duncan Brown

Registered Number

14372582

Registered Office

Peninsular House
Wharf Road
Portsmouth
Hampshire
PO2 8HB

Bankers

Royal Bank of Scotland
3 Hampshire Corporate Park
Templars Way
Chandlers Ford
Hampshire
SO53 3RY

External Auditors

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

Treasury Advisors

Chatham Financial Europe Ltd
12 St James's Square
London
SW1Y 4LB

Directors' Report for the period ended 31 March 2024 (continued)

Matters covered in the strategic report

Certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report. These matters relate to the principal activity and review of the business, future developments and principal risks and uncertainties.

Dividends

The Directors do not recommend the payment of a dividend.

Employees

The Company has no direct employees.

Directors' indemnities

Directors' and officers' insurance cover has been established for all Directors to provide appropriate cover for their reasonable actions on behalf of the Company. Our Rules indemnify each of the Directors of the Company and/or its subsidiaries as a supplement to the Directors' and officers' insurance cover. The indemnities were in force during the 2023/24 financial year and remain in force for all current and past Directors of the Company.

Political contributions

The Company made no political donations or political expenditure during the year.

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

The auditors, BDO LLP, will be proposed for appointment in accordance with section 489 of the Companies Act 2006.

By order of the board.



Duncan Brown

Date: 20th June 2024

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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

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

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 2024 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Companies Act 2006.

We have audited the financial statements of Peninsular Capital PLC (the 'foundation') for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, 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.

Independence

We are 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

Independent auditor's report (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual 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 including the Strategic Report and the Directors' Report and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 foundation and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

Independent auditor's report (continued)

In preparing the financial statements, the directors are responsible for assessing the foundation'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 foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Non-compliance with laws and regulations and fraud

Based on:

- Our understanding of the Company and the sector in which it operates;
- Enquiry with management and those charged with governance regarding any known or suspected instances of non-compliance with laws and regulation or fraud;
- Obtaining and understanding of the Company's policies and procedures relating to:
 - Compliance with laws and regulations; and
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of non-compliance with laws and regulations or 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;

We identified that the principal risks of non-compliance with laws and regulations to be the applicable accounting framework and UK tax legislation and we consider the areas most susceptible to fraud to be management override of control and management bias in accounting estimates.

Independent auditor's report (continued)

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 and to identify any actual or potential frauds or potential weaknesses in internal control which could result in fraud susceptibility;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Challenging assumptions made by management in respect to the identification of significant accounting estimates.

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

Use of our report

This report is made solely to the foundation'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 foundation'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 foundation and the foundation's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

D1FB52C82A114D7...

Philip Cliftlands (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick, United Kingdom

Date 01 August 2024

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

Statement of Comprehensive Income

For the year ended 31 March 2024

	Notes	2024 £'000	2023 £'000
Finance income	2	23	6
Finance costs	3	(23)	(6)
Result on ordinary activities before taxation	4	<u>-</u>	<u>-</u>
Tax charge for the year	5	-	-
Result on ordinary activities after taxation		<u>-</u>	<u>-</u>

All activities derive from continuing operations.

The accompanying notes on pages 13 to 17 form an integral part of these financial statements.

Statement of Financial Position

As at 31 March 2024

	Notes	2024 £'000	2023 £'000
Current assets			
Receivables			
Amounts due within one year	8	40	37
Cash and cash equivalents		13	13
		<u>53</u>	<u>50</u>
Payables: amounts due within one year		(3)	-
Net current assets		<u>50</u>	<u>50</u>
Total assets less current liabilities		<u>50</u>	<u>50</u>
Capital and reserves			
Share capital	9	50	50
Revenue Reserve		-	-
		<u>50</u>	<u>50</u>

These financial statements were approved by the board of directors on 20th June 2024 and were signed on its behalf by:



Duncan Brown
Director

Statement of Changes in Equity
For the period ended 31 March 2024

	Share Capital £'000	Revenue Reserve £'000	Total £'000
At 31 March 2023	50	-	50
Result on ordinary activities after tax	-	-	-
At 31 March 2024	50	-	50

Notes to the Accounts

1 Accounting policies

Peninsular Capital PLC (the “Company”) is a public company and incorporated and domiciled in England. The registered office is Peninsular House, Wharf Road, Portsmouth, Hants, PO2 8HB.

These financial statements were prepared in accordance with Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland (“FRS 102”). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The financial statements have been prepared under the historical cost convention. The Company’s parent undertaking, VIVID Housing Limited includes the Company in its consolidated financial statements. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes.
- The financial instruments disclosure exemptions per FRS 102 section 1.12(c).

