Annual report and financial statements

Year ended 31 March 2025

A charitable registered society under the Cooperative and Community Benefit Societies Act 2014, registered number 007773

Group Information

Registered Office

Livv Housing Group,
Lakeview,
Kings Business Park,
Prescot,
Merseyside, L34 1PJ

Website

livvhousinggroup.com

Registration Number

A charitable registered society under the Cooperative and Community Benefit Societies Act 2014, registered number 007773. Registered with the Regulator of Social Housing, number LH4343.

External Auditor

BDO LLP, Eden,
Irwell Street, Salford,
Manchester, M3 5EN

Internal Auditor

PwC,
1 Hardman Square,
Manchester, M3 3EB

Principal Solicitors

Anthony Collins,
Solicitors LLP,
134 Edmund Street,
Birmingham, B3 2ES

Bankers

Barclays Bank plc,
48b & 50 Lord Street,
Liverpool, L2 1TD

Contents

Board Members

Livv Housing Group

Independent Board Members

Philip Raw (Chair)

Steve Agger

Eleanor Bowden

Anthony Deakin

John Ray

Nicola Waterworth

Ann Gibbons

Claire Postlethwaite
(appointed 19/09/24)

Jonathan Westhoff
(appointed 19/09/24)

Andy Gamble
(appointed 01/04/25)

Phil Pemberton
(resigned 31/03/25)

Vinod Pachu
(resigned 26/04/24)

Caris Henry
(resigned 26/04/24)

Executive Board Members

Léann Hearne

Christopher
Howard Roberts

Company Secretary

David Shaw

Executive Directors

Léann Hearne
Chief Executive

Antony Cahill
Executive Director - Property
(resigned 31/01/25)

Christopher Howard Roberts
Executive Director - Finance, Risk and Performance

Sharon Marsh
Executive Director - Customer Insight

Helen Ward
Executive Director - Resources
(appointed 20/01/25)

Laura Johnson
Executive Director - Property
(appointed 24/03/25)

Judith Wilkinson
Executive Director - Resources
(appointed 01/04/24, resigned 30/06/24)

Chair of the Board's introduction

I am pleased to present Livv Housing Group's financial statements for 2024/25, which reflect both the resilience of our organisation and the evolving landscape of the social housing sector.

This year, the Group delivered robust financial performance, driven by growth in rental income and new build property sales. While our revenue rose, our surplus before tax increased only modestly, due to ongoing pressures in our cost base, particularly in repairs and investment, where inflation and demand continue to impact margins.

We enter the new financial year with cautious optimism. The business remains financially strong, supported by prudent management and a clear strategic direction. However, we remain alert to the challenges of an increasingly complex operating environment.

The broader sector is also undergoing significant transformation. In March 2025, the government announced £2 billion in new grant funding to support the delivery of up to 18,000 new social and affordable homes - part of a broader ambition to build 1.5 million homes during this Parliament.

The June 2025 Spending Review reaffirmed this commitment, with several key measures aimed at addressing the housing crisis and stimulating economic growth through regeneration.

As we look ahead, our financial strength provides a solid foundation, but it is our commitment to customers and communities that defines our purpose. We will continue to invest in safe, affordable homes and work collaboratively to meet the challenges and opportunities ahead.

On behalf of the Board, I would like to thank our colleagues, partners, and stakeholders for their continued dedication and support. Together, we remain focused on delivering lasting impact for our customers, our communities, and the future of social housing.

Philip Raw
Chairman

Chief Executive statement

This year has been one of both resilience and progress for Livv Housing Group. Despite a challenging external environment, we have continued to deliver strong operational outcomes, support our customers, and lay the foundations for future growth.

During this reporting period, we faced a number of months of industrial action - a significant event that had a considerable impact on our day-to-day operations. Despite these challenges, we successfully maintained service levels throughout and are now focused on driving further improvements in performance.

We are particularly proud that current tenant arrears remain better than target, even as more customers transition to Universal Credit - a shift that adds complexity for our income teams. This achievement is especially significant given the backdrop of a period of industrial action, which tested our operational agility and resilience.

We successfully secured new financing during the year, strengthening our funding visibility and supporting our long-term ambition to grow through the development of new homes. This funding reinforces our commitment to addressing housing need and investing in the communities we serve.

Looking ahead to 2025/26, we are focused on driving value through digitisation. Enhancing our self-service platforms will improve the customer experience, streamline operations, and create efficiencies across the business.

We also welcome the government's consultation on a 10-year rent settlement, which could provide greater long-term visibility of rental income. This would significantly enhance our ability to plan with confidence, invest in our homes, and deliver services that meet the evolving needs of our customers.

While we have faced some financial challenges, our underlying performance remains strong. Our achievements this year - particularly in the face of industrial action - are a testament to the dedication and professionalism of our colleagues across the business. I want to thank each of them for their continued commitment to our mission.

As we move forward, we do so with a clear focus: to deliver high-quality, affordable homes and services that make a lasting difference. We remain ambitious, resilient, and ready to meet the challenges and opportunities that lie ahead.

Léann Hearne
Chief Executive

> Our achievements this year are a testament to the dedication and professionalism of our colleagues across the business.

Strategic report

Business overview and structure

Livv Housing Group is a Registered Provider of social housing regulated by the Regulator of Social Housing (RoSH). It operates from its main head office at Kings Business Park, Prescot.

Livv Housing Group owns and manages circa 13,000 properties and works both independently and in partnership with others, to deliver low cost home ownership, shared ownership, sheltered schemes and independent living services.

Livv Housing Group is a charitable Co-operative and Community Benefit Society (CBS) registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014 (Registration number 007773).

The full Group and Board structure is outlined on pages 22 to 25.

Strategic report (continued)

Financial review

Five year financial summary

The five-year consolidated financial performance of Livv Housing Group can be summarised as follows:

For the year ended 31 March	2025 £'000	2024 £'000	2023 £'000
Statement of Comprehensive Income			
Total Turnover	82,515	74,010	67,757
Operating Surplus	13,933	14,411	20,871
Surplus for the year (excl. Fair Value adjustment)	**4,700**	**6,419**	**13,283**
Fair Value adjustment	1,564	(300)	14,325
Pension Scheme Remeasurement	105	16	175
Total Comprehensive Income for the year	**6,369**	**6,135**	**27,783**
Statement of Financial Position			
Housing properties	357,319	318,566	289,620
Other fixed assets	1,717	2,138	2,535
Social investments	339	3	28
Fixed assets	**359,375**	**320,707**	**292,183**
Net current assets	13,446	15,836	35,084
Total assets less current liabilities	**372,821**	**336,543**	**327,267**
Loans due over 1 year	189,935	166,816	166,719
Pensions liability	1,631	1,824	1,885
Grants	63,731	56,811	53,875
Other long term liabilities	511	448	279
Reserves	117,013	110,644	104,509
	372,821	**336,543**	**327,267**

Strategic report (continued)

Financial performance

Livv Housing Group's operating surplus is £13.9m, compared to £14.4m in 2023-24. Whilst the current year figures include Livv Maintenance and FASI, this has not had a significant impact on trading performance. More details can be found in the Value for Money review section on pages 14 to 22.

Statement of financial position

Livv Housing Group invested £42.4m in new properties and a further £10.7m in existing properties. This is partially offset by disposals, write-offs and depreciation, resulting in a net increase of £38.8m in the year.

The Group accesses debt funding to support delivery of new homes. The funding and repayment profile is outlined in note 26. The Group also has significant reserves at 31 Match 2025 of £117.0m (2024: £110.6m).

Cash flow

The Group cash flow is detailed on pagse 47 and 48 of this report.

Strategic report (continued)

Treasury management

The Group's Treasury Management Policy aims to provide clear objectives for our treasury management activities, emphasising the overriding importance of effective risk management, ensuring transparency for treasury management decisions and encouraging the pursuit of value for money in treasury management.

Treasury management includes the Group's borrowings, investments and cashflows, its banking, money market and capital market transactions; the effective control of the risks associated with these activities; and the pursuit of optimum performance consistent with these risks.

The Group regards the successful identification, monitoring, and control of risk to be the prime criteria by which the effectiveness of treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on the risk implications for the Group and in particular the parent, and any financial instruments entered into to manage these risks.

The Group acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is committed to the principles of achieving value for money (VFM) in treasury management, and employing comprehensive performance measurement techniques, to effectively manage risk.

Strategic report (continued)

Value for Money statement 2024/25

Our Approach to Value for Money

Value for Money (VFM) means using our financial and operational resources and capacity to meet our core purpose and strategic objectives in an economic, effective and efficient way. The Board and Executive are committed to ensuring that our approach delivers the optimal value and resource balance across the Group whilst also ensuring that we meet regulatory expectation.

Core Purpose and Values

Livv stands for an unwavering commitment to serving local communities, by forging strong partnerships, pioneering new ways of working and building a highly skilled, steadfast team to deliver ambitious strategies.

We're here for the long term to help people live happy, successful and fulfilled lives in diverse, welcoming places where they want to stay. Our mission is to provide homes and opportunities for everyone – young or old, family, couple or single person. The values that motivate and drive us to do this are:

Making a difference daily - Investing in our people, customers and a fairer society.

Being positively open - Welcoming feedback to help us provide first-class homes and experiences.

Forging the right way - Creating an inspiring road for others to follow.

Together as one - Every team and person working cohesively to deliver better outcomes.

Strategic Objectives

Over the three years of our 2023-26 corporate plan we'll focus on six strategic themes to build on the strong foundations that we have established.

Customers: we'll deliver services shaped with and for our customers, and make ongoing engagement part of our organisational DNA.

Homes: we'll maintain and manage homes to a high standard and in line with building safety regulations.

Impact: we'll support customers and communities by providing opportunities that enhance their lives, with employment, skills, health and wellbeing.

Green: we want to create energy-efficient homes that provide affordable warmth for our customers, helping us to do our bit for the environment.

Places: we'll build homes, communities and create inspiring places, offering the opportunity for people to own their own home.

People: we'll be an employer of choice and a great place to work.

These themes reflect the markets and landscape in which we operate. They'll help guide us to achieve our objectives, while enabling us to be flexible and responsive to the needs of customers and communities.

We seek Value for Money (VFM) as a priority, with decisions driven by data and insight, and success monitored through key performance indicators. We want to continuously improve how we do things, so we're open to developing partnerships with organisations that can help us to grow, enhance our customer offer and maintain our strong financial position.

Strategic report (continued)

The overarching intent of our VFM strategy is to further embed VFM in a way which continues to deliver tangible, measurable and transparent benefits for us in support of the delivery of the corporate plan.

We have three VFM objectives:

- Improve operational economy, effectiveness and efficiency;
- Increase development supply and capacity; and
- Deliver economic, effective and efficient asset management.

We have twenty VFM measures and targets to track our progress across these three objectives. We compare our performance with peer organisations using the global accounts and other benchmarking sources such as Housemark and CIPD. Our ambition is to deliver customer service levels that compare well with some of the best service providers outside of housing, so we also look to sectors like retail and utilities for comparison on our primary measure in that area of performance - Customer Ease.

We have reported our multi-year performance across each objective in this statement - as well as outlining our future targets and expectations, with a continuing focus on supporting our customers in these extremely challenging times and applying our resources accordingly. All of this is linked to our 2023–26 corporate plan aims and objectives. We also provide additional contextual VFM information to stakeholders through our Customer Annual Report, our Social Accounts, and through publication on the Tenant Satisfaction Measures.

VFM targets are set having considered historic and forecast performance, benchmarks, and the operational and strategic context. During 2024-25 performance improvement remained focused on benefit realisation in the key operational areas of repairs and investment, complaints handling, energy efficiency, income collection and arrears management, people services, and the delivery of new homes. With stretch targets set in all of these areas and progress monitored at Board and Committee level.

Our 2024-27 VFM Strategy outlines our intent against which progress is monitored at Board and Committee level. We also embed VFM within our other corporate strategies and in doing so we ensure VFM is considered and addressed in all strategic decisions. Key amongst which are our Asset and Development and Regeneration strategies which articulate our approach to delivering homes which meet a range of needs.

The financial management culture of the organisation is strong, and budgets and cost drivers are well understood. However, in these uncertain times for the sector we remain vigilant to ensure that emerging trends and themes are duly considered in the context of VFM. Detailed project and continuous improvement activity was ongoing throughout the year. Analysis undertaken during these projects has helped us better understand what is driving the efficiency and effectiveness of the processes and procedures which underpin our performance – ensuring that VFM remains at the centre of our decision making on change and improvement activity.

We remain committed to delivering VFM in the provision and management of our housing services. In light of the dynamic external operating environment - including economic pressures, regulatory developments, and sector-wide challenges - we will continue to keep our VFM targets under regular review. Where necessary, we will adjust our approach to ensure that our resources are deployed effectively and our strategic objectives remain responsive to the needs of our residents and communities while making sure that targets remain stretching but achievable.

Procurement plans are updated on a rolling basis and gains identified and built into targets and plans. The latest Procurement Strategy was updated during the year covering 2024-27 with the intention being to continually drive more value through enhanced category management and also update the organisation's approach to procurement in light of the changing requirements arising from the Procurement Act and associated legislation. This revised strategy is framed around our planned expenditure and contractual profile, and takes an outward look at best practice and expectations.

