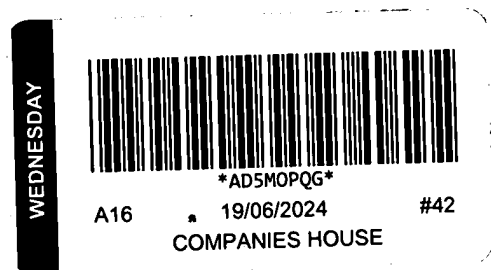


# ERF Trustee (No.5) Limited

Registered in England and Wales No. 5492514

## Annual Report and Financial Statements 2023



**Contents**

---

	Page
Directors and officer .....	3
Strategic report .....	4
Directors' report .....	5
Independent auditors' report .....	7
Accounting policies .....	10
Income statement .....	12
Statement of financial position .....	13
Statement of changes in equity .....	14
Statement of cash flows .....	15
Notes to the financial statements .....	16
1. Details of Income .....	16
2. Details of expenses .....	16
3. Directors' remuneration .....	16
4. Auditors' remuneration .....	16
5. Ordinary share capital .....	16
6. Retained earnings .....	17
7. Payables and other financial liabilities .....	17
8. Statement of cash flows disclosures .....	17
9. Capital structure .....	17
10. Related party transactions .....	18

## Directors and officer

---

### Directors

D Wynne

I Kyriakopoulos

Wilmington Trust SP Services (London) Limited

### Officer – Company Secretary

Wilmington Trust SP Services (London) Limited

### Independent Auditors

PricewaterhouseCoopers LLP

7 More London Riverside

London

SE1 2RT

### Registered office

Wilmington Trust SP Services (London) Limited

Third Floor

1 King's Arms Yard

London

EC2R 7AF

### Company number

Registered in England and Wales no. 5492514

## Strategic report

The directors present their strategic report for the Company for the year ended 31 December 2023.

### Review of the Company's business

#### Principal activities

The principal activity of the Company is to hold on trust the benefit of the portfolio of lifetime mortgages purchased by Equity Release Funding (No.5) plc (ERF5), together with any additional loans which may be funded by other beneficiaries, including Aviva Equity Release UK Limited (UKER) and the respective related security in trust for each of ERF5, other beneficiaries including UKER and Equity Release Holdings (No.5) Limited (ERH5) in accordance with their respective interest.

#### Significant events

There were no significant events in the year.

#### Financial position and performance

The financial position of the Company at 31 December 2023 is shown in the statement of financial position on page 13, with the trading results shown in the income statement on page 12 and the statement of cash flows on page 15.

Income for the year is £1.3 million (2022: £1.2 million) and Result before tax is £Nil (2022: £Nil).

#### Section 172 (1) statement

Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders in their decision making. The directors continue to have regard to the interests of the Company's stakeholders, including the impact of its activities on the community, the environment and the Company's reputation, when making decisions.

As a securitisation vehicle, the governance structure of the Company is such that the key policies have been predetermined at the time of issuance. The directors consider what is most likely to promote the success of the Company in the long term. The directors have had regards to the matters set out in section 172(1) of the Companies Act 2006 as follows:

- With reference to subsection (a) concerning the likely consequences of any decision in the long term: Transaction Documentation has been set up to achieve the Company's purpose and business objectives, safeguard the assets and promote the success of the Company with a long term view and as disclosed under the basis of preparation in Note A and in accordance with the relevant securitisation legislation the Company is only permitted to retain minimal profit.
- Due to the nature of the entity it has no employees therefore subsection (b) is not relevant.
- The Company operates within the parameters laid out by the transaction documents which governs how all the parties involved in the transaction interact, therefore subsection (c) and (e) is not relevant.
- Subsection (d) is not relevant as the Company's operations have no impact on the community or environment.
- The Company ownership structure is arranged such that subsection (f) has no impact.

#### Future outlook

The strategic direction of the Company is set by the directors of the Company. The directors consider that the Company's principal activities will continue unchanged for the foreseeable future.

