Company Number: 06392963

LIVEWEST TREASURY PLC

Financial Statements

Year ended 31 March 2025

Contents

Registered under the Companies Act No. 06392963

Company information

Directors:	Paul Crawford Andrew Sloman Andrew Hart
Secretary:	Lisa Maunder
Registered office:	1 Wellington Way Skypark, Clyst Honiton Exeter, EX5 2FZ
Auditor:	KPMG LLP One Snowhill Birmingham B4 6GH
Principal banker:	Natwest South West Corporate Business Centre 246 High Street Exeter EX4 3PD
Principal solicitor:	Trowers and Hamlins LLP The Senate Southernhay Gardens Exeter EX1 1UG

LIVEWEST TREASURY PLC
Company Number: 06392963

Strategic Report
for the year ended 31 March 2025

The directors present their report and the audited financial statements of the company for the year ended 31 March 2025.

Principal activity

The company's principal activity is raising finance for on-lending to its parent company.

Financial review and future developments

The company is a wholly owned subsidiary of LiveWest Homes Limited (LiveWest Homes). The registered office address is 1 Wellington Way, Skypark, Clyst Honiton, Exeter, EX5 2FZ.

The company has total long term facilities of £1,141.4m. In August 2024, the company issued a £100m sustainability note under the company's EMTN programme which matures in August 2034, £75m was sold in August, with £25m retained. In February 2025, the company issued a green note on the programme for £75m maturing in 2031. Of this issuance, £37m was retained and subsequently sold on the first week of April 2025.

All loans held by the company and all notes issued under the EMTN Programme are secured against properties owned by the parent company LiveWest Homes Limited under a security trust deed. As at 31 March 2025 the company had drawn £842.6m (2024: £728.4m) which was fully on-lent to LiveWest Homes under a group funding agreement.

In order to manage interest rate risks for the group, the company has fixed rate swaps with a nominal value of £243.5m (2024: £279.5m). £50m of fixed rate swaps matured during the year ending March 2025. The company entered into one new short term (18-month) fixed rate swap with a notional value of £20m in the year. All derivative agreements are matched by intra-group swap agreements with LiveWest Homes. As at 31 March 2025 the swaps had a negative mark to market value of £2.2m (2024: £6.9m).

During the period the company incurred interest and similar charges on its bank and capital markets debt of £26.2m (2024: £21.1m) which were recharged in full to LiveWest Homes in accordance with the group funding agreement.

The company does not employ any staff directly but has a staff sharing arrangement with LiveWest Homes whereby work done by its staff is charged at cost. The company levies a management charge to LiveWest Homes covering all operating costs. After making a Gift Aid payment of £3,214 (2024: £3,091) to LiveWest Homes, the company had revenue reserves of £nil (2024: £nil).

As at 31 March 2025, the company had undrawn facilities of £166.8m which it expects to on-lend to LiveWest Homes over the next five years. The main external risks to which the company is exposed relate to counterparty credit, liquidity and interest rates. These risks transfer to LiveWest Homes under the group funding agreement and are discussed in its financial statements. In the opinion of the directors the properties charged under the security trust deed will provide sufficient cover to meet any anticipated loan draw-downs and margin calls over the coming year.

Principal Risks and Uncertainties

LiveWest Treasury PLC on-lends all of its proceeds from capital market transactions to its parent company, LiveWest Homes Limited. The underlying assets relating to this issuance therefore belong to LiveWest Homes Limited and are held through a security trust arrangement with the Prudential Trustee Company Limited.

As LiveWest Treasury PLC is not obliged to provide incremental funding to other Group asset owning subsidiaries, LiveWest Treasury PLC is not at risk if it cannot obtain further funding for the LiveWest Homes Group. All of LiveWest Treasury PLC's costs relating to providing funding services are met by LiveWest Homes Limited.

Long Term Viability

The Company's obligations are of a long term nature, being the servicing and eventual repayment of the loan facilities and notes. The Company's obligations are guaranteed by LiveWest Homes Limited, and further secured by assets pledged by LiveWest Homes Limited as security under the terms of the on-lending agreement. The group business plan forecasts demonstrate the ability of LiveWest Homes Limited to service its debt, and therefore the Company's ability to service its debts, and maintain its long term viability over the next 5 years.

The Strategic Report was approved by the Directors on 7 August 2025 and signed on their behalf by:

Andrew Sloman
Director

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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report, Directors' Report, and Corporate Governance Statement that complies with that law and those regulations.

