

LiveWest Trading Update for the 6 months ended 30 September 2019

LiveWest issues its unaudited group trading update for the 6 months ended 30 September 2019, with comparatives to the unaudited position for the 6 months ended 30 September 2018 and the audited financial statements for the 12 months ended 31 March 2019.

Financial and Operating Performance

Surplus for the 6 months to September 2019 is £25m (6 months ended September 2018: £27m). Surplus on Disposal of Properties for the year to March 2019 includes £6m relating to homes outside our core operating area. Housing Properties (net of depreciation) have increased to £2,024m from £1,950m at March 2019. As a result, net debt has increased to £824m from £788m.

Statement of Comprehensive Income			
	6 months Sep-19	6 months Sep-18	12 months Mar-19
	£m	£m	£m
Turnover	118	117	233
Operating Costs	(84)	(84)	(167)
Change in the value of investment properties	-	-	1
Surplus on Disposal of Properties	4	6	14
Operating Surplus	38	39	81
Net Interest Payable	(13)	(12)	(24)
Movement in Fair Value of Financial Instruments	-	-	(1)
Surplus for the period	25	27	56

Financial Indicators			
	Sep-19	Sep-18	Mar-19
Operating Margin on Social Housing Lettings	33%	34%	33%
Gross Profit Margin on Shared Ownership Sales	23%	30%	28%
Gross Profit Margin on Open Market Sales	17%	19%	23%

Sales of open market and shared ownership homes totalled 231 units for the 6 months ended 30 September 2019 (6 months ended September 2018: 212). As at 30 September 2019, we had 60 shared ownership stock units (March 2019: 125) and 22 open market stock units (March 2019: 2).

Sales margins reflect the scheme mix in the period. House price growth, although positive, is lower than in previous periods.

Customer satisfaction was 89.5% (31 March 2019: 90.5%). Void losses for our general needs and sheltered stock were 0.59% (March 2019: 0.50%). Rent arrears were 1.96% (March 2019: 1.83%).

Liquidity

LiveWest had liquidity at 30 September 2019 of £260m, consisting of available undrawn facilities of £254m, and available cash of £6m. LiveWest Treasury plc raised £200m from its EMTN programme on 3 October 2019.

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