#### Principal risks and uncertainties

The Company is exposed to financial risk through its financial assets and liabilities in the ordinary course of its business. The major component is credit risk, due to counterparties failing to meet all or part of their obligations in a timely fashion. Management are responsible for the identification, assessment, control and monitoring of risks and for reporting these in accordance with the Aviva Group's escalation criteria for assessment in terms of their probability and impact in accordance with Aviva Group policy.

#### Key performance indicators

The directors consider that the Company's key performance indicators (KPIs) that communicate the financial performance are as follows:

Measure	2023	2022
	£'000	£'000
Income for the year	1,333	1,166
Expense in the year	(1,333)	(1,166)
Result after tax for the year	Nil	Nil

By order of the Board on 13 June 2024



Ioannis Kyriakopoulos  
Director

## Directors' report

---

The directors submit their annual report and the audited financial statements for the Company for the year ended 31 December 2023.

### Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements are shown on page 3.

### Company Secretary

The Company Secretary is Wilmington Trust SP Services (London) Limited

### Dividends

The directors do not recommend the payment of a dividend for the year (2022: *£Nil*).

### Going concern

The directors believe that the Company is well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. For this reason, they continue to adopt, and to consider appropriate, the going concern basis in preparing the financial statements.

### Future outlook

Likely future developments in the business of the Company are discussed in the strategic report on page 4.

### Disclosure of information to the auditors

In accordance with section 418 of the Companies Act 2006, the directors in office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's External Auditors, PricewaterhouseCoopers LLP, are unaware and each director has taken all steps that ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that PricewaterhouseCoopers LLP are aware of that information.

### Independent auditors

Under the Competition and Markets Authority Regulations, the Company's ultimate controlling entity, Aviva plc, is required to tender for the provision of the external audit every 10 years. PricewaterhouseCoopers LLP was appointed for the first time for the 31 December 2012 financial year end and therefore a mandatory re-tender was required for the year ending 31 December 2022. The audit tender process was initiated during 2020 but, as previously reported, COVID-19 restrictions caused delays and Aviva sought a two-year extension from the FRC which was granted. Following a full and rigorous competitive tender process, which was overseen by Aviva's Audit Committee, the selection of Ernst & Young LLP was approved by the Aviva Board. PricewaterhouseCoopers LLP will undertake the audit for the financial year ending 31 December 2023 and, subject to their appointment by Aviva's shareholders at the 2024 Annual General Meeting, Ernst & Young LLP will undertake the audit for the financial year ending 31 December 2024.

### Directors' indemnity provisions

At no time during the year did any director hold a material interest in any contract of significance with the Company other than a third-party indemnity provision between each director and the Company.

### Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Directors' report (continued)**

---

The financial statements on pages 10 to 18 were approved on behalf of the Board on 13 June 2024



Ioannis Kyriakopoulos  
Director

## Independent auditors' report to the members of ERF Trustee (No.5) Limited

---

### Report on the audit of the financial statements

#### Opinion

In our opinion, ERF Trustee (No.5) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its result and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statement 2023 (the "Annual Report"), which comprise: the Statement of financial position as at 31 December 2023; the Income statement, the Statement of changes in equity and the Statement of cash flows for the year then ended; the Accounting policies; and the notes to the financial statements.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

#### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

## Independent auditors' report to the members of Equity Release Funding (no. 4) Trustees plc (continued)

---

### Responsibilities for the financial statements and the audit

#### Responsibilities of the directors for the financial statements

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

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

#### Auditors' 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 auditors' 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.

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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate reported results. Audit procedures performed by the engagement team included:

- Enquiring of management and those charged with governance around actual and potential litigation claims;
- Enquiring of management and those charged with governance to identify any instances of fraud or non-compliance with laws and regulations;
- Reviewing meeting minutes of those charged with governance;
- Reviewing financial statement disclosures and testing to support documentation to assess compliance with applicable laws and regulations;
- Reviewing key correspondence in relation to compliance with laws and regulations;
- Performing testing over the risk of management override of controls, including through testing journals entries posted by management, unusual account combinations and backdated journals;
- Assessing matters reported on the Aviva Group's whistleblowing helpline and fraud register and the results of management's investigation of such matters; and
- *Designing audit procedures to incorporate unpredictability around the nature, timing or extent of testing.*