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.

Capital Structure and Internal controls

LiveWest Treasury PLC is a wholly owned subsidiary of LiveWest Homes Ltd, the parent company of "the Group". LiveWest Treasury PLC adheres to the Group's treasury policies, procedures and internal controls approved by the parent company LiveWest Homes Limited. These cover funding, interest rate exposures, cash management and the investment of surplus cash.

Risk Management Objectives and Policies

LiveWest Homes Limited's finance function is responsible for treasury management activities and control of associated risks. Its activities are governed by the Treasury Management Policy, approved by the Board of LiveWest Homes Limited, which is ultimately responsible for treasury issues in all of LiveWest Homes' group legal entities, which include the Company. The Group finance function does not operate as a profit centre.

The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group by monitoring levels of debt finance and related finance costs.

Interest Rate Risk/Hedging

Our approach to interest rate management is to maintain a balanced portfolio of fixed, variable and index linked debt. This is managed through the use of fixed rate debt and standalone derivatives. As LiveWest Treasury PLC has corresponding financial assets or liabilities with LiveWest Homes the risk will have no impact on profit/loss and equity of the company.

The standalone derivatives can give rise to margin calls if interest rates fall. This risk is managed by securing sufficient properties to cover margin calls in the event of a 1% fall in long term interest rates.

Liquidity Risk

The Company maintains adequate cash and debt funding facilities to cover its operations and planned developments.

We actively monitor the cash flow requirements of our operating and development activities and we have a treasury management policy in place which requires us to hold short and medium term liquidity levels. Overdraft facilities of £1.5m within LiveWest Homes Ltd provide us with further flexibility.

Credit Risk

All of the Company's bank and capital markets financing proceeds are available to be on-lent to LiveWest Homes Limited, which represents the only credit risk to the Company. This credit risk is mitigated through a number of factors, including the housing asset security which stands behind the loan, the overall Regulator of Social Housing’s assessment of the Group's financial viability and the contractual protection of the loan agreement between the Company and LiveWest Homes Limited.

Going Concern

The Board have cash flow forecasts covering a period of 30 years from the date of approval of these financial statements which indicate that, taking account of severe but plausible downsides, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

In order to settle its own financial obligations and meet the compliance requirements of its external borrowings the Company is dependent on LiveWest Homes Limited, the parent entity, generating sufficient cashflows to settle the payments of principal and interest on the onward loan of the funding which the Company raised. Those forecasts are dependent on LiveWest Homes Limited having adequate resources to continue in business for the going concern assessment period.

In making this assessment the directors have considered the potential impact of adverse economic factors on the Group’s business plan. As well as considering the impact of a number of scenarios on the Group business plan the Group also adopted a stress testing framework to use four main types of sensitivity testing against the base plan. The stress testing impacts were measured against loan covenants and peak borrowing levels compared to agreed facilities, with potential mitigating actions identified to reduce expenditure. The Group has undertaken a series of scenario tests including severe but plausible downsides in the worst-case assessment.

The Board, after reviewing the group and company budgets for 2025/26 and the group's medium term financial position as detailed in the 30-year business plan, is of the opinion that, taking account of severe but plausible downsides, the group and company have adequate resources to meet its liabilities as they fall due over the going concern period. In reaching this conclusion the Board have considered the following factors:

- the property market – budget and business plan scenarios have taken account of delays in handovers, lower numbers of property sales, reductions in sales values and potential conversion of market sale to social homes;
- Maintenance costs – budget and business plan scenarios have been modelled to take account of cost increases and delays in maintenance expenditure, with major works being phased into future years;
- Rent and service charge receivable – arrears and bad debts have been increased to allow for customer difficulties in making payments and budget and business plan scenarios to take account of potential future reductions in rents;
- Liquidity – current available cash and unutilised loan facilities of £281m which give significant headroom for any cash flows that arise;
- The group's ability to withstand other adverse scenarios such as higher interest rates and number of void properties.

The Board believe the group and company has sufficient funding in place and expect the group to be in compliance with its debt covenants even in severe but plausible downside scenarios.

Consequently, the Board are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. And therefore, have prepared the financial statements on a going concern basis.