Strategic report (continued)

Our Performance - VFM objective 1 - Improving Operational Economy, Effectiveness and Efficiency

Corporate Plan - Livv Well, Livv Together, Livv People, Livv Local	Actual 22/23	Actual 23/24	**Actual 24/25**	**Target 24/25**	National - Median	Benchmark - Source	Target 25/26	Target 26/27	Target 27/28
1a.Operating Margin Overall % * (Group)	23.1	17.0	**13.2**	**23.8**	18.5	Global Accounts	18.7	22.3	22.6
1b.Operating Margin Overall % * (Association)	22.7	17.7	**13.3**	**23.7**	19.8	Global Accounts	18.5	21.8	22.0
2.Operating Margin SHL % * (Group and Association)	25.0	19.8	**15.3**	**27.3**	21.0	Global Accounts	20.1	21.9	23.2
3a.EBITDA MRI % * (Group)	136.1	144.2	**96.9**	**167.3**	122.0	Global Accounts	136.7	137.7	138.9
3b.EBITDA MRI % * (Association)	132.1	151.7	**97.5**	**167.6**	120.1	Global Accounts	136.6	135.0	135.7
4.Headline Social Housing CPU £'s * (Group and Association)	4,085	4,316	**4,534**	**4,540**	5,113	Global Accounts	4,979	5,160	5,352
5.Current Arrears % +	5.1	4.9	**4.5**	**4.6**	2.9	Regional - LCR National - Housemark	4.6	Not Available	Not Available
6.Customer Ease % +	88.8	90.2	**83.7**	**88.0**	N/A	N/A (c)	88.0	Not Available	Not Available
7.Complaints Resolved <10 days % +	75.0	75.8	**95.8**	**100.0**	87.5	N/A	100.0	Not Available	Not Available
8.Short Term Absence +	3.3	2.5	**2.2**	**3.4**	N/A	Regional - LCR National - Housemark	3.4	Not Available	Not Available

*** Mandatory VFM Metrics** - Benchmark data source - 2024 Global Accounts Annex – VFM Metrics, published by the Regulator of Social Housing.

+ Our own VFM Measures and Metrics – Our own VFM Measures and Metrics – Benchmark data sources – a) LCR and Housemark b) CIPD and c) The benchmarks for Customer Ease that are available from Qualitrics data can utilise different weightings (across organisations and sectors) and so are not reported within this statement but are used for internal reporting. Customer Ease historically tracks c2% above Customer Satisfaction which has been benchmarked at 74.8% nationally using Housemark.

Strategic report (continued)

2024-25 has been a challenging year in Value for Money terms. There have been a number of competing resourcing priorities to consider, and a number of strategic choices have been made, which has meant that target outcomes were not achieved in all areas. At the end of the financial year 2024-25 performance was behind target on six out of eight key metrics, with Headline Social Housing CPU and Short Term Absence outperforming target.

The lower than target level of performance on the four financial metrics (Operating Margin Overall, Operating Margin Social Housing Lettings, EBITDA MRI and Headline Social Housing Cost per Unit) was driven primarily by increased investment during the year in day to day and major responsive repairs. Increased volumes and complexity of repairs, and increased unit cost of delivery of repairs and empty homes clearance, were experienced throughout the year. EBITDA MRI is substantially behind target due to one off exceptional items recognised in year relating to impairment charges totalling c£5m. Its anticipated that this VFM metric will return to normalised levels in future years.

A series of continuous improvement and measurable performance improvement initiatives have been implemented throughout 2024-25, with further interventions planned in 2025-26, with the aim of improving aspects of process efficiency and effectiveness, and enhancing the customer experience. The operating margin is targeted and forecast to improve through to the end of 2028-29, as the surplus from new homes completions adds to the surplus on the existing operations and improve the forecast margin position in line with target.

Current Arrears performance exceeded target which represented a marked improvement in performance year on year. This is against the backdrop of increasing numbers of customers migrating to Universal Credit and the resultant internal resource demands required to manage this transition successfully. A new case management and early intervention approach was implemented during Q4 which lays the foundations for future performance in this area.

During 2024/25, our main change related activity focused on Data and Digital programmes.

These centred around:

- Customer Data and implementing our data governance framework as well as data retention and customer data improvements. The outcomes ensure that we understand our customers by holding relevant and accurate information. This has multiple benefits for the organisation including helping us to shape our service offer of the future.
- Digital discovery and readiness – reviewing our services and processes to ensure that we fully understand them to enable migration from our existing platform and to improve our CRM capability.
- Repairs scheduling - During the year we undertook remediation activity on our repairs scheduling system (AccuServ), as we identified some data quality issues which were impacting performance. The project identified a number of improvements to processes and additional system configuration to mitigate data quality issues in the future.

In 2025/26, the key project focus will be on a further digital programme focusing on implementing CRM capability, reducing complexity in our processes and creating self-service opportunities for customers. It is expected that this will reduce cost, drive efficiencies and enhance the overall customer and colleague experience. We will also devote project resource to support the business on continuous improvement opportunities as well as implementing any changes that arise as a result of legal and regulatory activity such as Awaab's Law.

Strategic report (continued)

Our Performance - VFM Objective 2 - Increasing Development Supply and Capacity

Corporate Plan - Building More Homes, Livv Green	Actual 22/23	Actual 23/24	**Actual 24/25**	**Target 24/25**	National - Median	Benchmark - Source	Target 25/26	Target 26/27	Target 27/28
9. New Supply (Social – Group and Association) %*	1.0	2.1	**2.4**	**3.8**	1.4	Global Accounts	2.1	1.8	1.9
10. New Supply (Non–Social – Group and Association) %*	-	-	**-**	**-**	-	Global Accounts	-	-	-
11. Gearing %* (Group and Association)	45.5	49.0	**50.1**	**47.9**	46.8	Global Accounts	50.0	49.4	49.1
12.Starts on Site	346	140	**215**	**275**	N/A	N/A	200	180	101
13.Completions	126	270	**308**	**330**	N/A	N/A	243	238	259
14.New homes available for Sale	35	53	**50**	**40**	N/A	N/A	40	40	40

***Mandatory VFM Metrics** - Benchmark data source - 2024 Global Accounts Annex – VFM Metrics, published by the Regulator of Social Housing.

Strategic report (continued)

The performance across most of the key development metrics was under target at year end. The legacy of the supply chain challenges continued to impact delivery in this area. The level of new completions for the full year witnessed a substantial increase on the previous year but was behind target for the year.

The current business plan reflects our target to deliver 877 new homes through to 2028-29. This will deliver a mix of supply which help meet the housing needs of Knowsley and surrounding boroughs. Starts on site have been programmed to meet our overarching commitment, with new potential opportunities kept under constant review to help facilitate and drive new completions over the medium term.

Over recent years, and looking forward, our target has been to absorb c95% of the marginal costs of managing new homes - and in doing so we have delivered real savings to date and aim to realise further savings throughout the duration of our development programme. Our financial strength and capacity enables us to deliver in this way and at volume, despite the challenging operating environment.

Gearing, as calculated on a VFM basis, has traditionally been higher than peers due to the fair value adjustment on our private placement facility. While we ended the year beyond target this still represents a position substantially healthier than our internal golden rule.

Gearing on a covenant basis is lower. We have capacity to borrow and in 2025-26 we will focus on restructuring the tightest existing covenant across the borrowing portfolio which relates to interest cover on the private placement. This will be done alongside ensuring that sufficient facilities are in place to preserve our forward liquidity position to enable further development and regeneration activity in line with strategy.

Strategic report (continued)

Our Performance - VFM Objective 3 - Deliver Economic, Effective and Efficient Asset Management

Corporate Plan - Strategic Smart Safe, Livv Together, Livv Green	Actual 22/23	Actual 23/24	**Actual 24/25**	**Target 24/25**	National - Median	Benchmark - Source	Target 25/26	Target 26/27	Target 27/28
15.ROCE %* (Group and Association)	6.4	4.5	**3.8**	**5.5**	2.9	Global Accounts	4.5	4.6	4.9
16.Reinvestment %* (Group and Association)	12.3	12.1	**14.8**	**18.0**	7.7	Global Accounts	10.8	10.3	8.7
17.Relet Time Days +	35.6	95.2	**53.1**	**39.0**	32.1	Regional – LCR National – Housemark	45.0	Not Available	Not Available
18.Net Zero Delivery %+	98.0	100.0	**100.0**	**100.0**	N/A	N/A	100.0	100.0	100.0
19. Empty Homes Rent Loss £'s +	0.4m	0.9m	**1.8m**	**0.6m**	N/A	N/A	1.2m	1.1m	1.1m
20. Operating Margin - Livv Maintenance %+	2.7	0.4	**0.1**	**0.1**	N/A	N/A	0.2	0.7	0.9

***Mandatory VFM Metrics** - Benchmark data source - 2024 Global Accounts Annex – VFM Metrics, published by the Regulator of Social Housing.

+Our own VFM Measures and Metrics – Benchmark data sources - we use a peer group from the Liverpool City Region where this provides the most appropriate localised comparator, with Housemark being used as a national data and benchmarking source.

Strategic report (continued)

ROCE and Reinvestment performance ended the year below target, with ROCE due in the main to the above-mentioned operating performance and Reinvestment a consequence of the development programme position. Performance in both areas does however remain better than sector medians.

Relet times have improved substantially since 2023-24 but have however been below target. This was as a result of the demands on internal and external resources in meeting the volumes of customer reported repairs, which were prioritised to meet customer expectations. One of the key areas of focus in the forthcoming year, will be to further reduce our average relet time and bring performance back into line with target for 2025-26.

Investment in existing homes was identified in the Corporate Plan as a core area for improvement and the Group has developed a comprehensive Asset Strategy, with a detailed investment plan, driven by stock condition data, compliance test results, customer demographics and local housing need.

We have continued our investment programme of improving the warmth of customers' homes investing through the Government's Social Housing Decarbonisation Fund programme. At year end in excess of 90% of properties were at EPC C or above, with the target of 100% of properties - where it is economically and practically viable to do so - during 2025-26, which is five years ahead of the government target for fuel poor homes. The reporting in the VFM table above refers to the percentage of properties at EPC D level or above to ensure prior period reporting is on a like for like basis.

Future Areas of Focus, Improvement and Investment

Our Value for Money Strategy and Policy was updated and revised in 2024-25. This outlines the VFM vision and sets the key milestones for the next three years. The targets and objectives have been set following consideration of the operating environment and against the backdrop of the strategic choices that have recently been made by the Board when allocating resources.

The intent remains to further embed our approach to VFM in a way which delivers tangible, measurable and transparent benefits to the Group in support of the delivery of its Corporate Plan objectives – and meets regulatory expectation. This will be complemented and supported by delivery of key strategies such as the Development and Asset Strategies.

The operating environment is likely to remain challenging throughout the strategy period, with increased levels of demands and expectations from customers and stakeholders. These will combine with economic and business factors to drive increases in a number of areas of the cost base.

We will consider the future in light of this operational context, and will strive to deliver optimal Value for Money performance when delivering our corporate objectives. We will maintain a focus on improving efficiency and effectiveness, and controlling and where possible reducing cost. We will target benefit realisation in our projects, initiatives and investments to ensure that optimal impact is derived from our resources and assets.

There will be a corporate focus on digitisation over forthcoming years, and the continuing emphasis on knowing our customers and understanding our assets will ensure that we continue to make well informed decisions and strategic choices. We envisage that these themes will be key enablers of our ability to drive value for money throughout the business.

Strategic report (continued)

Conclusion

Having formulated this position statement and as a result of our self-assessment and oversight, Board believes that we are compliant with the Regulator of Social Housing's VFM standard and are well positioned to deliver further VFM gains when considering the themes and initiatives outlined above in this report. We will maintain a close review of the external operating environment and the wider sector landscape to ensure that VFM targets remain relevant and achievable.

Howard Roberts
Executive Director – Finance, Risk & Performance

Governance

Livv Housing Group Structure

Livv Housing Group

The Group parent company and Registered Provider of social housing.

Livv Homes Limited

A wholly owned subsidiary of Livv Housing Group.

Livv Homes Limited was set up as the development vehicle of the Group.

The entity is not currently developing properties; the only activity relates to interest received.

Livv Maintenance Limited

A wholly owned subsidiary of Livv Housing Group.

Livv Maintenance Limited provides a range of property repair and facilities management services to Livv Housing Group and selected external partners.

First Ark Social Investment Limited (FASI)

A wholly owned subsidiary of Livv Housing Group.

FASI is a special purpose vehicle established in 2016 to deliver a single social investment fund known as 'Invest for Impact' with funding provided from Big Society Capital and the Big Lottery Fund.

Strategic report (continued)

The Board and Committees

The Group is managed by a Common Board of Directors, bringing a wealth of skills and experience to Board deliberations, from a variety of industry sectors, committed to the highest standards of conduct in carrying out their individual roles. All board members are signed up to our Code of Conduct, which is based on the National Housing Federation (NHF) Board Member Code of Conduct and sets out the obligations and expectations placed on them both individually and collectively. The Board adopted the NHF 2022 Code of Conduct with effect from 1 April 2023.

FASI is not part of the Common Board arrangements, as it is a special purpose vehicle to distribute Big Society Capital and the Big Lottery Fund funding, having specific governance requirements under its funding agreements. The FASI Board comprises two Executive Directors and one Non-Executive Director from the Common Board as Chair.

During the year, the Common Board delegated various matters to the following committees:

Audit and Risk Committee (ARC)

ARC is responsible to the parent Board for both internal and external audit issues, business assurance, risk management oversight and internal control systems. The Committee also receives the Group's Annual Report & Financial Statements and recommends them to the Board for approval, monitors the Group's long-term strategic financial health and supports the Board in overseeing regulatory, charitable and legal compliance issues. In accordance with governance best practice, its Terms of Reference were reviewed in 2024-25.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee oversees succession planning and recruitment for the Chief Executive and Executive Team, the Board's succession plan and Board Member recruitment, together with the remuneration of non-executive board members. The Committee oversees compliance with the Code of Governance. In accordance with governance best practice, its Terms of Reference were reviewed in 2024-25.

Strategic report (continued)

Customer Services Committee

The Customer Services Committee monitors the ongoing quality of services provided to customers through the review of operational performance, customer feedback, complaints and customer service standards. It considers statutory compliance, regulatory compliance and risk management for delivery of the customer services, making recommendations to the Group Board where improvement is required.

In accordance with governance best practice, its Terms of Reference were reviewed in 2024-25. The review factored the requirements of the new Consumer Standards, the Housing Ombudsman's Complaint Handling Code. To ensure that the Customer voice is at the heart of decision making, the Board appointed an Independent Member with Lived experience to the Committee membership in 2024-25.

Business Growth, Development and Investment Committee

The Business Growth, Development and Investment Committee scrutinises and recommends to the Board, business development, growth and investment opportunities. It reviews the business cases for proposed projects and programmes including the review of risks and returns associated with the proposal. The Committee reviews all new housing development proposals. It has delegated authority to approve schemes up to the value of £5M and makes recommendations to the Board on schemes over £5M. In accordance with governance best practice, its Terms of Reference were reviewed in 2024-25.