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



## Independent auditors' report to the members of ERF Trustee (No. 5) Limited (continued)

---

### Other required reporting

#### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Sean Forster (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
13 June 2024

## Accounting policies

The Company, a limited company incorporated and domiciled in the United Kingdom (UK), holds on trust the benefit of the portfolio of lifetime mortgages.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

### (A) Basis of preparation

The financial statements of the Company have been prepared and approved by the directors in accordance with UK-adopted international accounting standards and the legal requirements of the Companies Act 2006

On 31 December 2020, IFRS as adopted by the EU at that date was brought into UK law and became UK-adopted International Accounting Standards, with future changes being subject to endorsement by the UK Endorsement Board. The Company transitioned to UK-adopted International Accounting Standards on 1 January 2021.

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

The financial statements have been prepared on the going concern basis as explained in the Directors' report on page 5.

The Company's financial statements are stated in pounds sterling, which is the Company's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling ("£000").

### New standards, amendments to published standards and interpretations that have been adopted by the Company

The Company has adopted the following amendments to standards which became effective for the annual reporting period beginning on 1 January 2023. The amendments have been issued and endorsed by the UK and do not have a significant impact on the Company's financial statements.

- (i) *Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies*
- (ii) *Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates*
- (iii) *Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- (iv) *Amendments to IAS 12 Income Taxes: International Tax Reform – Pillar Two Model Rules*

### Standards, interpretations and amendments to published standards that are not yet effective and have not been adopted early by the Company

The following amendments to existing standards have been issued, are not yet effective for the Company, and have not been adopted early by the Company. None of the amendments are expected to have a significant impact on the Company's financial statements.

#### (i) *Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*

Published by the International Accounting Standards Board (IASB) in January 2020. The amendments are effective for annual reporting beginning on or after 1 January 2024 and have been endorsed by the UK.

#### (ii) *Amendments to IAS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants*

Published by the IASB in October 2022. The amendments are effective for annual reporting beginning on or after 1 January 2024 and have been endorsed by the UK.

#### (iii) *Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback*

Published by the IASB in September 2022. The amendments are effective for annual reporting beginning on or after 1 January 2024 and have been endorsed by the UK.

#### (iv) *Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures: Supplier Finance Arrangements*

Published by the IASB in May 2023. The amendments are effective for annual reporting beginning on or after 1 January 2024 and have been endorsed by the UK.

#### (v) *Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*

Published by the IASB in August 2023. The amendments are effective for annual reporting beginning on or after 1 January 2025 and have yet to be endorsed by the UK.

#### (vi) *IFRS 18: Presentation and Disclosure of Financial Statements*

Published by the IASB in April 2024. The amendments are effective for annual reporting beginning on or after 1 January 2027 and have yet to be endorsed by the UK.

#### (vii) *IFRS 19: Subsidiaries without Public Accountability: Disclosures*

Published by the IASB in May 2024. The amendments are effective for annual reporting beginning on or after 1 January 2027 and have yet to be endorsed by the UK.

### (B) Critical accounting policies and use of estimates

The preparation of the Company's financial statements, in accordance with IFRS, requires management to make judgements, estimates and assumptions in applying the accounting policies that affect the reported amounts of assets, liabilities, income and expenses. There are no major areas of judgement on policy application for the Company.

All estimates are based on management's knowledge of current facts and circumstances, assumptions based on that knowledge and their predictions of future events and actions. Actual results may differ from those estimates, possibly significantly. There are no items considered to be particularly susceptible to changes in estimates and assumptions for the Company.

### (C) Cash and cash equivalents

Cash and cash equivalents consist of cash at banks and in hand.

### (D) Income

Income primarily consists of income received from other Group companies as reimbursement for the fees paid to the originator. The income is recognised when the corresponding fees are recognised. All of the Company's income arose in the United Kingdom.