Post balance sheet events

Subsequent to the balance sheet date of 31 March 2025, the company sold £37m of retained notes from its 5%, £75m Guaranteed secured green notes issued from its EMTN programme in February 2025 (due 2031). The trade was agreed on 31 March 2025 with the retained notes settled on 7 April 2025 at discount of £0.1m. This event is considered a non-adjusting post-balance sheet event and has been disclosed in accordance with FRS 102. More information is detailed in Note 17.

Disclosure of information to auditors

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 he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

A resolution to re-appoint KPMG LLP as auditors will be proposed at the Board meeting at which these financial statements are approved.

Andrew Sloman
Director

LiveWest Treasury PLC
1 Wellington Way,
Skypark, Clyst Honiton,
Exeter, EX5 2FZ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIVEWEST TREASURY PLC

1 Our opinion is unmodified

We have audited the financial statements of Livewest Treasury Plc ("the Company") for the year ended 31 March 2025 which comprise the Statement of Comprehensive income, Statement of Financial Position, Statement of changes in equity and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed entities. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

2 Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, 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. This matter was 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 this matter. In arriving at our audit opinion above, the key audit matter was as follows – the recoverability of long term debtors (unchanged from 2024):

Recoverability of Long-Term Debtors (Risk vs 2024: ◄►)

Debtors (amounts falling due after more than one year) £861mm (2024: £712mm)

Refer to page 4 (Directors' Report), pages 17 to 20 (accounting policy) and pages 20 to 24 (financial disclosures).

<u>The risk – low risk, high value</u>

The Company's primary activity is to source investor financing by issuing bonds and onward lending this funding to its parent. It therefore has long term liabilities which relate to the bonds issued and long term intercompany debtors which relate to the loans provided to the Parent.

The carrying amount of the long-term intercompany debtors balance represents 98.6% (2024: 95%) of the Company's total assets. Their recoverability is not at a high risk of significant misstatement or subject to significant judgement. However, due to their materiality in the context of the Company financial statements, this is considered to be the area that had the greatest effect on our overall Company audit.

<u>Our response</u>

We performed the tests below rather than seeking to rely on any of the Company's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.

Our procedures included:

i. **Tests of detail:** Assessing the long-term intercompany debtors representing 100% (2024: 100%) of the total long-term intercompany debtor's balance to identify, with reference to the parent's draft balance sheet, whether it had a positive net asset value and therefore coverage of the debt owed, as well as assessing whether the debtor company has historically been profit-making.

ii. **Evaluating ability of the parent to repay the receivable:** critically assessing the Company's assessment of the ability of the parent to meet its obligations to the Company by inspecting the financial statements and internally provided cash flow projections of the parent. This included evaluating the reasonableness of the key assumptions in those projections against our knowledge of the group and experience of the industry in which it operates.

3 Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements as a whole was set at £6.4m (2024: £5.5m), determined with reference to a benchmark of total assets, of which it represents 0.75% (2024: 0.75%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 75% (2024: 75%) of materiality for the financial statements, which equates to £4.8m (2024: £4.1m). We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding £318.5k, in addition to other identified misstatements that warranted reporting on qualitative grounds.

The scope of the audit work performed was fully substantive as we did not rely upon the Company's internal control over financial reporting.

Our audit of the Company was undertaken to the materiality level specified above and was performed by a single audit team.

4 Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. The risk that we considered most likely to adversely affect the Company's available financial resources over this period was the parent's inability to meet its obligations to the Company during the going concern assessment period, which would result in the inability of the Company to meet its own external debt obligations as they fall due.

Given the purpose of the Company, our procedures in relation to going concern are inherently linked with our key audit matter in relation to the recoverability of the long-term intercompany debtor. Our procedures on going concern also included:

- Inspecting internally provided cash flow projections over the going concern assessment period for the intercompany counterparty and the level of available financial resources indicated by those financial projections to assess the ability of the parent to make scheduled repayments to the Company.
- Critically assessing the downside scenarios considered by the Directors against our understanding of the wider group and the sector in which it operates;
- Assessing whether those group projections included repayments of loan interest and principal in line with the Company's external debt obligations; and
- Examining the parent's financial statements, including the going concern disclosures

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period; and
- we found the going concern disclosure in note 1 to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

5 Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit and risk committee, internal audit as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing" , as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and audit and risk committee minutes.
- Using analytical procedures to identify any usual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the company does not generate revenue as part of its core activities.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual combinations of journal postings to cash.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards) and from inspection of the Company's regulatory and legal correspondence; and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

6 We have nothing to report on the strategic report and the directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

7 We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required 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 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.