Livv and Flourish Committee

The Livv and Flourish Committee was set up from 1 April 2025. The role of the Committee is to ensure that Livv Housing Group meets its objects to distribute the Social Investment Fund under the obligations of the agreement entered into between Livv and Access – the Foundation for Social Investment. The Fund provides loans and grants to voluntary, community or social enterprise organisations in the areas where Livv operates.

The Committee has delegated authority to approve all applications for funding. The Committee ensures that all successful applicants activities align with the objectives identified in the Livv Community Investment Strategy 2023-26. In accordance with governance best practice, its Terms of Reference were reviewed in 2024-25.

Quality Improvement Panel (QuIP) *(formerly Customer Assurance Panel (CAP))*

The Quality and Improvement Panel, (QuIP), provides an assurance, co-regulatory, scrutiny and service improvement oversight role that is customer led and representative of our communities. The QuIP has a strong relationship with Board and presents it findings either directly or as delegated to one of the Committees. Membership reflects the demography and geography of our customer base and the terms of office mirror that of the board members. The knowledge and skills of the QuIP's membership are reviewed and varied training is provided to build capability.

Strategic report (continued)

Board Member Attendance

From the 1 April 2024 until the 31 March 2025 the following Executive and Non–Executive Directors served on the Common Board, consisting of Livv Housing Group, Livv Maintenance Limited and Livv Homes Limited, with their attendance also shown in the table below.

Director	Common Board *(including Livv Housing Group, Livv Maintenance Ltd and Livv Homes Ltd)*
Philip Raw	100%
Steve Agger	88%
Anthony Deakin	100%
Phil Pemberton	63%
John Ray	100%
Nicola Waterworth	88%
Léann Hearne	88%
Eleanor Bowden	100%
Christopher Howard Roberts	100%
Ann Gibbons	100%
Jonathan Westhoff (from 19 September 2024)	100%
Claire Postlethwaite (from 19 September 2024)	100%

Our board members bring a wealth of skills and experience, from a variety of industry sectors to Board deliberations and are committed to the highest standards of conduct in carrying out their individual roles. All board members have signed up to our Code of Conduct, which is based on the NHF Board Member Code of Conduct and sets out the obligations and expectations placed on them both individually and collectively. This is further reflected in their Agreement for Services and forms part of the annual Board Member appraisal process.

The Board and its Committees have scheduled meetings for regular business items and an annual All Board Away Day to discuss strategy and direction of travel. Board members also attend regular workshops and development sessions and keep training and development logs that form part of the appraisal process.

The Board may convene between meetings if urgent decisions are necessary. Our rules allow attendance by telephone, or video conference, or decision-making via written resolutions, which assists effective governance. Where necessary we hold virtual meetings to facilitate the timely consideration of individual matters between scheduled meetings.

Strategic report (continued)

Governance Compliance

The Group has adopted the NHF Code of Governance 2020 (the Code), both for Livv Housing Group as the regulated entity and for the other legal entities within the Group. The Board reviews compliance with the principles of the Code via a detailed report on an annual basis. The Board also receives an annual review of each of its Committees and their performance, against their delegated Terms of Reference, to further ensure the Group is meeting its compliance requirements.

The annual reports of each Committee were received by the Board in July 2025 and the annual report on compliance with the Code for 2024-25 was received at the July 2025 Board meeting. The Board has subsequently confirmed that the Group was fully compliant with the Code for the year.

Regulatory Compliance

Self-assessment of compliance with the Regulatory standards, including the Governance & Financial Viability standard, was undertaken and approved by the Board in July 2025. On the basis of that assessment the Board certifies that it considers the Association to be fully compliant with the requirements of the standards.

Strategic report (continued)

Risk Management Framework

We are proactive in how we manage risk so that we can understand what might affect us, how and to what extent, before it does. We regularly refresh and update our identified risk exposures and continually review and enhance our control and assurance activity. We recognise that there will be events that we need to react to, by being proactive we reduce the effect of these events and are equipped to deal with them efficiently and effectively.

Our group-wide risk management and assurance framework makes sure we effectively identify, assess, manage and monitor strategic and operational risk. It aligns to governance, compliance and regulatory expectations.

Risk and assurance reporting forms a core part of the Group's governance activity and informs strategic planning, decision-making and clarity of direction.

The Board regularly review the amount of risk the Group is willing and able to take through considering risk appetite and tolerance measures in the context of our risk exposure and operating environment. We also assess the speed a risk could affect us should it escalate, this informs the type of control, resilience and assurance arrangements we have in place.

Measuring risk exposure

The Board, Audit and Risk Committee, Executive and Management frequently review risk exposure, controls and assurance activity along with how this aligns to defined risk appetite and tolerance measures. The Board approve and monitor actions where risks may require closer alignment to risk appetite.

We proactively identify and undertake action in response to risks emerging in our operating environment. We consider the potential for future risks to increase current risk exposure and any control enhancement or assurance measures that may be required. The Board with support from the Audit and Risk Committee, approve and monitor actions planned to strengthen controls and further mitigate emerging risk issues.

Strategic and subsidiary risk registers reflecting group-wide risk exposures are maintained and frequently reported through our governance arrangements. Strategic, subsidiary and operational risk registers support a continuous risk management process.

Strategic report (continued)

Principal risks and uncertainties

Strategic risk	Outline	Mitigation and assurance
Development delivery Fail to deliver sufficient planned new supply in accordance with development strategy targets and parameters.	Our affordable housing programme provides a range of housing options relevant to community need. The construction market has improved in the year but remains challenging. Access to resilient supply chains remains a key consideration in the delivery of development plans.	Development strategy and targets. Delivery controls including quality, compliance and financial management. Governance scrutiny of pipeline, financial viability, scheme management and other related targets. Stress testing and counter party risk mitigation measures reflecting construction market challenges aligned to risk appetite.
Reputation management Fail to plan, prepare and respond effectively to sector challenges including Government, Regulator and Housing Ombudsman expectations and external reports of concern or service failure from customers, partners and stakeholders.	There can be significant implications where providers are unable to respond effectively and efficiently to instances of service failure. This includes in the quality of property and services informed by a wide range of stakeholders including customers, Government, Housing Ombudsman, media/ social media and activists.	Feedback from our customers and stakeholders. Plans in place and prepared to respond and react to instances of service failure to minimise the potential impact. Learning lessons to inform continuous improvement at both individual instance and thematic levels. Proactive relationships with stakeholders assist us in understanding our customers and service expectations and build reputational confidence.

Strategic report (continued)

Strategic risk	Outline	Mitigation and assurance
Financing and viability adequacy Fail to maintain financial viability and/or adequately allocate sufficient resources to support delivery of our wider corporate plan objectives. This could include generating insufficient levels of surplus or having insufficient access to adequate levels of funding and liquidity which result in an inability to achieve financial performance in line with Golden Rules, non-adherence to Loan Covenant requirements, and/or an inability to adequately resource the key service and investment requirements of the Group.	Sound financial management allows for the timely and efficient achievement of corporate objectives, including medium and long-term financial viability, maintaining adequate liquidity, the ability to achieve loan covenants and responding to economic environment factors. The challenging operating environment including an increased cost base from demand, greater regulation and wider economic factors have continued to influence our budget planning and management position in the year.	Defined and monitored financial regulations and golden rules. Financial planning and embedded controls to support the integrity of financial information and reporting. Stress testing of the business plan that informs the resilience planning framework including mitigation and recovery planning should an event/ series of events impact our key assumptions.
Workforce constraints: Fail to maintain the planned workforce leading to significant restriction on our ability to achieve one or more strategic priorities due to capacity, capability and/or culture constraints.	Workforce planning, management, support and engagement to maintain our values and deliver our strategic priorities. We have experienced sustained disruption to operational delivery team resource levels in the second part of this financial year from industrial action.	Our strategic approach is supported by comprehensive arrangements that align with our values. These include colleague engagement, wellbeing, support, investment, learning and development. Recruitment, retention and succession arrangements support comprehensive workforce planning. Mitigation activity in response to impacts from industrial action include contingency arrangements to maintain compliance and associated levels of service delivery.

Strategic report (continued)

Strategic risk	Outline	Mitigation and assurance
Counterparty failure Failure of a third party or multiple counter party failure which significantly restricts our ability to maintain service delivery standards and achieve one or more strategic priorities.	The Group has arrangements in place with a wide range of third parties that support the delivery of its activities and services. This year has seen the implementation of Procurement Act 2023, where we have strengthened our procurement and contract management arrangements in alignment.	We consider risk, value, type and reliance on contract deliverables to maintain services and deliver objectives. These factors define the contract grading so that contract management controls are relevant to the nature of the contract. The Group maintains responsibility for managing risk related to activity delivered by third parties. Compliance responsibilities are formally defined in any agreement with a third party, particularly where there is access to personal data.
Service to customers Fail to deliver services that align with customer needs and expectations, societal expectations and Regulatory Standard obligations.	Defining and enabling the delivery of inclusive services aligned to customer service needs and expectations is central to the Group's activities. This is framed in the context of the Regulator of Social Housing Consumer Standards and Housing Ombudsman expectations.	A range of strategies and frameworks are embedded supporting the delivery of objectives including the Customer Engagement Strategy, Community Investment Strategy, Asset Management Strategy, Investment Plan and Compliance Framework.
Cyber security attack Fail to maintain system security to protect against current threats, avoid an attack and be able identify and/or manage an incident.	Widespread cybercrime and cyber insecurity are recognised global threats. These threats are widespread and ever-developing meaning there needs to be consistent and intensive resourcing, control and threat monitoring and management in place to manage these risks effectively. Maintaining data security and protecting access to data remains a key focus.	Diligent maintenance and testing of systems along with developing our arrangements and controls as threats emerge. This includes controls to protect our systems, data, IT availability and capacity. Policy arrangements define comprehensive vulnerability management and monitoring procedures, processes and tools. Cyber-attack response readiness to mitigate the potential impact and extent of an attack remains a key focus.

Strategic report (continued)

Strategic risk	Outline	Mitigation and assurance
Stock quality and sustainability Fail to maximise financial, social and environmental return on investment in maintaining building safety, meeting the home standard and achieving net zero targets and commitments, aligned to Government expectations.	Accurate profiling and understanding stock condition informs us in delivering effective compliance, repairs and investment activity. We need to continue to proactively manage our homes to avoid deterioration in our assets, making sure that stock condition and quality do not decline over time. This includes priorities around building safety, quality and net zero.	The Asset Strategy, Net Zero Carbon Strategy and related investment plans are driven by evidence including survey data. Asset management systems are structured to support the maintenance of comprehensive and reliable stock information with quality review for data integrity. We horizon scan for stock condition issues that may be hazardous to customer health. A culture of awareness, comprehensive surveying and empowering colleagues to report concerns is supported by a systemised approach.
Legal and regulatory compliance Fail to maintain strategic performance in alignment with relevant law, regulation and organisational obligations including maintaining relevant strategic stakeholder relationships.	There are a range of statutory, legislative and reporting obligations the Group must comply with. These also include maintaining relevant stakeholder relationships.	The statutory reporting framework and related review of reporting for the comprehensive identification of all relevant laws and regulations, along with the timely and accurate reporting of how the Group achieves its obligations. Regular horizon scanning and related control enhancement activity for updates to obligations and expectations.
Statutory health and safety compliance Fail to maintain statutory compliance and health and safety legislation obligations	We have a responsibility to maintain compliance with statutory health and safety requirements, not risking the safety of our customers, colleagues, stakeholders and the public at large. This includes in servicing and maintaining our current stock, developing new homes, providing services and working arrangements and activities.	Compliance Framework and associated systems across all areas of compliance responsibility. Detailed delivery and performance targets are aligned to statutory requirements and where relevant other measures, informed by performance dashboards and scrutiny across the Group's governance structure. Quality review and validation arrangements support the integrity of data and provide assurance on the reliability of systems and data.

Strategic report (continued)

Our resilience framework

We consider scenarios where our financial viability could be undermined so we are informed and prepared to mitigate threats to our resilience. Our framework is a toolkit to inform current and future organisational resilience.

We use the framework to inform planning expectations, test scenarios and inform control arrangements including maintaining mitigation, contingency, response and recovery plans.

Through horizon scanning of the future external risk landscape, potential areas for future resilience include:

Strategic resilience context	Related strategic risk	Mitigation and assurance
Cyber-attack There is potential for an attack to cause widespread impact on service delivery and achieving objectives in the medium term if recovery arrangements do not support an effective return to business as usual in the event of an attack. There are also potentially significant financial impacts that could be incurred through lost productivity, fines and recovery costs.	Cyber security attack	Cyber security continues to be a rapidly changing threat environment requiring regular review of controls and mitigations to remain relevant to current and future threat landscapes. To maintain resilience we continue to scan for new and increasing threats, review information on recent attacks and intelligence share with partners to inform control enhancement activity.
Extreme weather Climate change leading to extreme weather events has the potential to impact service delivery through property damage, supply chain interruption or colleague productivity. A key factor in maintaining medium and long term resilience will be sustainable properties that can withstand climate related hazards.	Stock quality and sustainability	We have been analysing asset portfolio data to consider medium and long-term natural and climate hazards of concern. This includes collating urban heat island data to build a data set which can then be aligned with wider asset, financial and customer persona data. We are using the data to analyse asset investment and stock resilience planning.

By order of the Board.

Philip Raw	**Anthony Deakin**	**David Shaw**
Chair of the Board	*Chair - Audit & Risk Committee*	*Company Secretary*

24 July 2025

Board report

The Board presents its report and the Group's audited financial statements for the year ended 31 March 2025.

Principal Activities, Business Review and Future Developments

Details of the Group's principal activities, its performance during the year and factors likely to affect its future development are contained within the Strategic Report which precedes this report.

Board Members, Chief Executive and Executive Directors

The current Board members and Executive Directors, and those who served during the year, are set out on pages 4 and 5. The Board members are drawn from a wide background bringing a range of professional, commercial and local experience.