## Accounting policies (continued)

---

### **(E) Operating expenses**

Operating expenses consist primarily of fees ultimately payable to the originator, UKER, for administration of the mortgage and loan note portfolios held on trust by the Company on behalf of ERF5.

### **(F) Payables and other financial liabilities**

Payables are initially recognised at cost, being fair value. Subsequent to initial measurement they are measured at amortised cost which, given the short-term nature of these items, is considered a reasonable approximation to fair value

### **(G) Share capital**

#### **Equity instruments**

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if:

(i) there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and

(ii) the instrument will not be settled by delivery of a variable number of shares or is a derivative that can be settled other than for a fixed amount of cash, shares or other financial assets.

**Income statement**

For the year ended 31 December 2023

	Note(s)	2023	2022
		£'000	£'000
<b>Income</b>			
Interest receivable	D & 1	1,333	1,166
		<b>1,333</b>	<b>1,166</b>
<b>Expenses</b>			
Operating expenses	E & 2	(1,333)	(1,166)
		<b>(1,333)</b>	<b>(1,166)</b>
<b>Result for the year</b>		<b>—</b>	<b>—</b>

The Company has no other comprehensive income.

The accounting policies (identified alphabetically) and notes (identified numerically) are an integral part of these financial statements.

**Statement of financial position**

As at 31 December 2023

	Note(s)	2023 £'000	2022 £'000
<b>Assets</b>			
Cash and cash equivalents	C & 8(b)	<b>11,066</b>	9,050
<b>Total assets</b>		<b>11,066</b>	9,050
<b>Equity</b>			
Ordinary share capital	G & 5	—	—
<b>Total equity</b>		—	—
<b>Liabilities</b>			
Payables and other financial liabilities	F & 7	<b>11,066</b>	9,050
<b>Total liabilities</b>		<b>11,066</b>	9,050
<b>Total equity and liabilities</b>		<b>11,066</b>	9,050

The accounting policies (identified alphabetically) and notes (identified numerically) are an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 13 June 2024 and signed on its behalf by:



Ioannis Kyriakopoulos

Director

**Statement of changes in equity**

For the year ended 31 December 2023

			2023
	Ordinary share capital	Retained earnings	Total equity
	£'000	£'000	£'000
<b>Opening Balance at 1 January 2023</b>	—	—	—
Result for the year	—	—	—
<b>Balance at 31 December 2023</b>	—	—	—
			2022
	Ordinary share capital	Retained earnings	Total equity
	£'000	£'000	£'000
<b>Opening Balance at 1 January 2022</b>	—	—	—
Result for the year	—	—	—
<b>Balance at 31 December 2022</b>	—	—	—

The accounting policies (identified alphabetically) and notes (identified numerically) are an integral part of these financial statements.

**Statement of cash flows**

For the year ended 31 December 2023

	Note(s)	2023	2022
		£'000	£'000
<b>Cash flows from operating activities</b>			
Cash generated from / (used in) operating activities	8(a)	<b>2,016</b>	(1,061)
<b>Total net cash generated from / (used in) operating activities</b>		<b>2,016</b>	(1,061)
<b>Total net increase / (decrease) in cash and cash equivalents</b>			
Cash and cash equivalents at 1 January		<b>9,050</b>	10,111
<b>Cash and cash equivalents at 31 December</b>	8(b)	<b>11,066</b>	9,050

The accounting policies (identified alphabetically) and notes (identified numerically) are an integral part of these financial statements.

**Notes to the financial statements****1. Details of income**

	2023	2022
	£'000	£'000
Interest receivable	232	44
Reimbursement of other operating expenses	1,101	1,122
<b>Total income</b>	<b>1,333</b>	<b>1,166</b>

**2. Details of expenses**

	2023	2022
	£'000	£'000
Reimbursement of interest receivable	232	44
Other operating expenses	1,101	1,122
<b>Total expenses</b>	<b>1,333</b>	<b>1,166</b>

The Company has no employees (2022; Nil)

**3. Directors' remuneration**

Wilmington Trust SP Services (London) Limited received fees of £2,396 (2022: £2,400) including VAT during the year to 31 December 2023, in respect of structuring and management services. The other named Directors are employed by Wilmington Trust SP Services (London) Limited; no fees were paid to them directly. Fees payable to Wilmington Trust SP Services (London) Limited in respect of structuring and management services were borne by a fellow group undertaking.