We have nothing to report in these respects.

8 Respective responsibilities

Directors' responsibilities
As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities
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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

9 The purpose of our audit work and to whom we owe our responsibilities

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.

Harry Organ

Harry Organ (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

12 August 2025

LIVEWEST TREASURY PLC
Company Number: 06392963

Statement of Comprehensive Income for the year ended 31 March 2025

	Note	**2025**	2024
		£000	£000
Turnover		**96**	92
Operating Expenditure		**(93)**	(89)
Operating Profit	3	**3**	3
Interest receivable and other income	7	**26,176**	21,364
Interest payable and similar charges	8	**(26,176)**	(21,364)
Profit on ordinary activities before taxation		**3**	3
Taxation	9	**-**	-
Profit on ordinary activities for the year		**3**	3
Other comprehensive income		-	-
Total Comprehensive income for the year		**3**	3

All activities are continuing.

The notes on pages 17 to 25 are an integral part of these financial statements.

These financial statements were approved by the Board on 7 August 2025 and were signed on its behalf by:

AJHart

Andrew Sloman
Director

Andrew Hart
Director

LIVEWEST TREASURY PLC
Company Number: 06392963

Statement of Financial Position as at 31 March 2025

	Note	**2025**	2024
		£000	£000
Current assets			
Debtors: Amounts falling due within one year	10	12,644	33,557
Debtors: Amounts falling due after more than one year	10	860,885	711,929
Cash at Bank		12	12
Less:			
Creditors: Amounts falling due within one year	11	(12,644)	(33,557)
Total assets less current liabilities		**860,897**	711,941
Creditors: Amounts falling due after more than one year	12	(860,885)	(711,929)
Net Assets		**12**	12
Reserves			
Called up share capital	13	12	12
Cashflow hedge reserve		-	-
Revenue reserves		-	-
Equity Shareholders		**12**	12

The accompanying notes form part of these financial statements.

These financial statements were approved by the Board on 7 August 2025 and were signed on its behalf by:

Andrew Sloman
Director

Andrew Hart
Director

LIVEWEST TREASURY PLC
Company Number: 06392963

Statement of Changes in Equity for the year ended 31 March 2025

		2024	
	Called-up Share Capital	Retained Earnings	Total
	£000	£000	£000
Balance as at 1 April 2023	12	-	12
Profit for the year	-	3	3
Gift Aid payment	-	(3)	(3)
At 31 March 2024	12	-	12

		2025	
	Called-up Share Capital	**Retained Earnings**	**Total**
	£000	**£000**	**£000**
Balance as at 1 April 2024	**12**	**-**	**12**
Profit for the year	**-**	**3**	**3**
Gift Aid payment	**-**	**(3)**	**(3)**
At 31 March 2025	**12**	**-**	**12**

The accompanying notes form part of these financial statements.

Notes to the financial statements

1 Principal accounting policies

Basis of accounting

The financial statements have been prepared in compliance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") and the Companies Act 2006. A summary of all material accounting policies, which have been consistently applied, are set out below:

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention.

(b) Disclosure exemptions

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. The Company is included in the consolidated financial statements of LiveWest Homes Limited. Note 15 provides details of where those consolidated financial statement may be obtained from.

In preparing the financial statements, the Company has taken advantage of the following exemptions:

- from disclosing key management personnel compensation, as required by paragraph 7 of Section 33 Related Party Disclosures;
- from presenting a statement of cash flows, as required by Section 7 Statement of Cash Flows;
- from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by paragraph 12 of Section 4 Statement of Financial Position; and
- on the basis that equivalent disclosures are given in the consolidated financial statements, the Company has also taken advantage of the exemption not to provide certain disclosures as required by Section 11 Basic Financial Instruments and Section 12 Other Financial Instrument Issues.

(c) Measurement convention
The financial statements are prepared on the historical cost basis.

(d) Going concern

The Board have cash flow forecasts covering a period of 30 years from the date of approval of these financial statements which indicate that, taking account of severe but plausible downsides, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

In order to settle its own financial obligations and meet the compliance requirements of its external borrowings the Company is dependent on LiveWest Homes Limited, the parent entity, generating sufficient cashflows to settle the payments of principal and interest on the onward loan of the funding which the Company raised. Those forecasts are dependent on LiveWest Homes Limited having adequate resources to continue in business for the going concern assessment period.