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

1.1 Going concern

The company’s business activities, its current financial position and factors likely to affect its future development are set out within the Strategic Report.

The group has in place sufficient long-term debt facilities and undrawn liquidity to provide adequate resources to finance committed reinvestment and development programmes, along with the group’s day to day operations.

On this basis, the board has a reasonable expectation that the Company has adequate resources to continue to meet its financial obligations as they fall due for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

1.2 Significant judgements and estimates

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 include:

a) Impairment

Management consider that there have been no impairment indicators in the year.

b) Classification of housing loans

Judgements have been applied in determining whether our housing loans are “basic” or “other” financial instruments.

Notes to the Accounts (continued)

1 Accounting policies (continued)

1.3 Receivables

Receivables relates to unpaid share capital. At incorporation £50k of share capital was called up of which £37k remains unpaid.

1.4 Cash at bank and in hand

Cash relates to paid share capital. At incorporation £50k of share capital was called up of which £13k was paid.

1.5 Interest receivable

There is no interest receivable or similar income for the period from incorporation to 31 March 2024.

1.6 Interest payable

There is no interest payable for the period from incorporation to 31 March 2024.

1.7 Financial instruments

Financial instruments which meet the criteria of a basic financial instrument defined in section 11 of FRS102 are accounted for under an amortised cost model. Basic instruments which have undergone a substantial modification in terms are measured at the present value of future cashflows discounted at a market rate of interest for a similar instrument.

Non-basic financial instruments which meet the criteria in section 12 of FRS102 are recognised at fair value using a valuation technique. At each year end, the instruments are revalued to fair value, with the movements posted to the income and expenditure.

1.8 Employee benefits

The Company has no direct employees. Staff remuneration is paid by the parent company and disclosed as appropriate in those accounts. There are no recharges on specific staff costs from the parent company.

1.9 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Notes to the Accounts (continued)

1 Accounting policies (continued)

1.10 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2. Finance income

	2024 £'000	2023 £'000
Inter-company loan arrangement fees and associated costs	23	6
	<u>23</u>	<u>6</u>

3. Finance costs

	2024 £'000	2023 £'000
Loan arrangement fees and associated costs	23	6
	<u>23</u>	<u>6</u>

4. Result on ordinary activities before tax

Result on ordinary activities before taxation is stated after charging:

	2024 £'000	2023 £'000
Fees payable to the Company's auditor for:		
Audit of the annual financial statements (excluding VAT)	<u>-</u>	<u>-</u>

5. Tax

The Company made no profit or loss in the year and delivered a taxable result of £nil.

Notes to the Accounts (continued)

6. Directors' emoluments

The Directors of the Company are defined as the board members and the Executive Board.

Executive Board members receive no incremental remuneration for their role as Directors of individual legal entities. All Directors are remunerated by VIVID Housing Limited.

Name	Appointed	Resigned	Annual Fee
<i>David Ball</i>	<i>23/09/2022</i>	-	<i>N/A</i>
<i>Duncan Brown</i>	<i>23/09/2022</i>	-	<i>N/A</i>
<i>Mark Perry</i>	<i>23/09/2022</i>	-	<i>N/A</i>
<i>Jonathan Roberts</i>	<i>23/09/2022</i>	-	<i>N/A</i>

7. Staff costs

The Company had no employees in the year.

8. Receivables

	2024	2023
	£'000	£'000
Amounts due within one year		
Called up share capital	37	37
Amounts owed by group undertakings	3	-
	<u>40</u>	<u>37</u>

9. Share capital

	2024	2023
	£'000	£'000
Shares of £1 each		
Issued and fully paid	13	13
Called up (not paid)	37	37
Shares capital at 31 March	<u>50</u>	<u>50</u>

The Company was incorporated on 23 September 2022 with an issued share capital of £50k of which £13k was fully paid.

Notes to the Accounts (continued)

10. Ultimate parent company

The Company is a subsidiary undertaking of VIVID Housing, a registered provider of social housing, which has the power to appoint board members to the company.

The group accounts are prepared by VIVID Housing and a copy of the accounts can be obtained at the registered office, Peninsular House, Wharf Road, Portsmouth, Hampshire, PO2 8HB.

11. Related parties

The Company has taken advantage of the exemption contained in FRS102 1.12(e) section 33.1a from reporting related party transactions with intergroup entities. The key management personnel of the company are the Directors and details are disclosed in the Directors Report.

There were no other related party transactions during the period or balances at the reporting date.