**4. Auditors' remuneration**

The total remuneration payable by the Company, excluding VAT, to its auditors, PricewaterhouseCoopers LLP is as follows:

	2023	2022
	£'000	£'000
Fees payable to PricewaterhouseCoopers LLP for the statutory audit of the Company's financial statements	5	5
	<b>5</b>	<b>5</b>

Fees in respect of the audit have been borne by a fellow group undertaking. No non-audit services were provided during the year by PricewaterhouseCoopers LLP

**5. Ordinary share capital**

	2023	2022
	£	£
Authorised share capital of the Company		
100 ordinary shares of £1 each (2022: 100)	100	100
Allotted, called up and fully paid share capital of the Company		
2 ordinary shares of £1 each (2022: 2)	2	2

Ordinary shares in issue in the Company rank pari passu. All the ordinary shares in issue carry the same right to receive all dividends and other distributions declared, made or paid by the Company.



**Notes to the financial statements (continued)****6. Retained earnings**

	2023	2022
	£'000	£'000
Balance at 1 January	—	—
Result for the year	—	—
<b>Balance at 31 December</b>	<b>—</b>	<b>—</b>

**7. Payables and other financial liabilities**

	2023	2022
	£'000	£'000
Amounts due to Equity Release Funding (No.5) plc	<b>11,066</b>	9,050
<b>Total as at 31 December</b>	<b>11,066</b>	<b>9,050</b>

Of the above total £Nil (2022: £Nil) is expected to be paid more than one year after the statement of financial position date.

**8. Statement of cash flows disclosures****(a) The reconciliation of results before tax to the net cash inflow from operating activities is:**

	2023	2022
	£'000	£'000
<b>Result before tax</b>	—	—
<b>Changes in working capital:</b>		
Increase / (decrease) in payables and other financial liabilities	<b>2,016</b>	(1,061)
<b>Total cash generated from / (used in) operating activities</b>	<b>2,016</b>	<b>(1,061)</b>

**(b) Cash and cash equivalents in the statement of cash flows at 31 December comprise:**

	2023	2022
	£'000	£'000
Cash at bank and in hand	<b>11,066</b>	9,050

**9. Capital structure**

The Company is not subject to any externally imposed capital requirements. The Company manages shareholders' equity of £2 (2022: £2) as capital.

In managing its capital, the Company seeks to retain financial stability by maintaining a strong balance sheet position and sufficient liquidity to meet its obligations.

**Notes to the financial statements (continued)****10. Related party transactions**

The Company has the following transactions with related parties in the normal course of business..

**(a) Expenses payable to related parties**

	2023	2022
	Expenses incurred in year	Expenses incurred in year
	£'000	£'000
Equity Release Funding (No.5) Plc	<b>1,333</b>	1,166

**(b) Income receivable from related parties**

	2023	2022
	Income received in year	Income received in year
	£'000	£'000
Equity Release Funding (No.5) Plc	<b>1,333</b>	1,166

**(c) Payable at year end**

	2023	2022
	£'000	£'000
Equity Release Funding (No.5) Plc	<b>11,066</b>	9,050

**(d) Key management compensation**

Fees payable to Wilmington Trust SP Services (London) Limited in respect of structuring and management services were borne by a fellow group undertaking. There are no amounts receivable from or payments due to members of key management.

**(e) Parent entity**

The immediate parent undertaking is Equity Release Holdings (No.5) Limited, a company incorporated in England and Wales.

**(f) Ultimate controlling entity**

The ultimate controlling entity, and parent of the largest and smallest groups which consolidate the results of the Company, is Aviva plc. Its Group Financial Statements are available on application to the Group Company Secretary, Aviva plc, 80 Fenchurch Street, London EC3M 4AE, and on the Aviva plc website at [www.aviva.com](http://www.aviva.com).