In making this assessment the directors have considered the potential impact of adverse economic factors on the Group's business plan. As well as considering the impact of a number of scenarios on the Group business plan the Group also adopted a stress testing framework to use four main types of sensitivity testing against the base plan. The stress testing impacts were measured against loan covenants and peak borrowing levels compared to agreed facilities, with potential mitigating actions identified to reduce expenditure. The Group has undertaken a series of scenario tests including severe but plausible downsides in the worst-case assessment.

The Board, after reviewing the group and company budgets for 2025/26 and the group's medium term financial position as detailed in the 30-year business plan, is of the opinion that, taking account of severe but plausible downsides, the group and company have adequate resources to meet its liabilities as they fall due over the going concern period. In reaching this conclusion the Board have considered the following factors:

- the property market – budget and business plan scenarios have taken account of delays in handovers, lower numbers of property sales, reductions in sales values and potential conversion of market sale to social homes;
- Maintenance costs – budget and business plan scenarios have been modelled to take account of cost increases and delays in maintenance expenditure, with major works being phased into future years;
- Rent and service charge receivable – arrears and bad debts have been increased to allow for customer difficulties in making payments and budget and business plan scenarios to take account of potential future reductions in rents;
- Liquidity – current available cash and unutilised loan facilities of £281m which give significant headroom for any cash flows that arise;
- The group's ability to withstand other adverse scenarios such as higher interest rates and number of void properties.

The Board believe the group and company has sufficient funding in place and expect the group to be in compliance with its debt covenants even in severe but plausible downside scenarios.

Consequently, the Board are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. And therefore, have prepared the financial statements on a going concern basis.

(e) Basic financial instruments

Trade and other debtors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. 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.

Trade and other creditors

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at fair value 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.

(f) Other financial instruments

Financial instruments not considered to be Basic financial instruments (Other financial instruments)

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment; and
- hedging instruments in a designated hedging relationship shall be recognised as set out below.

Derivative financial instruments and hedging

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

Cash flow hedges

Where the hedged risk is the variable interest rate risk in a debt instrument measured at amortised cost the Company recognises the effective part of any gain or loss on the derivative financial instrument in other comprehensive income (OCI). Any ineffective portion of the hedge is recognised immediately in profit or loss.

The hedging gain or loss recognised in OCI is reclassified to profit or loss when the hedged item is recognised in profit or loss or when the hedging relationship ends.

(g) Segmental Information

The Company has one class of business from which it derives its income, being to provide funding to its immediate parent company, LiveWest Homes Limited. All interest, income, expenditure and net assets are derived from UK operation.

(h) Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

(i) Bond issue costs

The Company has a contractual agreement in place with LiveWest Homes Limited whereby LiveWest Homes Limited will meet any costs associated with issuing bonds. Issue costs are therefore not recognised as a deduction to the carrying amount of the debt financial instruments where they are not incurred by the Company.

(j) Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes Management fee on the provision of services to LiveWest Homes Limited.

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Market value of derivatives

The Mark to Market (MTM) valuation of derivatives is sensitive to changes in interest rates and future rate assumptions. These are reassessed annually and amended to reflect current assumptions.

Recoverability of loans to other group entities

The company makes an assessment on the recoverability of loans to the parent, LiveWest Homes. The management considers factors including the going concern status of the parent, its credit rating and its credit and liquidity risks.

3. Operating Profit

	2025	2024
	£	£
The operating profit is stated after charging:		
Auditors' remuneration:		
- audit of these financial statements	**20,700**	20,000
- other services	**-**	-

4. Renumeration of directors

The company did not remunerate any directors directly during the year (2024: £nil). The directors of LiveWest Treasury PLC were employed and remunerated by LiveWest Homes Limited. Costs of £17,328 (2024: £32,595) attributable to their services to LiveWest Treasury PLC were charged to the company as an administration fee.

5. Employees

The company does not employ any staff directly (2024: £nil). All staff acting on behalf of the Company are employed by LiveWest Homes Limited and costs of £46,944 (2024: £29,228) were charged to the company as an administration fee.