The Group has insurance policies in place that indemnify its Board members and Executive Directors against liability when acting on behalf the Group.

Remuneration Policy

A Remuneration and Nomination Committee is responsible for recommending, to the Board, the Group's pay policy and terms and conditions of employment for the Chief Executive. In addition, the Remuneration and Nomination Committee is responsible for setting the remuneration of Executive Directors and their terms and conditions.

Pensions

All Group employees, including the Chief Executive and the Executive Directors, are eligible to join a defined contribution scheme which the Group contributes towards on behalf of its employees.

Employees

The strength of the Group lies in the quality and commitment of its colleagues. The Group recognises the importance and contribution of the colleagues to the ongoing success of the business. We will recruit the best colleagues, board members and volunteers to reflect the profile of the communities where we work and will invest in their wellbeing and development through training and initiatives to promote healthy minds and bodies.

The Group is committed to equality of treatment and opportunity for all of its colleagues: we embrace and value diversity and we are committed to having a diverse workforce that reflects the communities within which we work.

The business consults with its colleagues on matters affecting the workforce through two representative groups:

- the Joint Consultative Committee, which includes representation of recognised Trade Unions; and
- the Employee Forum which was created to support colleagues by giving everyone a voice and comprises representatives from each part of the Group.

Health & Safety

The Board is aware of its responsibilities on all matters relating to health and safety. The Group has prepared detailed health and safety policies, has a robust safety management system in place, and provides training and education to all of its staff on health and safety matters appropriate to their role.

Board report (continued)

Corporate Social Responsibility

We generate social value, using our resources wisely to achieve lasting, beneficial change and be an attractive organisation to work for and with. This means really knowing and understanding both customers and communities and directing our investment to the areas and groups that need it most.

Delivering Positive Social Impact by Investing in Communities sits at the heart of the Group's purpose and is a key theme in the Corporate Plan. Livv stands for an unwavering commitment to serving local communities; here for the long term to help people live happy, successful and fulfilled lives in diverse, welcoming places where they want to stay. The Group's mission is to provide opportunities for everyone – young or old, family, couple or single person.

Investing in communities and the people who live them connects people to place and recognises that Livv is more than just a great landlord. It builds on and contributes to long-term financial strength and capacity and demonstrates commitment to customers. The Group looks to make a difference every day and do this by investing in people and communities and by working alongside partners to create great outcomes that enable people to thrive. The Group's objective is to create a fairer society by building capacity and resilience and supporting the people who live in the places where Livv operates to improve their prospects and be the best version of themselves.

The Group's Community Investment Strategy outlines how it works with customers, communities and partners to identify, develop and deliver programmes of support. It describes delivery of commissioned social impact programmes and aligns them with day to day engagement with customers and communities. The Group also set out an ambition to invest in social businesses to grow capacity that is aligned to core purpose and the priorities that need to be addressed in communities. This integration of all activities, focused on creating social value, will ensure Livv is responding to the issues and opportunities as they emerge.

The Group reports on its social impact annually through its Social Accounts.

Customer Complaints

Livv Housing Group is committed to providing excellent services to customers with the aim to get things right first time; however also understanding that sometimes this may not happen. When the Group fails to do what it said it will, or where a service delivered has not met service standards Livv wants its customers to be able to tell us easily and without delay. The Group aims to resolve any dissatisfaction quickly and fairly, taking into account the impact of that service failure.

The Group's complaints policy sets out the approach to receiving, investigating and responding to complaints. The policy reflects all current legislative and regulatory requirements and is reviewed and amended as these change.

The Group are committed to learning from customer feedback including complaints and use this information to identify service improvements. Livv involves colleagues from across the business in investigating complaints and ensuring that the learning is factored into real service improvements that will ensure the same mistakes are not repeated.

Donations

£137k gift aid was received in the year (2024: £827k) by Livv Housing Group from Livv Maintenance Limited, £133k (2024: £825k), and Livv Homes, £4k (2024: £2k).

Livv Housing Group and its subsidiaries did not make any political donations.

Board report (continued)

Payment of Creditors

Our policy is to pay undisputed purchase invoices within 30 days of the invoice date or earlier if agreed with the supplier.

Group Internal Control Statement

The Board has overall responsibility for the system of internal control and risk management across Livv Housing Group and for reviewing its effectiveness. This includes ensuring that the Group adheres to the Regulator of Social Housing Governance and Financial Viability Standard and its associated Code of Practice.

The Audit and Risk Committee is responsible for reporting to the Board on the adequacy of risk management arrangements and effectiveness of the internal control system through its oversight and scrutiny of the Risk Management and Assurance Framework which includes internal and external audit arrangements and outputs from other assurance activity.

The system of internal control is designed to manage risk and provide reasonable assurance that:

- Objectives are achieved
- Assets, including social housing assets are safeguarded
- Proper accounting records are maintained
- Financial information used in the business or for publication is reliable
- Performance information used in the business or for publication is reliable.

Key features of the Group's internal control environment include:

- Risk Management and Assurance Framework defines the Board's strategy, policy and approach to identifying, assessing and managing risks to the Group. The Risk Management and Assurance Policy defines the Board's risk appetite and tolerance measures.
- An established governance and management structure, with clearly defined levels of responsibility, scrutiny and approval including clear lines of delegated authority.
- Financial Regulations provide a framework of control and delegation over the Group's financial resources and guidance on how those resources must be managed to support the achievement of the Group's corporate plan objectives. In addition, the Regulations are designed to support the Group in meeting its legal and regulatory requirements relating to financial and viability matters, together with the safeguarding of Group assets, and management of financial risk.
- A programme of stress testing for Group and entity level financial plans aligned to key strategic risk exposures in the internal and external environment.
- A Policy and Strategy Framework which defines expectations for the development, review and approval of policy and strategy to meet the needs of the business, colleagues and customers, as well as regulatory and legislative requirements.

Key features of the Group's control assurance arrangements include:

- Corporate Performance Framework which defines key performance measures, owners and reporting frequencies relevant to the Group's activities.
- Golden Rules that define Board expectations of financial performance with early warning triggers which alert to the potential for financial risk escalation.
- Resilience Planning Framework which supports proactive understanding and review of the Groups resilience and informs the maintenance of mitigation, contingency, response and recovery plans.

Board report (continued)

- Policy Watch scanning for changes to legislation, regulation and good practice that informs planning.
- Specialist advice and quality assurance to inform control and assurance activity including areas such as legal, financial planning, compliance and cyber security.
- Internal audit assurance, through a programme of regular independent reviews of the effectiveness and application of internal controls across the Group's activities.
- Annual certification process considering the effectiveness of the Group's systems of internal control and management of risk across all its activities throughout the year. The certification also requires consideration to incidents of non-compliance, fraud and breaches, regulatory and legislative compliance, recommendation completion (i.e. internal audit, external audit, regulators, inspectorates) and declarations of interest.
- Annual review of compliance against the Group's adopted code of governance and the Regulator of Social Housing regulatory framework.

Internal Audit

The system of internal control is subject to a regular programme of independent review. PwC LLP (PricewaterhouseCoopers Limited Liability Partnership), the internal auditors to the Group, provided a programme of reviews for the year 2024/25. The Audit and Risk Committee approved this programme and kept it under regular review throughout the year.

The Audit and Risk Committee has been presented with regular reporting of the outputs from internal audit reviews throughout the year, along with monitoring of the achievement of any recommendations made, in line with agreed timetables.

External Audit

The Group is committed to sound financial management in all aspects of its business and has robust business planning and budgeting frameworks in place. Financial and performance management reporting is provided to the Board to enable scrutiny of the achievement of objectives.

The External Auditors to the Group BDO LLP (Limited Liability Partnership), liaise with the Audit and Risk Committee on the nature and scope of the planned audit programme and provide feedback to the Committee on the operation of financial internal controls, reviewed as part of their annual audit activity, through their management letter.

Fraud

The Board has a Financial Crime Policy in place that includes fraud prevention and detection. A Fraud Register is maintained throughout the year and reported to the Audit and Risk Committee on a regular basis.

The Board has a responsibility to ensure material fraud is reported to the Regulator of Social Housing immediately. There have been no cases of fraud reportable within the year.

The Board also has a Whistleblowing Policy in place that promotes openness, accountability and transparency by enabling serious concerns to be raised and investigated in a robust manner. A Whistleblowing Register is maintained throughout the year and reported to the Audit and Risk Committee on a regular basis.

Conclusion

The Board acknowledges that its responsibility applies to the full range of risks and controls across all Group activities. The Board has considered the effectiveness of the system of internal control in place for the year ended 31 March 2025 and concludes that governance, risk management and internal control arrangements are operating effectively.

Board report (continued)

Going Concern

In response to ongoing economic volatility - characterised by elevated interest rates, persistent cost inflation, and heightened supply chain uncertainty - the Executive Team and Board have increased the frequency and depth of financial forecasting and scenario planning activities.

These scenario analyses have incorporated revised macroeconomic assumptions, including revisions to rental income, heightened inflationary pressures on operating costs, and cash flow implications arising from underperforming development contractors and broader supply-side disruptions. Additionally, adjustments have been made to reflect evolving market dynamics, particularly in relation to sales programmes.

This enhanced level of scrutiny has yielded valuable insights, enabling the organisation to rigorously stress test its financial resilience. The outcomes have provided strong assurance regarding the Group's ongoing viability and its capacity to absorb a range of adverse financial scenarios, whether isolated or concurrent.

Accordingly, the Board has a reasonable expectation that the Group possesses sufficient resources to continue its operations for the foreseeable future - defined as a period of at least twelve months from the date of approval of the financial statements. Therefore, the financial statements have been prepared on a going concern basis.

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

The board members are responsible for preparing the report of the Board and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law and social housing legislation require the board members to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these financial statements, the board members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice: Accounting by registered social housing providers 2018 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Association will continue in business.

Board report (continued)

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

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

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

Board members' statement as to the Disclosure of Information to Auditors

In so far as each of the Board members is aware:

- there is no relevant audit information of which the Association's auditors are unaware; and
- the Board has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditors are aware of that information.

The Report of the Board was approved by the Board on 24 July 2025, and signed on its behalf by:

Philip Raw	Anthony Deakin	David Shaw
Chair of the Board	*Chair Audit & Risk Committee*	*Company Secretary*

Independent Auditor's Report to the Members of Livv Housing Group

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Association's affairs as at 31 March 2025 and of the Group's and the Association's surplus 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 Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

We have audited the financial statements of Livv Housing Group ("the Association") and its subsidiaries ("the Group") for the year ended 31 March 2025 which comprise the consolidated and Association statement of comprehensive income, the consolidated and Association statement of financial position, the consolidated and Association statement of changes in reserves, the consolidated Statement of Cash Flows 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 remain independent of the Group and Association 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 Group's and of the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent Auditor's Report to the Members of Livv Housing Group (continued)

Other information

The Board 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, except to the extent otherwise explicitly stated in our report, and 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 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.

Matters on which we are required to report by exception

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

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

Responsibilities of the Board

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

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

Auditor's responsibilities for the audit of the financial statements

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

Independent Auditor's Report to the Members of Livv Housing Group (continued)

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

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

Non-compliance with laws and regulations

Based on;

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;

We identified that the principal risks of non-compliance with laws and regulations related to the reporting framework, FRS 102, the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. We considered the extent to which non-compliance might have a direct impact and material effect on the Group's Financial Statements or their continued operation.

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

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- 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, internal audit and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be inappropriate journal entries to manipulate financial results, management bias in accounting estimates and property sales income recognition around the year end.

Independent Auditor's Report to the Members of Livv Housing Group (continued)

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Challenging assumptions made by management in their significant accounting estimates in particular in relation to the following: whether there are indicators of impairment of tangible assets, the useful economic lives of tangible fixed assets, recoverability of receivable balances outstanding at the year end and the fair value of financial instruments;
- Testing sample of property sales income throughout the final month of the year and the first month of the following year, to supporting documentation for income recognition.

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 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 members of the Association, as a body, in accordance with in accordance with the Housing and Regeneration Act 2008 and the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the members as a body, for our audit work, for this report, or for the opinions we have formed

DocuSigned by:

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BDO LLP, Statutory Auditor
Manchester, UK
24 July 2025
BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of comprehensive income

For year ended 31 March 2025

	Notes	Group		Association	
		31 March 2025 £'000	31 March 2024 £'000	**31 March 2025 £'000**	31 March 2024 £'000
Turnover	3	**82,515**	74,010	**83,047**	75,190
Cost of Sales	3	**(7,815)**	(4,987)	**(7,815)**	(4,987)
Operating expenditure	3	**(63,779)**	(56,463)	**(64,202)**	(56,931)
Gain on disposal of property, plant and equipment (fixed assets)	9	**3,012**	1,851	**3,012**	1,851
Operating surplus		**13,933**	**14,411**	**14,042**	**15,123**
Interest receivable	10	**568**	672	**521**	620
Interest and financing costs	11	**(9,801)**	(8,653)	**(9,801)**	(8,653)
Movement in fair value of financial instruments	27	**1,564**	(300)	**1,564**	(300)
Surplus before tax		**6,264**	6,130	**6,326**	6,790
Taxation	12	**-**	(11)	**-**	0
Surplus for the year after tax		**6,264**	6,119	**6,326**	6,790
Re-measurement in respect of pension scheme	28	**105**	16	**105**	16
Total comprehensive income for the year		**6,369**	6,135	**6,431**	6,806

All activities relate to continuing operations.

The financial statements were approved and authorised for issue by the Board on 24 July 2025 and were signed on its behalf by:

Philip Raw
Chair of the Board

Anthony Deakin
Chair Audit & Risk Committee

David Shaw
Company Secretary

The notes on pages 49 to 88 form an integral part of these financial statements.