6. Gift Aid Payment

	2025	2024
	£000	£000
The aggregate amount of Gift Aid payments comprises:		
Gift Aid approved by written resolution of the shareholder	3	3

7. Interest Receivable and Similar Income

	2025	2024
	£000	£000
Interest receivable	-	236
Interest receivable from Group undertakings	26,176	21,128
	26,176	21,364

8. Interest Payable

	2025	2024
	£000	£000
Interest payable	26,176	21,128
Interest payable to Group companies	-	236
	26,176	21,364

9. Taxation

	2025	2024
	£	£
Current tax:		
	-	-
Total tax per income statement	**-**	-
Profit for the period	**3,214**	3,091
Tax on profit at standard UK tax rate of 25% (2023: 19%)	**804**	773
Effects of:		
Qualifying charitable donation – Gift Aid	**(804)**	(773)
	-	-

10. Debtors

	2025	2024
	£000	£000
Amounts falling due within one year		
Investments	**-**	-
Amounts owed by group companies	**7,460**	4,087
Fair Value Swap Assets	**903**	284
Fair Value Intra Group Swaps Assets	**84**	-
Intra-group loans	**4,197**	29,186
Accrued interest receivable	**-**	-
	12,644	33,557
Amounts falling due after more than one year		
Investments	**-**	-
Fair Value Swap assets	**3,140**	3,021
Fair Value Intra Group Swaps assets	**6,172**	9,676
Intra-group loans	**851,573**	699,232
	860,885	711,929
	872,626	745,486

All amounts owed by group companies are non-interest bearing. Repayment of the on-lent funds is in line with the terms of the underlying agreement between LiveWest Treasury PLC and LiveWest Homes Limited. The terms of the on-lending agreement underlying the intra-group debtor mirror those of the Company's liability shown under Creditors (note 12).

11. Creditors: amounts falling due within one year

	2025	2024
	£000	£000
Bank loans and Capital Markets Issues	**4,197**	29,186
Interest Payable	**7,439**	4,067
Fair Value Swap liabilities	**84**	284
Accruals and deferred income	**21**	20
Fair Value Intra Group Swaps liabilities	**903**	-
	12,644	33,557

12. Creditors: amounts falling due after more than one year

	2025	2024
	£000	£000
Fair Value Swap Liabilities	**6,172**	9,676
Fair Value Intra Group Swap Liabilities	**3,140**	3,021
Bank loans and Capital Market Issues	**851,573**	699,232
	860,885	711,929

Fair value of swap liabilities under one year is the mark-to-market (MTM) value of three fixed rate swaps which are due to mature in in the next 12 months.

Bank Loans and Capital Market Issues includes fully secured capital market debt of £643,000,000 repayable between 2031 and 2056 and Fair Value adjustments of £13,140,673 on these issues. The remaining £199,630,000 are bank loans which are fully secured at variable interest rates, the final instalment of which is due FY2039. The Fair Value of debt from Bank Loans and Capital Markets issues is £855,770,673.

LiveWest Treasury PLC on-lends all of its proceeds from bank finance and capital market transactions to its immediate parent company, LiveWest Homes Limited. The underlying assets relating to this issuance therefore belong to LiveWest Homes Limited and are held through a security trust arrangement with the Prudential Trustee Company Limited.

The drawn down elements of Loans and Bonds are secured by fixed charges over property security of LiveWest Homes Limited at their Market Value as defined by VS 3.2 of the RICS Valuation – Professional Standards 2012.

All of LiveWest Treasury PLC's costs relating to providing funding services were met by LiveWest Homes Limited.

All of the Company's financing proceeds will be available to be on-lent to LiveWest Homes Limited, which represents the only credit risk to the Company. This credit risk is mitigated through a number of factors, including the housing asset security which stands behind the loan, the overall RSH assessment of the Group's financial viability and the contractual protection of the loan agreement between the Company and LiveWest Homes Limited. No further qualitative disclosures about credit, liquidity and market risks are applicable.