Statement of financial position

As at 31 March 2025

	Notes	Group		Association	
		31 March 2025 £'000	31 March 2024 £'000	**31 March 2025 £'000**	31 March 2024 £'000
Fixed Assets					
Tangible Fixed Assets					
Housing properties	13	**357,319**	318,566	**357,633**	318,874
Other property, plant & equipment	14	**1,717**	2,138	**1,717**	2,138
Social Investments	16	**339**	3	**339**	3
		359,375	320,707	**359,689**	321,015
Current assets					
Stock	17	**108**	138	**-**	-
Properties held for sale	18	**5,155**	6,888	**5,155**	6,888
Trade and other debtors	19	**8,993**	6,246	**8,647**	6,077
Investments	20	**155**	514	**-**	-
Cash and cash equivalents	21	**12,152**	11,805	**10,378**	9,908
		26,563	25,591	**24,180**	22,873
Creditors: amounts falling due within one year	22	**(13,117)**	(9,755)	**(12,769)**	(9,258)
Net current assets		**13,446**	15,836	**11,411**	13,615
Total assets less current liabilities		**372,821**	336,543	**371,100**	334,630

Statement of financial position (continued)

As at 31 March 2025	Notes	Group 31 March 2025 £'000	Group 31 March 2024 £'000	Association 31 March 2025 £'000	Association 31 March 2024 £'000
Creditors: amounts falling due after more than one year	**23**	**254,177**	224,075	**253,900**	223,668
Provisions for liabilities					
Pension provision	**28**	**1,631**	1,824	**1,631**	1,824
		255,808	225,899	**255,531**	225,492
Reserves					
Revenue reserve		**117,013**	110,644	**115,569**	109,138
Restricted reserves		**-**	-	**-**	-
Total reserves		**117,013**	110,644	**115,569**	109,138
		372,821	336,543	**371,100**	334,630

The financial statements were approved and authorised for issue by the Board on 24 July 2025 and were signed on its behalf by:

Philip Raw
Chair of the Board

Anthony Deakin
Chair Audit & Risk Committee

David Shaw
Company Secretary

Livv Housing Group, a charitable registered society under the Cooperative and Community Benefit Societies Act 2014, registered number 007773.

The notes on pages 49 to 88 form an integral part of these financial statements.

Statement of Changes in Reserves

For year ended 31 March 2025

	Group				Association			
	Non-Equity share capital £'000	**Revenue Reserves £'000**	**Restricted Reserves £'000**	**Total £'000**	**Non-Equity share capital £'000**	**Revenue Reserves £'000**	**Restricted Reserves £'000**	**Total £'000**
Balance as at 31 March 2024	-	**110,644**	-	**110,644**	-	**109,138**	-	**109,138**
Surplus for the year	-	6,264	-	6,264	-	6,326	-	6,326
Other Comprehensive Income:								
Re-measurement in respect of pension scheme (note 28)	-	105	-	105	-	105	-	105
Balance at 31 March 2025	**-**	**117,013**	**-**	**117,013**	**-**	**115,569**	**-**	**115,569**
Balance as at 31 March 2023	-	104,509	-	104,509	-	102,332	-	102,332
Surplus for the year	-	6,119	-	6,119	-	6,790	-	6,790
Other Comprehensive (loss):								
Re-measurement in respect of pension scheme (note 28)	-	16	-	16	-	16	-	16
Balance at 31 March 2024	-	110,644	-	110,644	-	109,138	-	109,138

The notes on pages 49 to 88 form an integral part of these financial statements.

Consolidated statement of cash flows

For year ended 31 March 2025

	2025	2024
Group	**£'000**	£'000
Net cash inflow from operating activities (Note A)	**27,149**	14,039
Cash flow from investing activities		
Purchase of fixed asset housing properties	**(52,115)**	(39,644)
Grants received	**5,612**	6,854
Proceeds from sale of tangible fixed assets	**3,818**	2,711
Purchase of other fixed assets	**(191)**	(169)
Interest received	**639**	520
Social Investment income	**106**	441
	(42,131)	(29,287)
Cash flow from financing activities		
Interest paid	**(9,277)**	(8,396)
(Decrease) in loan finance	**24,606**	(293)
	15,329	(8,689)
Net Change in cash and cash equivalents	**347**	(23,937)
Cash and cash equivalents at beginning of the year	**11,805**	35,742
Cash and cash equivalents at end of the year	**12,152**	11,805

Consolidated statement of cash flows (continued)

Note A - Cash flow from operating activities	**2025**	2024
	£'000	£'000
Surplus for the year after tax	**6,264**	6,119
Adjustments for non-cash items:		
Depreciation	**9,194**	8,804
Impairment	**4,838**	(151)
(Increase) in stock/housing held for sale	**1,763**	(2,316)
(Increase) in trade and other debtors	**(536)**	(1,068)
(Decrease)/Increase in trade and other creditors	**1,988**	(2.973)
Interest received	**(568)**	(672)
Interest payable	**9,468**	8,467
Corporation Tax	**-**	11
Pension costs less contributions payable	**(88)**	(45)
Carrying value of disposal of fixed assets	**755**	728
Fair value adjustment to financial instruments	**(1,564)**	300
Adjustments for investing & financing activities		
Proceeds on disposal of fixed assets	**(3,818)**	(2,711)
Amortisation of loan arrangement fees	**248**	97
Government grants amortised in the year	**(820)**	(683)
RCGF Movement	**25**	132
Net cash inflow from operating activities	**27,149**	14,039

The notes on pages 49 to 88 form an integral part of these financial statements.

Notes to the Financial Statements

For year ended 31 March 2025

1. Legal Status

Livv Housing Group is registered under the Co-operative and Community Benefit Societies Act 2014 and is a registered provider of social housing.

The registered office is Lakeview, Kings Business Park, Prescot, Merseyside, L34 1PJ.

The Group has three subsidiaries; Livv Maintenance Limited, Livv Homes Limited and First Ark Social investment Limited registered under the Companies Act.

2. Principal Accounting Policies

Basis of Accounting

The financial statements of the Group and Association have been prepared in accordance with applicable UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

The accounts are presented in £ sterling and rounded to the nearest £'000, unless stated otherwise.

They are prepared on the historical cost basis, other than as modified for the fair value of certain financial instruments as set out in the policies below.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions:

- The requirement to present a parent company statement of cash flows and related notes.
- Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole.

Going Concern

In response to ongoing economic volatility - characterised by elevated interest rates, persistent cost inflation, and heightened supply chain uncertainty - the Executive Team and Board have increased the frequency and depth of financial forecasting and scenario planning activities.

These scenario analyses have incorporated revised macroeconomic assumptions, including revisions to rental income, heightened inflationary pressures on operating costs, and cash flow implications arising from underperforming development contractors and broader supply-side disruptions. Additionally, adjustments have been made to reflect evolving market dynamics, particularly in relation to sales programmes.

This enhanced level of scrutiny has yielded valuable insights, enabling the organisation to rigorously stress test its financial resilience. The outcomes have provided strong assurance regarding the Group's ongoing viability and its capacity to absorb a range of adverse financial scenarios, whether isolated or concurrent.

Notes to the Financial Statements (continued)

Accordingly, the Board has a reasonable expectation that the Group possesses sufficient resources to continue its operations for the foreseeable future - defined as a period of at least twelve months from the date of approval of the financial statements. Therefore, the financial statements have been prepared on a going concern basis.

Significant management judgements

The following are the significant management judgements made in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Capitalisation of property development costs

The Group capitalises development expenditure in accordance with the accounting policy on housing properties. Initial capitalisation of costs is based on management's judgement that a development scheme is confirmed, usually when Board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

1) Impairment

Tangible fixed assets (mainly housing properties) are assessed for indicators of impairment at each reporting date in accordance with FRS 102 27.7. Indicators include changes in government policy, a reduction in the market value of properties where the occupant has the right to acquire, a reduction in the demand for a property, losses from operating that property, obsolescence of a property or contamination of a site. Indicators for properties under construction include any unforeseen additional costs that do not add value. Where no such indicators of impairment are identified to have occurred at the reporting date, it is assumed that there is no impairment.

Where there is an indicator of impairment we have followed the process outlined below:

- determined the level at which the recoverable amount is to be assessed. This was determined to be at individual property level;
- estimated the recoverable amount of the property using the higher of EUV-SH valuations or depreciated replacement cost, using appropriate construction costs and land prices;
- calculated the carrying amount of the property; and
- compared the carrying amount to the recoverable amount to determine if an impairment loss has occurred.

Notes to the Financial Statements (continued)

Notes to the Financial Statements (continued)

2) Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

3) Components of housing properties and useful lives

Major components of housing properties have significantly different patterns of consumption of economic benefits and estimates are made to allocate the initial cost of the property to its major components and to depreciate each component separately over its useful economic life. The Association considers whether there are any indications that the useful lives require revision at each reporting date to ensure that they remain appropriate.

4) Provisions

Provision is made for certain operating liabilities and for amounts owed to the business that are considered to be uncollectable, including former and current tenant rent arrears. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

5) Fair value measurement

Management obtains external expert valuations to determine the fair value of non-basic financial instruments (where active market quotes are not available). The valuation technique used involves developing estimates and assumptions consistent with how market participants would price the instrument, based on observable data or the best information available. More details are set out in note 27.

Basis of Consolidation

The consolidated financial statements present the results of Livv Housing Group and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Turnover and revenue recognition

Turnover comprises rental income receivable in the year, service charge income, income from shared ownership first tranche sales, sales of properties built for sale, support services and other services included at the invoiced value (excluding VAT where recoverable) of goods and services supplied in the year and grants receivable in the year.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Service charge income is recognised in the period to which it relates net of losses from voids.

Income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

Turnover in the consolidated group includes interest received on investments granted with First Ark Social Investment.

Loan interest costs

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

Loan finance issue costs

Loan finance issue costs are amortised over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised. Where loans are redeemed during the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Comprehensive Income in the year in which the redemption took place.

Service charges

Service charge income and costs are recognised on an accruals basis. The Group operates both fixed and variable service charges on a scheme by scheme basis in full consultation with residents. Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge.

Where periodic expenditure is required, a provision may be built up over the years in consultation with the residents. Until these costs are incurred, this liability is held in the Statement of Financial Position within long term creditors.

Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in statement of comprehensive income, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- where timing differences relate to interests in subsidiaries, associates and joint ventures and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair value of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Notes to the Financial Statements (continued)

Value Added Tax

The Group is partially exempt in relation to Value Added Tax (VAT), and accordingly is able to recover from HM Revenue & Customs part of the VAT incurred on expenditure. At the year-end VAT recoverable or payable is included in the statement of financial position. Irrecoverable VAT is accounted for in the statement of comprehensive income.

Tangible fixed assets and depreciation

Housing properties

Housing properties are properties held for the provision of social housing or otherwise provide social benefit. Properties are available for rent and are stated at cost, less accumulated depreciation less impairment.

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction.

Freehold land is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The Group depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories.

The Group considers whether there are any indications that the useful lives require revision at each reporting date to ensure that they remain appropriate.

The UELs for identified components are as follows:

Component	Useful economic life
Structure	85 years
Kitchens	25 years
Bathrooms	30 years
Roofs	65 years
Windows and doors	40 years
Mechanical installation	40 years
Boilers / storage heaters	15 - 20 years
Electrical installation	30 years
Lift	20 years
Shower	30 years
Solar panels	20 years

The Group depreciates housing properties held on long term leases in the same manner as freehold properties, except where the unexpired lease term is shorter than the longest component life envisaged, in which case the unexpired term of the lease is adopted as the useful economic life of the relevant component category.

Other Tangible fixed assets

Depreciation is charged on other tangible fixed assets on a straight-line basis over the expected useful economic lives which are as follows:

Fixed asset type	Useful economic life
Office premises	10-20 years
Plant and machinery	4 years
Computer equipment	3 years
Furniture, equipment and vehicles	4 years

Notes to the Financial Statements (continued)

Shared ownership properties

The costs of low-cost home ownership properties are split between current and fixed assets on the basis of the first tranche portion. The first tranche portion is accounted for as a current asset and the sale proceeds shown in Turnover.

The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets.

Donated land and other assets

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

Impairment

Housing properties are assessed for impairment indicators annually. Where indicators are identified an assessment for impairment is undertaken comparing the property's carrying amount to its recoverable amount. Where the carrying amount of a property is deemed to exceed its recoverable amount, the property is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where the property is currently deemed not to be providing service potential to the Association, its recoverable amount is its fair value less costs to sell.

Leasing and hire purchase

Where assets are financed by hire purchase contracts and leasing agreements that give rights approximating to ownership (finance leases), they are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as obligations to the lessor in creditors. They are depreciated over the shorter of the lease term and their useful economic lives.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit and loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

Other leases are treated as operating leases and payments are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease.

Reverse premiums and similar incentives received on leases to enter into operating lease agreements are released to the Statement of Comprehensive Income over the term of the lease.

Notes to the Financial Statements (continued)

Stock and properties held for sale

Stocks of materials are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

Properties developed for outright sale are included in current assets as they are intended to be sold, at the lower of cost or estimated selling price less costs to complete and sell.

At each reporting date, stocks of materials and properties held for sale are assessed for impairment. If there is evidence of impairment, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in Statement of Comprehensive Income.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate, and receivable or payable within one year, are recorded at the transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Where deferral of payment terms has been agreed at below market rate, and where material, the balance is shown as the present value, discounted at a market rate.

Rent arrears

Where a repayment schedule is in place for rent arrears, a net present value adjustment is made to reflect the impact of the timing of future cash flows. Where arrears from former and current tenants are not expected to be recovered, and there is no repayment schedule in place, a provision is made for the full value of the debt.

Government grants

Government grants include grants receivable from Homes England, local authorities, and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

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

Grants due from government organisations or received in advance are included as current assets or liabilities.

Government grants received for housing properties are subordinated to the repayment of loans by agreement with the Homes England. Government grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors. If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income in income and expenditure.

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

Notes to the Financial Statements (continued)

Other grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the Association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as deferred income.

Reserves

It is the policy of the Group to hold reserves to accumulate income in order to set aside funds for special purposes or as reserves against future expenditure.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Pensions

Contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

Livv Housing Group previously participated in a multi-employer funded defined benefit scheme, the Merseyside Pension Fund (MPF). Livv Housing Group exited the fund on 31 December 2015.

The Group retains liability for pensions that were being paid at that date. Scheme liabilities are measured on an actuarial basis. The liability is presented separately from other net assets on the statement of financial position.