13. Called up share capital

	2025	**2025**	2024	2024
	No.	**£**	No.	£
Allotted, issued and fully paid ordinary shares of £1	**1**	**1**	1	1
Allotted, issued and one quarter paid ordinary shares of £1	**49,999**	**12,500**	49,999	12,500
	50,000	**12,501**	50,000	12,501

14. Significance of Financial Instruments

	2025	2024
	£000	£000
Financial instruments have been classified as follows:		
Financial assets		
Investment measured at amortised cost	**-**	-
Cash flow hedges at fair value (interest rate swaps)	**3,140**	3,021
Cash flow hedges at fair value (intra group swaps)	**6,255**	9,961
Intragroup loans measured at amortised cost using effective interest method	**855,771**	728,418

Financial liabilities

Intragroup loan	**-**	-
Cash flow hedges at fair value (interest rate swaps)	**6,255**	9,961
Cash flow hedges at fair value (intra group swaps)	**3,140**	3,021
Bank loans and capital market issues measured at amortised cost using effective interest method	**855,771**	728,418

Fair Value
All financial instruments are valued using the Mark-To-Market (MTM) valuation method. There is no quoted (bid) price for an identical asset in an active market nor are there recent transactions for identical assets. The Fair value of bank loans and capital market issues (which includes amounts maturing in one year) is £855,770,673.

Nature and extent of risks arising from financial instruments
Risks are formally reviewed by the Board and appropriate processes put in place to monitor and mitigate them. LiveWest Treasury PLC offsets these risks through exactly matching financial assets or liabilities with the parent (LiveWest Homes Limited).

Credit Risk
The group defines credit risk as *"the risk of failure by a third party to meet its contractual obligations to LiveWest Homes under an investment, borrowing, clearing bank or hedging arrangement which has a detrimental effect on LiveWest Homes' resources and/or gives rise to credit losses"*

The group's maximum exposure to credit risk was £240m consisting of £27m cash net of direct right of set off and £267m undrawn loan facilities. There is no security held which mitigates the risk on these assets. There has been no impairment on these assets.

Our treasury management policy manages credit risk by setting minimum credit rating requirements and maximum exposure limits for all deposit counterparties.

LiveWest Treasury PLC has exposure to credit risk to the extent the parent is unable to pay its loans.

Liquidity risk
We maintain adequate cash and debt funding facilities to cover our operations and planned developments.

We actively monitor the cash flow requirements of our operating and development activities and we have a treasury management policy in place which requires us to hold short and medium term liquidity levels. Overdraft facilities of £4.5m provide us with further flexibility.

Market risk
The group has market exposure to changes in interest rates.

Our approach to interest rate management is to maintain a balanced portfolio of fixed, variable and index linked debt. This is managed through the use of fixed rate debt and standalone derivatives. As LiveWest Treasury PLC has corresponding financial assets or liabilities with LiveWest Homes the risk will have no impact on profit/loss and equity of the company. The group has exposure to interest rate rises through our variable rate debt. A 1% increase in rates would lead to a £1.0m additional interest charge for the group. We also have an indirect exposure to bond rates through our pension scheme commitments.

The standalone derivatives can give rise to margin calls if interest rates fall. This risk is managed by securing sufficient properties to cover margin calls in the event of a 1% fall in long term interest rates.

Capital
The company defines capital as net assets or equity. Due to the intra-group nature of its assets and liabilities the company holds its capital levels to its share capital of £12,501. LiveWest Homes group holds reserve capital of £895m which is held to reduce future borrowing requirements on development spend.

15. Parent company

The company is a subsidiary of LiveWest Homes Limited which is the ultimate parent company and is registered under the Co-operative and Community Benefit Societies Act 2014 (registration number 7724). A copy of the consolidated financial statements can be obtained from the parent company at 1 Wellington Way, Skypark, Clyst Honiton, Exeter, EX5 2FZ.

16. Related Parties

The company has taken advantage of the exemption available under paragraph 33.1a of the provision of FRS102 Related Party Disclosures on the grounds it is a wholly owned subsidiary of LiveWest Homes Ltd. There are no other related party transactions to disclose.

17. Post Balance Sheet Events

Subsequent to the balance sheet date of 31 March 2025, the company sold £37m of retained notes from its 5% £75m guaranteed secured green notes issued from its EMTN programme in February 2025 (due 2031). The trade was agreed on 31 March 2025 with the retained notes settled on 7 April 2025 at discount of £0.1m. The proceeds from the issuance will be used or notionally allocated to support the financing and/or re-financing of Green Eligible Projects as referred to in the Groups Sustainable Finance Framework. This event is considered a non-adjusting post-balance sheet event and has been disclosed in accordance with FRS 102. While the issuance has a material impact on the Company's capital structure, it does not reflect conditions that existed at the balance sheet date. Therefore, the financial statements have not been adjusted to reflect this event. The Company expects to provide further details regarding this issuance in the notes to the financial statements in the next reporting period.