The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

Public benefit entity concessionary loans

Public benefit entity concessionary loans are initially recognised as a loan at the amount paid to the purchaser and are subsequently updated to reflect accrued interest. Any impairment loss is recognised in the statement of comprehensive income.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

Treasury policy

The Group ensures adequate liquidity is maintained at all times to meet unexpected expenditure requirements that may arise. A minimum of £5m is held in cash deposits available to withdraw immediately. The funds are kept in an interest-bearing deposit account in an attempt to maximise interest wherever possible in the event of the Association having surplus funds, consideration will be given firstly to supporting its capital investment programmes and the subsequently to repay its debt.

Notes to the Financial Statements (continued)

Financial Instruments

Financial assets and financial liabilities are measured at the transaction price initially, plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

At the end of each reporting period, financial instruments are measured as shown below, without any deduction for transaction costs the entity may incur on sale or other disposal:

Debt instruments that meet the conditions in paragraph 11.8(b) of FRS 102 are measured at amortised cost using the effective interest method, except where the arrangement constitutes a financing transaction. In this case the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt.

Financial instruments held by the Group are classified as follows:

- financial assets such as cash, current asset investments and receivables are classified as loans and receivables, and are held at amortised cost using the effective interest method;
- financial liabilities such as bank loans are held at amortised cost using the effective interest method; and
- non-basic financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in surplus or deficit. At each year end, the instruments are revalued to fair value, with the movements posted to the statement of comprehensive income.

Impairment of Financial Assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence of impairment, an impairment loss is recognised in statement of comprehensive income immediately.

The following financial instruments are assessed individually for impairment:

(a) all equity instruments regardless of significance; and
(b) other financial assets that are individually significant.

Other financial instruments are assessed for impairment either individually or grouped on the basis of similar credit risk characteristics.

An impairment loss is measured as follows, on the following instruments measured at cost or amortised cost:

(a) for an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate; and
(b) for an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that the entity would receive for the asset if it were to be sold at the reporting date.

If in a subsequent period the amount of an impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed either directly or by adjusting an allowance account. The reversal cannot result in a carrying amount (net of any allowance account) which exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of the reversal is recognised in the statement of comprehensive income immediately.

Notes to the Financial Statements (continued)

3a. Turnover, cost of sales, operating expenditure and operating surplus

	2025				
Group	Turnover £'000	Other Income £'000	Cost of Sales £'000	Operating expenditure £'000	Operating surplus £'000
Social housing lettings (Note 4a)	**73,398**	**-**	**-**	**(62,267)**	**11,131**
Other social housing activities					
Supporting people contract income	95	-	-	(26)	69
Other supporting people income	156	-	-	(130)	26
First tranche shared ownership sales	7,765	-	(7,815)	-	(50)
Community investment	324	-	-	(589)	(265)
Management Services	-	-	-	-	-
Gain on disposal of housing properties	-	3,012	-	-	3,012
Total other social housing activities	**8,340**	**3,012**	**(7,815)**	**(745)**	**2,792**
Non-social housing activities					
Market rate lettings - Garages (Note 4c)	170	-	-	(170)	-
Facilities Management Services	607	-	-	(597)	10
Total Non-social housing activities	**777**	**-**	**-**	**(767)**	**10**
Total	**82,515**	**3,012**	**(7,815)**	**(63,779)**	**13,933**

Notes to the Financial Statements (continued)

Group	2024 Turnover £'000	Other Income £'000	Cost of Sales £'000	Operating expenditure £'000	Operating surplus £'000
Social housing lettings (Note 4a)	**67,618**	**-**	**-**	**(54,811)**	**12,807**
Other social housing activities					
Supporting people contract income	67	-	-	(62)	5
Other supporting people income	155	-	-	(126)	29
First tranche shared ownership sales	5,119	-	(4,987)	-	132
Community investment	169	-	-	(643)	(474)
Management Services	132	-	-	(104)	28
Gain on disposal of housing properties	-	1,851	-	-	1,851
Total Other social housing activities	**5,642**	**1,851**	**(4,987)**	**(935)**	**1,571**
Non-social housing activities					
Market rate lettings - Garages (Note 4c)	164	-	-	(164)	-
Facilities Management Services	586	-	-	(553)	33
Total non-social housing activities	**750**	**-**	**-**	**(717)**	**33**
Total	**74,010**	**1,851**	**(4,987)**	**(56,463)**	**14,411**

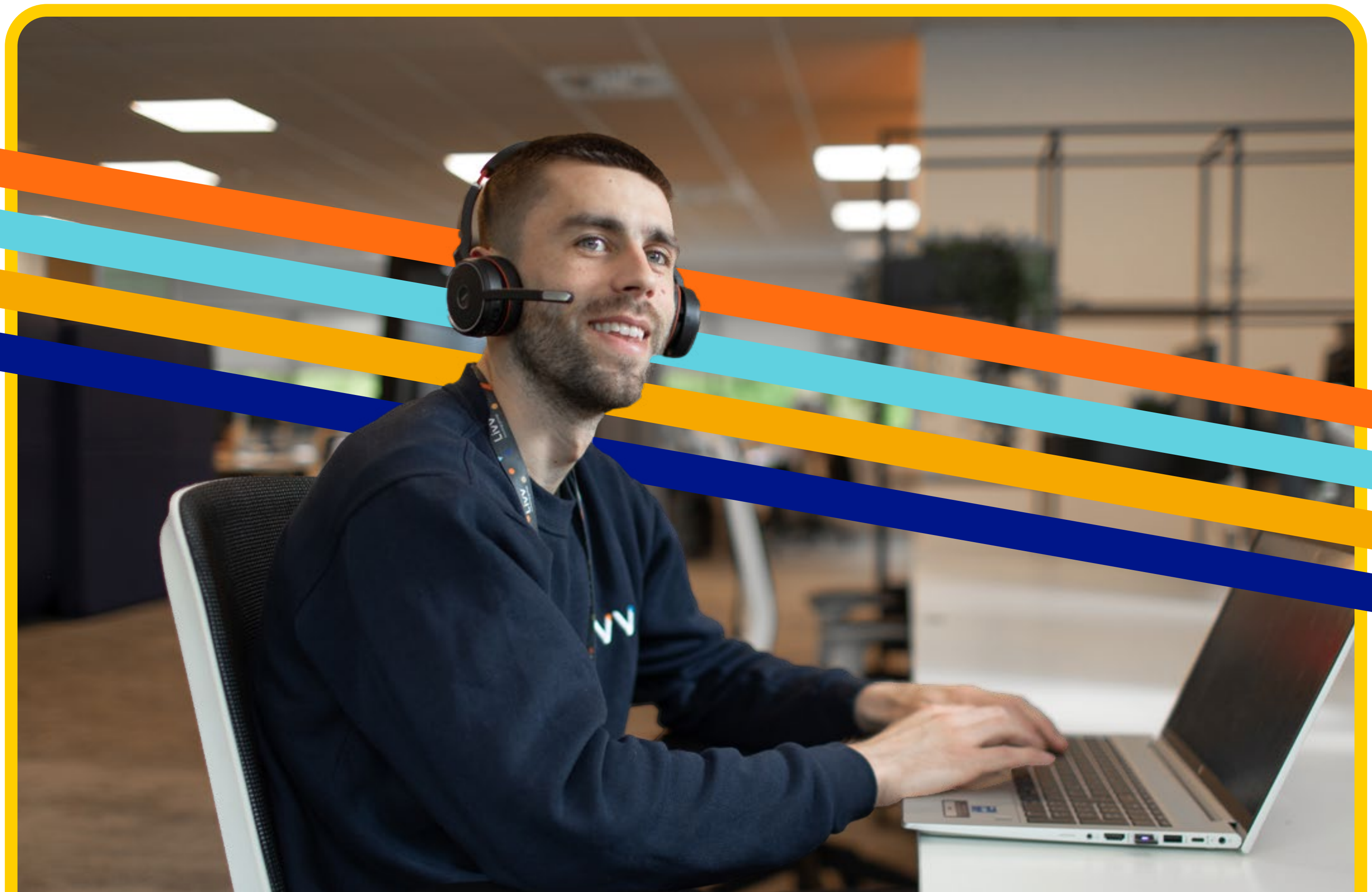
Notes to the Financial Statements (continued)

3b. Turnover, cost of sales, operating expenditure and operating surplus

Association	2025 Turnover £'000	Other Income £'000	Cost of Sales £'000	Operating expenditure £'000	Operating surplus £'000
Social housing lettings (Note 4b)	**73,535**	**-**	**-**	**(62,285)**	**11,250**
Other social housing activities					
Supporting people contract income	95	-	-	(26)	69
Other supporting people income	156	-	-	(130)	26
First tranche shared ownership sales	7,765	-	(7,815)	-	(50)
Community investment	323	-	-	(588)	(265)
Management Services	-	-	-	-	-
Gain on disposal of housing properties	-	3,012	-	-	3,012
Total Other social housing activities	**8,339**	**3,012**	**(7,815)**	**(744)**	**2,792**
Non-social housing activities					
Market rate lettings - Garages (Note 4c)	170	-	-	(170)	-
Internal Management Services	1,003	-	-	(1,003)	-
Total non-social housing activities	**1,173**	**-**	**-**	**(1,173)**	**-**
Total	**83,047**	**3,012**	**(7,815)**	**(64,202)**	**14,042**

Notes to the Financial Statements (continued)

Association	2024 Turnover £'000	Other Income £'000	Cost of Sales £'000	Operating expenditure £'000	Operating surplus £'000
Social housing lettings (Note 4b)	**68,445**	**-**	**-**	**(54,893)**	**13,552**
Other social housing activities					
Supporting people contract income	67	-	-	(62)	5
Other supporting people income	155	-	-	(126)	29
First tranche shared ownership sales	5,119	-	(4,987)	-	132
Community investment	146	-	-	(620)	(474)
Management Services	132	-	-	(104)	28
Gain on disposal of housing properties	-	1,851	-	-	1,851
Total Other social housing activities	**5,619**	**1,851**	**(4,987)**	**(912)**	**1,571**
Non-social housing activities					
Market rate lettings - Garages (Note 4c)	164	-	-	(164)	-
Internal Management Services	962	-	-	(962)	-
Total non-social housing activities	**1,126**	**-**	**-**	**(1,126)**	**-**
Total	**75,190**	**1,851**	**(4,987)**	**(56,931)**	**15,123**



Notes to the Financial Statements (continued)

4a. Social housing & lettings

Group	General housing £'000	Supported housing & housing for older people £'000	Total 2025 £'000	Total 2024 £'000
Income				
Rent receivable net of empty homes	65,163	4,541	69,704	63,727
Services charges receivable net of empty homes	1,462	948	2,410	2,210
Amortised government grants	820	-	820	683
Other	447	17	464	998
Turnover from social housing lettings	**67,892**	**5,506**	**73,398**	67,618
Operating expenditure				
Management	(20,906)	(159)	(21,065)	(18,903)
Service charge costs	(2,266)	(1,092)	(3,358)	(3,171)
Routine maintenance	(18,607)	(435)	(19,042)	(18,271)
Major repairs expenditure	(4,761)	(111)	(4,872)	(6,144)
Bad debts	(496)	-	(496)	(273)
Depreciation of housing properties	(8,582)	-	(8,582)	(8,237)
Impairment of housing properties	(4,921)	-	(4,921)	91
Other costs	69	-	69	97
Operating expenditure on social housing lettings	**(60,470)**	**(1,797)**	**(62,267)**	(54,811)
Operating surplus on social housing lettings	**7,422**	**3,709**	**11,131**	12,807
Void losses (being rental income lost as a result of property not being let, although it is available for letting)	**1,259**	**515**	**1,774**	876

Notes to the Financial Statements (continued)

4b. Social housing & lettings

Association	General housing £'000	Supported housing & housing for older people £'000	Total 2025 £'000	Total 2024 £'000
Income				
Rent receivable net of empty homes	65,163	4,541	69,704	63,727
Services charges receivable net of empty homes	1,462	948	2,410	2,210
Amortised government grants	820	-	820	683
Other	584	17	601	1,825
Turnover from social housing lettings	**68,029**	**5,506**	**73,535**	**68,445**
Operating expenditure				
Management	(20,924)	(159)	(21,083)	(18,985)
Service charge costs	(2,266)	(1,092)	(3,358)	(3,171)
Routine maintenance	(18,607)	(435)	(19,042)	(18,271)
Major repairs expenditure	(4,761)	(111)	(4,872)	(6,144)
Bad debts	(496)	-	(496)	(273)
Depreciation of housing properties	(8,582)	-	(8,582)	(8,237)
Impairment of housing properties	(4,921)	-	(4,921)	91
Other Costs	69	-	69	97
Operating expenditure on social housing lettings	**(60,488)**	**(1,797)**	**(62,285)**	**(54,893)**
Operating surplus on social housing lettings	**7,541**	**3,709**	**11,250**	**13,552**
Void losses (being rental income lost as a result of property not being let, although it is available for letting)	**1,259**	**515**	**1,774**	**876**

4c. Market rate lettings

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Garages	**170**	164	**170**	164

Notes to the Financial Statements (continued)

5. Accommodation owned, managed and in development

At the end of the year, accommodation in management for each class of accommodation was as follows:

	Group				
	31.03.24 Units	Additions	Disposals	Reclassification	31.03.25 Units
Social housing					
Owned General needs – social rent	10,793	1	(59)	-	**10,735**
Owned General needs – affordable rent	1,083	151	(1)	1	**1,234**
Owned General needs – intermediate rent	111	80	-	-	**191**
Owned – housing for older people	587	-	-	-	**587**
Shared Ownership	355	78	(3)	(1)	**429**
Total owned and managed	12,929	310	(63)	-	**13,176**
Units managed					
Leasehold	342	-	(3)	-	339
Leasehold – non-social	19	-	-	-	19
Total owned and managed	13,290	310	(66)	-	13,534

Notes to the Financial Statements (continued)

6. Operating surplus

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
The operating surplus is stated after (crediting)/charging:				
Auditors' remuneration (excluding VAT): Audit of the Group financial statements	**96**	83	**84**	73
Fees payable to the Group's auditor and its associates for other services to the Group:				
Taxation compliance services	**9**	8	**8**	7
Other	**6**	6	**6**	6
Operating lease rentals:				
Equipment	**22**	21	**22**	21
Vehicles	**546**	546	**-**	-
Impairment (gains) of housing properties	**4,921**	(91)	**4,921**	(91)
Depreciation of housing properties	**8,582**	8,237	**8,582**	8,237
Depreciation of other assets	**612**	567	**612**	567

Notes to the Financial Statements (continued)

7. Employee information

The average number of colleagues (including Executives) employed during the year expressed in full time equivalents was:

	Group		Association	
	2025 No.	2024 No.	**2025 No.**	2024 No.
Development	**15**	15	**15**	15
Housing Maintenance	**140**	136	**-**	-
Business Services	**180**	169	**116**	111
Customer and communities	**119**	121	**119**	121
Asset management	**37**	32	**37**	32
Charitable Activities	**8**	7	**8**	7
	499	480	**295**	286

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Staff costs				
Wages and salaries	**19,238**	18,001	**12,381**	11,364
Social Security costs	**1,976**	1,884	**1,301**	1,217
Other pension costs – defined contribution or defined benefit	**915**	855	**583**	536
	22,129	20,740	**14,265**	13,117

The full-time equivalent number of staff who received remuneration exceeding £60,000 in the year:

	Group		Association	
	2025 No.	2024 No.	**2025 No.**	2024 No.
£60,000 - £70,000	**16**	17	**10**	15
£70,000 - £80,000	**11**	7	**11**	7
£80,000 - £90,000	**2**	4	**2**	4
£90,000 - £100,000	**4**	3	**4**	3
£100,000 - £110,000	**4**	4	**4**	3
£110,000 - £120,000	**2**	1	**2**	1
£120,000 - £130,000	**1**	-	**1**	-
£160,000 - £170,000	**1**	-	**1**	-
£180,000 - £190,000	**-**	1	**-**	1
£190,000 - £200,000	**-**	1	**-**	1
£200,000 - £210,000	**1**	-	**1**	-
£210,000 - £220,000	**-**	1	**-**	1
£220,000 - £230,000	**1**	-	**1**	-
£250,000 - £260,000	**-**	1	**-**	1
£260,000 - £270,000	**1**	-	**1**	-
	44	40	**38**	37

8. Key management personnel and directors' remuneration

All of the Executives of Livv Housing Group and its subsidiaries, including the Chief Executive, are paid by Livv Housing Group, which is the ultimate parent undertaking.

The remuneration of the highest paid director for the year, excluding pension contributions, was £265k (2024: £253k), including car allowance of £24k (2024: £23k).

The aggregate remuneration for key management personnel (executives) charged in the year was:

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Wages and salaries (incl. car allowance and bonus)	**929**	921	**929**	921
Benefits in Kind	**1**	1	**1**	1
Pension Contributions	**50**	50	**50**	50
NI Contributions 123	**123**	122	**123**	122
	1,103	1,094	**1,103**	1,094

Notes to the Financial Statements (continued)

The Chief Executive is paid by Livv Housing Group and is eligible to join the Livv Housing Group's defined contribution scheme on the same terms as all other employees. The Group does not make any further contribution to an individual pension arrangement for the Chief Executive.

The aggregate emoluments paid to or receivable by non-executive board members in the year was:

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Basic salary	**122**	104	**122**	104

	2025 £	2024 £
Chair	**20,250**	18,000
Vice Chair & Chair of Customer Service Committee	**12,875**	11,000
Board Member	**8,425**	7,000
Board Member & Chair of BDGI Committee	**11,175**	9,000
Board Member & FASI Chair	**11,175**	9,000
Board Member & Chair of Audit and Risk Committee	**11,175**	9,000
Board Member & Chair of Remuneration & Nominations Committee	**11,175**	9,000
Independent Member of BDGI Committee	**-**	2,333
Independent Member to Audit and Risk Committee	**4,250**	3,500
Independent Member of BDGI Committee	**4,250**	3,500
Independent Member to Audit and Risk Committee	**-**	1,167
Board Member	**11,175**	7,000
Board Member*1	**583**	7,000
Board Member*1	**583**	7,000
Board Member – Livv and Flourish	**4,250**	292
Board Member*2	**4,724**	-
Board Member*2	**4,724**	-
Independent Member of Customer Service Committee*3	**1,125**	-
	121,914	103,792

There were expenses paid to Board members in the year of £2k (2024: £5k).

**1 Covers a period of one month.*

**2 Covers a period of six months.*

**3 Covers a period of three months.*

Notes to the Financial Statements (continued)

9. Gain on disposal of fixed assets (Group and Association)

	RTB / RTA £'000	Staircasing £'000	Other £'000	Total 2025 £'000	Total 2024 £'000
Proceeds of sales	3,393	202	223	**3,818**	2,711
Carrying value	(693)	(62)	-	**(755)**	(728)
Surplus	2,700	140	223	**3,063**	1,983
Recycled capital grants fund (Note 25)	(23)	(28)	-	**(51)**	(132)
	2,677	**112**	**223**	**3,012**	1,851

10. Interest receivable and other income

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Interest receivable	**568**	672	**521**	620
	568	672	**521**	620

11. Interest and financing costs

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Loans and bank overdrafts	**9,716**	8,564	**9,716**	8,564
Pension interest cost	**85**	89	**85**	89
	9,801	8,653	**9,801**	8,653

Notes to the Financial Statements (continued)

12. Tax on surplus on ordinary activities

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Current tax				
UK corporation tax on surplus for the year	-	-	-	-
Adjustments in respect of prior years	-	-	-	-
	-	-	-	-
Deferred tax				
Origination and reversal of timing differences	-	11	-	-
Adjustment in respect of prior periods	-	-	-	-
	-	11	-	-
Total tax (credit)/charge	-	11	-	-

The tax assessed in the year is lower than the standard rate of Corporation tax in the United Kingdom at 25% (2024: 25%). The differences are explained as follows:

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Surplus on ordinary activities before tax	**6,264**	6,130	**6,326**	6,790
Theoretical tax at UK corporation tax rate 25% (2024: 25%)	**1,566**	1,533	**1,581**	1,698
Income not taxable for tax purposes	**(21,994)**	(19,393)	**(21,974)**	(19,359)
Expenses not deductible for tax purposes	**20,404**	17,851	**20,369**	17,641
Utilisation of losses	-	-	-	-
Tax adjustments to tax charge in respect of prior periods	-	-	-	-
Movement in deferred tax not recognised	**24**	20	**24**	20
	-	11	-	-

Notes to the Financial Statements (continued)

13. Housing properties

Group	Social housing properties completed £'000	Social housing properties under construction £'000	Shared ownership completed £'000	Shared ownership under construction £'000	Total housing properties £'000
Cost					
At start of the year	367,154	30,138	27,041	4,748	**429,081**
Works to existing properties	10,705	-	-	-	**10,705**
Additions	17,733	19,640	4,902	115	**42,390**
Schemes completed	22,338	(22,338)	2,911	(2,911)	**-**
Reclassification	213	(213)	-	-	**-**
Disposals - properties	(1,114)	-	(94)	-	**(1,208)**
- components	(952)	-	-	-	**(952)**
At the end of the year	**416,077**	**27,227**	**34,760**	**1,952**	**480,016**
Depreciation					
At start of the year	(109,493)	-	(1,022)	-	**(110,515)**
Charge for the year	(8,333)	-	(249)	-	**(8,582)**
Impairment	(4,921)	-	-	-	**(4,921)**
Disposals - properties	469	-	3	-	**472**
- components	849	-	-	-	**849**
At the end of the year	**(121,429)**	**-**	**(1,268)**	**-**	**(122,697)**
Net book value at the end of the year	**294,648**	**27,227**	**33,492**	**1,952**	**357,319**
Net book value at the start of the year	257,661	30,138	26,019	4,748	318,566

Notes to the Financial Statements (continued)

Association	Social housing properties completed £'000	Social housing properties under construction £'000	Shared ownership completed £'000	Shared ownership under construction £'000	Total housing properties £'000
Cost					
At start of the year	367,462	30,138	27,041	4,748	**429,389**
Works to existing properties	10,711	-	-	-	**10,711**
Additions	17,733	19,640	4,902	115	**42,390**
Schemes completed	22,338	(22,338)	2,911	(2,911)	**-**
Reclassification	213	(213)	-	-	**-**
Disposals - properties	(1,114)	-	(94)	-	**(1,208)**
- components	(952)	-	-	-	**(952)**
At the end of the year	**416,391**	**27,227**	**34,760**	**1,952**	**480,330**
Depreciation					
At start of the year	(109,493)	-	(1,022)	-	**(110,515)**
Charge for the year	(8,333)	-	(249)	-	**(8,582)**
Impairment	(4,921)	-	-	-	**(4,921)**
Disposals - properties	469	-	3	-	**472**
- components	849	-	**-**	**-**	**849**
At the end of the year	**(121,429)**	**-**	**(1,268)**	**-**	**(122,697)**
Net book value at the end of the year	**294,962**	**27,227**	**33,492**	**1,952**	**357,633**
Net book value at the start of the year	257,969	30,138	26,019	4,748	318,874

Notes to the Financial Statements (continued)

The impairment provision at 31 March 2025 is £5,346k (2024: £425k), with £4,857k of the movement relating to the provision for decommissioning of all properties at Knowsley Heights which are due for demolition in FY 2027/28. The movement also includes a £16k increase relating to impairment of existing housing properties and £50k increase due to land valuation, offset by £2k release associated with long standing voids.

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Amounts capitalised	**10,705**	8,399	**10,711**	8,414
Amounts charged to income and expenditure account	**4,872**	6,144	**4,872**	6,144
	15,577	14,543	**15,583**	14,558

Notes to the Financial Statements (continued)

14. Other property, plant & equipment – Group and Association

Group	Offices £'000	Furniture fixings and fittings £'000	Computers and office equipment £'000	Plant and machinery £'000	Total other property, plant & equipment £'000
Cost					
At start of the year	4,749	933	5,341	127	**11,150**
Additions	-		191	-	**191**
At the end of the year	**4,749**	**933**	**5,532**	**127**	**11,341**
Depreciation					
At start of the year	(3,253)	(617)	(5,015)	(127)	**(9,012)**
Charge for the year	(281)	(123)	(208)		**(612)**
At the end of the year	**(3,534)**	**(740)**	**(5,223)**	**(127)**	**(9,624)**
Net book value at the end of the year	**1,215**	**193**	**309**	**-**	**1,717**
Net book value at the start of the year	1,496	316	326	-	**2,138**

Association	Offices £'000	Furniture fixings and fittings £'000	Computers and office equipment £'000	Plant and machinery £'000	Total other property, plant & equipment £'000
Cost					
At start of the year	4,749	933	5,334	113	**11,129**
Additions	-		191	-	**191**
At the end of the year	**4,749**	**933**	**5,525**	**113**	**11,320**
Depreciation					
At start of the year	(3,253)	(617)	(5,008)	(113)	**(8,991)**
Charge for the year	(281)	(123)	(208)	-	**(612)**
At the end of the year	**(3,534)**	**(740)**	**(5,216)**	**(113)**	**(9,603)**
Net book value at the end of the year	**1,215**	**193**	**309**	**-**	**1,717**
Net book value at the start of the year	1,496	316	326	-	**2,138**

Notes to the Financial Statements (continued)

15. Fixed asset investments

As at 31 March 2025, the Group comprises the following entities, all registered in England:

Name	Incorporation and Ownership	Regulated/ Non-regulated	Nature of Business
Livv Housing Group	Co-operative and Community Benefit Society – 100%	Regulated	Housing association
Livv Maintenance Limited	Company – 100%	Non-regulated	Property repairs and facilities management services
First Ark Social Investment Limited	Company – 100%	Non-regulated	Social investment
Livv Homes Limited (non-trading)	Company – 100%	Non-regulated	Combined facilities support activities

The authorised Share Capital of Livv Maintenance Limited of 1 Ordinary £1 share is allotted, called up and fully paid and owned by Livv Housing Group, who is the ultimate parent undertaking.

The authorised Share Capital of First Ark Social Investment Limited of 1 Ordinary £1 share is allotted, called up and fully paid and owned by Livv Housing Group, who is the ultimate parent undertaking.

The authorised Share Capital of Livv Homes Limited of 1 Ordinary £1 share is allotted, called up and fully paid and owned by Livv Housing Group, who is the ultimate parent undertaking.

The registered office of all subsidiaries listed above is Lakeview, Kings Business Park, Prescot, Merseyside, L34 1PJ.

16. Social investments

Group and Association	Mixed Motive Investments £'000	Livv and Flourish £,000	Total £'000
Cost			
At 1 April 2024	12	-	12
Repayments received	-	363	363
Investment written off	(3)	(24)	(27)
At 31 March 2025	**9**	339	**348**
Impairment provision			
At 1 April 2024	(9)	-	(9)
Movement in the year	-	-	
At 31 March 2025	(9)	-	(9)
Net book value 31 March 2025	**-**	**339**	**339**
31 March 2024	3	-	3

Notes to the Financial Statements (continued)

17. Stock

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Raw materials and consumables	**108**	138	**-**	-

18. Properties held for sale

Group and Association	2025 £'000	2024 £'000
Shared ownership first tranche property:		
Work in progress	**1,301**	3,166
Completed properties	**3,854**	3,722
	5,155	6,888

19. Trade and other debtors

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Rent and service charges receivable	**5,388**	5,095	**5,388**	5,095
Less: Provision for bad and doubtful debts	**(4,461)**	(4,199)	**(4,461)**	(4,199)
Net rent arrears	**927**	896	**927**	896
Grant Debtor	**2,282**	-	**2,282**	-
Prepayment and accrued income	**4,043**	4,483	**3,867**	4,403
Other Debtors	**1,260**	333	**1,093**	247
Deferred tax (note 29)	**3**	3	**-**	-
Debtors due within one year	**8,515**	5,715	**8,169**	5,546
Debtors due more than one year	**478**	531	**478**	531
	8,993	6,246	**8,647**	6,077

Debtors due more than one year relate to public benefit entity concessionary loans issued to customers by way of a deposit for a new home following a compulsory buy-out arrangement. The loans are secured against the new properties purchased and are therefore only recoverable once title is exchanged. One loan was repaid in the year leaving nine loans outstanding.

Notes to the Financial Statements (continued)

20. Current asset investments

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Investments	**268**	710	**-**	-
Impairment Provision	**(113)**	(196)	**-**	-
	155	514	**-**	-

As at 31 March 2025, 49 investments (2024: 49) had been made by the subsidiary, FASI, totalling £3,895k (2024: £3,895k).

These investments are funded by loan, grant and recycled cash. The investments are repayable over a maximum period of 5 years with interest and capital repayments totalling £353k (2024: £425k) being received during the year to 31 March 2025.

A provision is made if an organisation is 3 months in arrears on repayment or when they are subject to any legal action.

These investments include £162k, (2024: £325k) which is repayable within 1 year.

21. Cash and cash equivalents

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Cash at bank	**12,152**	**11,805**	**10,378**	**9,908**

22. Creditors: amounts falling due within one year

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Trade creditors	**1,791**	1,074	**548**	424
Rents and service charges received in advance	**3,213**	1,944	**3,213**	1,944
Other creditors	**272**	381	**196**	126
Loans due for repayment in less than one year (note 26)	**-**	265	**-**	-
Loans fees due in less than one year (note 26)	**(144)**	(95)	**(144)**	(95)
Accruals and deferred income	**7,116**	5,421	**4,779**	3,762
Deferred capital grant (note 24)	**869**	765	**869**	765
Amounts owed to group undertakings	**-**	-	**3,308**	2,332
Corporation Tax	**-**	-	**-**	-
	13,117	9,755	**12,769**	9,258

Notes to the Financial Statements (continued)

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

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Loans (note 26)	**190,846**	167,539	**190,569**	167,132
Finance costs	**(911)**	(723)	**(911)**	(723)
Deferred capital grant (note 24)	**63,731**	56,811	**63,731**	56,811
Recycled capital grant fund (note 25)	**252**	219	**252**	219
Leaseholder Sinking Funds	**53**	47	**53**	47
Reserve Funds	**206**	182	**206**	182
	254,177	224,075	**253,900**	223,668

24. Deferred capital grant

Group and Association	**2025 £'000**	2024 £'000
At start of the year	**57,576**	54,391
Grant received in the year	**7,895**	4,643
Disposals	**(51)**	(775)
Released to income in the year	**(820)**	(683)
	64,600	57,576
Amount due to be released < 1 year	**869**	765
Amount due to be released > 1 year	**63,731**	56,811
	64,600	57,576

Grant and Financial Assistance

The total accumulated government grant and financial assistance received or receivable at 31 March:

	2025 £'000	2024 £'000
Government funding received	**69,460**	61,616
Grants amortised to date	**(4,860)**	(4,040)
	64,600	57,576

Notes to the Financial Statements (continued)

25. Recycled capital grant fund

Group and Association	2025 £'000	2024 £'000
At start of the year	**219**	83
Grant received in the year	**51**	132
Grant withdrawn in the year	**(26)**	-
Interest Accrued	**8**	4
	252	219

Withdrawals from the capital grants fund are used for the purchase and development of new housing schemes for letting and for approved works to existing properties.

Notes to the Financial Statements (continued)

26. Debt analysis

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Loans repayable:				
Within one year	**-**	265	**-**	-
In one year or more but less than two years	**-**	-	**-**	-
In two years or more and less than five years	**60,407**	60,407	**60,000**	60,000
In five years or more	**130,569**	107,132	**130,569**	107,132
Less: loan issue costs	**(1,055)**	(818)	**(1,055)**	(818)
Total loans	**189,921**	166,986	**189,514**	166,314

The bank loans are secured by a floating charge on allocated housing properties.

The £90m Private Placement Bond is revalued annually, with the fair value of the Bond £80.6m at 31 March 2025 (2024: £82.1m).

The long-term loans totalling £200m are at fixed and variable rates of interest ranging from 3.57% to Sonia +1.1% and fall to be repaid between 2029 and 2042.

The facility is made up of £90m from the issue of a Private Placement Bond and £50m in bank funding.

Livv Housing Group has £115m available in the form of a revolving credit facility, of which £60m was drawn at 31 March 2025 (2024: £Nil).

The interest rate profile of Livv Housing Group (excluding FASI) at 31 March 2025 was:

	Total £'000	Variable Rate £'000	Fixed rate £'000	Average rate of interest %
Loans	190,569	60,000	130,569	4.559

At 31 March 2025, the Group has the following borrowing facilities:

	£'000
Undrawn facilities	55,000
	55,000

The total loans £200m, exclude the mark to market valuation of Livv Housing Group's private placement loan (£80.6m) and finance costs payable (£1.1m).

It is a theoretical revaluation that reflects the movement in market value of this debt to the lenders, when compared with the interest rates that could currently be achieved when issuing this level of debt over the long term. This adjustment does not impact the total amount repayable by the Group if the loan runs to the original term.

This adjustment has been made in accordance with FRS 102 accounting requirements and is required because in the unlikely event of early redemption of the private placement loan the Association would be exposed to cross currency settlement penalties, this breaches the conditions of FRS 102.11.9 and is therefore treated as a non-basic financial instrument and held at fair value.

27. Financial instruments (Group)

The Group's financial instruments may be analysed as follows:

	2025 £'000	2024 £'000
Financial assets that are debt instruments measured at amortised cost (Group)	**13,412**	12,138
Financial liabilities measured at amortised cost (Group)	**118,401**	91.730
Financial liabilities measured at fair value through profit or loss (Group and Association)	**80,569**	82,132

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, other debtors, and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, accruals and other creditors.

Financial liabilities measured at fair value through profit and loss

Financial liabilities measured at fair value through profit and loss comprise a bond under private placement within Livv Housing Group, the Association. The financial liability has been accounted for as a non-basic financial instrument in accordance with the requirements of Section 12 of FRS 102. The fair value of the financial liability as at 31 March 2025 has been based on an equivalent instrument using gilt rates at the balance sheet date plus an appropriate premium.

Movements in the carrying amount of the financial liability are presented below:

	2025 £'000	2024 £'000
Carrying amount brought forward	**82,132**	81,833
Change in fair values:		
Other market factors (Group and Association)	**(1,564)**	300
Carrying amount carried forward	**80,569**	82,132

The cumulative changes since inception of the instrument due to changes in credit risk are £Nil (2024: £Nil).

The total undiscounted amount repayable at maturity in respect of the loan is £90m.

Other market factors include the underlying movement in treasury gilt rates used in the fair value calculation.

Notes to the Financial Statements (continued)

28. Pension obligations

The Merseyside Pension Fund (Group and Association)

The Merseyside Pension Fund (MPF) is a multi-employer scheme with more than one participating employer, which is administered by Wirral Metropolitan Borough Council under the regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme.

Livv Housing Group terminated its participation in the Fund on the 31 December 2015, and the result of the termination is final assets and funded benefit obligations of zero.

There is still a liability in respect of unfunded benefits, and this is included in the Pension liability figures, although this will now be dealt with directly by Livv Housing Group independently of the Fund. There is a provision under Section 21 of FRS102 for the unfunded benefit to certain employees.

Analysis of pension finance (costs)	**2025 £'000**	2024 £'000
Interest on pension scheme liabilities	**(85)**	**(89)**
Amounts charged to financing costs	**(85)**	**(89)**
Amount of gains and losses recognised in the Statement of Comprehensive Income:		
Actuarial gain/(loss) on pension scheme	**105**	**16**
Actuarial gain/(loss) recognised	**105**	**16**

Reconciliation of liabilities	**2025 £'000**	2024 £'000
Liabilities at start of year	**(1,824)**	(1,885)
Interest cost	**(85)**	(89)
Actuarial gain/(loss)	**105**	16
Benefits paid	**173**	134
Liabilities at end of year	**(1,631)**	(1,824)

Reconciliation of assets	**2025 £'000**	2024 £'000
Assets at start of year	**-**	-
Administration expenses	**-**	-
Employer contributions	**173**	134
Employee contributions	**-**	-
Benefits paid	**(173)**	(134)
Assets at end of year	**-**	-

Notes to the Financial Statements (continued)

Pension assumptions

Duration information as at the end of the accounting period.

Macaulay duration of liabilities at latest valuation (or date of admission if later): 9 years retired.

Duration profile used to determine assumptions: Maure Retired

Financial Assumptions	Beginning of period (p.a.)	End of period (p.a.)
CPI / CARE revaluation	2.7%	2.7%
Increase in salaries	4.2%	4.2%
Increase in pensions in payment / deferment	2.8%	2.8%
Discount Rate	4.9%	5.7%

Post retirement mortality assumptions (normal health)

Financial Assumptions	Beginning of period (p.a.)	End of period (p.a.)
Non-retired members M / F		
Mortality table	SAPS 3 / SAPS 3 middle	SAPS 4 / SAPS 4 middle
Improvements	CMI 22 1.5% / CMI 22 1.5%	CMI 23 1.5% / CMI 23 1.5%
Weightings	115% / 103%	114% / 103%
Additional parameters	S=7, A=0, W20=W21=0, W22=25%	S=7, A=0, W20=W21=0, W22=W23=15%
Life Expectancy at 65*	22.2 / 25.2	22.1 / 25.2

currently aged 45

Financial Assumptions	Beginning of period (p.a.)	End of period (p.a.)
Retired members M / F		
Mortality table	SAPS 3 / SAPS 3 middle	SAPS 4 / SAPS 4 middle
Improvements	CMI 22 1.5% / CMI 22 1.5%	CMI 23 1.5% / CMI 23 1.5%
Weightings	111% / 107%	109% / 103%
Additional parameters	S=7, A=0, W20=W21=0, W22=25%	S=7, A=0, W20=W21=0, W22=W23=15%
Life Expectancy at 65*	20.9 / 23.4	20.8 / 23.5

Notes to the Financial Statements (continued)

29. Deferred tax (Group)

	Deferred taxation £'000
At 1 April 2024	3
Movement in the year	-
At 31 March 2025	**3**

The deferred tax asset is calculated using a tax rate of 25% (2023: 19%) and is set out below.

	2025 £'000	2024 £'000
Deferred tax asset	**3**	3
	3	3

30. Contingent liability

In March 2025 Livv Housing received a tribunal claim from UNISON and UNITE for inducement relating to union membership, activities or collective bargaining.

The number of claimants is yet to be finalised and as such are yet to properly particularise their claims (including the financial value of the claims).

Livv Housing has disclosed this as a contingent liability given the claim is still to be determined. It is too early to assess if there could be any financial impact.

In the current and previous years, Livv Housing Group has treated income generated by solar panels as trading in nature. If HMRC were to challenge the approach taken and determine that the income should be treated as miscellaneous in nature, tax would become payable of £87,800 and would be treated as a prior year tax charge.

Notes to the Financial Statements (continued)

31. Capital commitments

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Expenditure contracted for but not provided in the accounts	**18,593**	37,554	**18,593**	37,554
Expenditure authorised by the Board but not contracted for	**63,114**	62,900	**63,114**	62,900
	81,707	100,454	**81,707**	100,454

These commitments will be financed from cash reserves, future retained surpluses and borrowings available for drawdown from existing loan facilities. The development programme will also receive grant support, and will generate sales proceeds income.

32. Operating Leases

During the year, the Group and the Association had minimum lease payments outstanding under non-cancellable operating leases as follows:

	Group		Association	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Others:				
In one year or less	**555**	556	**11**	12
Between one and five years	**19**	246	**19**	31
	574	802	**30**	43

Notes to the Financial Statements (continued)

33. Related parties

The Association maintains a register of interests of board members. This register is available for inspection at the Association's Head Office.

During the year, the Association transacted with fellow wholly owned group undertakings consolidated in the accounts of the Livv Housing Group, as set out below. There are no guarantees given over and above the normal trading terms set out in the intra-group service agreements. There is no provision required for uncollectible balances and no bad debt expense is required.

	Association	
	2025 £'000	2024 £'000
Recharge by subsidiary		
Livv Maintenance Limited - non-regulated	**1,136**	1,787
First Ark Financial Investments Limited (FASI) - non-regulated	**26**	35
Livv Homes Limited	**4**	2
	1,166	1,824
Recharge by service		
Management services	**1,029**	997
Gift Aid	**137**	827
	1,166	1,824

Management services are corporate recharges which include Finance, Human Resources, Finance, IT, Marketing and Communications costs, using an agreed methodology including time, headcount and service usage. Gift Aid relates to Livv Maintenance Limited and Livv Homes Limited's results in financial year 2023-24 but was received by the Association in financial year 2024-25.

	Association	
	2025 £'000	2024 £'000
The Association received charges from:		
Livv Maintenance Limited - non-regulated	**33,802**	**29,699**

This charge relates to the provision of property repair and facilities management services based on an agreed fee structure set out in the service agreement between Livv Housing Group and Livv Maintenance Limited.

	Association	
	2025 £'000	2024 £'000
Creditors: amounts falling due within one year (note 22)		
Livv Maintenance Limited - non-regulated	**3,308**	**2,332**

Notes to the Financial Statements (continued)

34. Analysis of net debt

	Group				Association			
	At 1 April 2024	**Cash flows**	**Non-Cash Movement**	**At 31 March 2025**	**At 1 April 2024**	**Cash flows**	**Non-Cash Movement**	**At 31 March 2025**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cash and Investments	11,805	347	-	**12,152**	9,908	470	-	**10,378**
Debt due within one year	-	-	-	**-**	-	-	-	**-**
Debt due within two to five years	(60,672)	265	-	**(60,407)**	(60,000)	-	-	**(60,000)**
Debt due after five years	(106,314)	-	(23,200)	**(129,514)**	(106,314)	-	(23,200)	**(129,514)**
Net movement	**(155,181)**	**612**	**(23,200)**	**(177,769)**	**(156,406)**	**470**	**(23,200)**	**(179,136)**