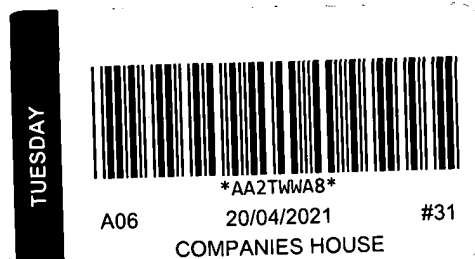


Elan Homes SEQ Limited

Annual report and financial statements

Registered number 05394485

Period ended 3 January 2021



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Directors' report

Principal Activity

The company's principal activity during the period was the administering and collection of an existing portfolio of second charge shared equity loans.

Development of the business and position at the end of the period

The company's retained profit for the period was £445,000 (52 weeks to 29 December 2019: £98,000) and the net assets as at 3 January 2021 were £1,058,000 (29 December 2019: £613,000).

The COVID19 outbreak and the temporary lockdown within the UK has adversely affected the business but at present this is only seen as being a timing delay in the collection of balances due under shared equity loans and secured by way of second charges against properties.

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors

The directors who held office during the period were as follows:

A Bravington

P Halliwell

J Kendrick

R Rafferty

All of the directors benefit from qualifying third party indemnity provisions in place during the financial period and at the date of this report.

Political contributions

The Company made no political donations or incurred any political expenditure during the period.

S172 Statement

The Company has met the requirements in the Companies Act 2006 to obtain the exemption provided, based on its size, from the requirement to prepare a strategic report.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



A Bravington
Secretary
6 April 2021

2nd Floor, Colmore Court,
9 Colmore Row,
Birmingham, B3 2BJ

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

ABCD

KPMG LLP
8 Princes Parade
Liverpool
L3 1QH
United Kingdom

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELAN HOMES SEQ LIMITED

Opinion

We have audited the financial statements of Elan Homes Limited ("the company") for the period ended 3 January 2021 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 3 January 2021 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

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

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELAN HOMES SEQ LIMITED *(continued)*

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- Enquiring of directors as to the Company’s policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Review of Board minutes.
- Considering remuneration incentive schemes and performance targets for management
- Using analytical procedures to identify any unusual or unexpected relationships.

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

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Company’s management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as valuation of shared equity debtors. On this audit we do not believe there is a fraud risk related to revenue recognition due to this entity not generating revenue.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included unexpected cash receipts/payments to cash/borrowings, unexpected journal entries to revenue.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

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

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELAN HOMES SEQ LIMITED *(continued)*

Fraud and breaches of laws and regulations – ability to detect *(continued)*

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations (continued)

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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

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

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

Directors' report

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

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

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELAN HOMES SEQ LIMITED *(continued)*

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

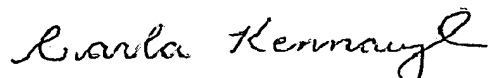
Auditor's responsibilities

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

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

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

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Carla Kennaugh (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Princes Parade
Liverpool
L3 1QH
6 April 2021

Profit and Loss Account
for the 53 weeks to 3 January 2021

	Note	53 weeks to 3 January 2021 £000	52 weeks to 29 December 2019 £000
Turnover	2	-	-
Cost of Sales		-	-
		<hr/>	<hr/>
Gross Profit		-	-
Other operating income		548	119
		<hr/>	<hr/>
Operating profit	3-5	548	119
Interest receivable	6	1	1
		<hr/>	<hr/>
Profit before taxation		549	120
Tax on profit on ordinary activities	7	(104)	(22)
		<hr/>	<hr/>
Profit for the financial period		<u>445</u>	<u>98</u>

Other Comprehensive Income
for the 53 weeks to 3 January 2021

	Note	53 weeks to 3 January 2021 £000	52 weeks to 29 December 2019 £000
Profit for the period		445	98
Other comprehensive income for the period, net of income tax		-	-
		<hr/>	<hr/>
Total comprehensive income for the period		<u>445</u>	<u>98</u>

The notes on pages 10 to 16 form part of these financial statements.

Balance Sheet

at 3 January 2021

	Note	3 January 2021 £000	29 December 2019 £000
Current Assets:			
Debtors: amounts falling due within year	8	816	212
Debtors: amounts falling due after one year	8	242	401
		<hr/>	<hr/>
Net Assets		1,058	613
		<hr/>	<hr/>
Capital and Reserves			
Called up share capital	9	-	-
Profit and loss account		1,058	613
		<hr/>	<hr/>
Shareholder's funds		1,058	613
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 6 April 2021 and were signed on its behalf by:



J Kendrick
Director



A Bravington
Director

Company registered number: 05394485

The notes on pages 10 to 16 form part of these financial statements.

Statement of Changes in Equity

	Called up share capital £000	Profit and Loss Account £000	Total Equity £000
Balance at 30 December 2018	-	515	515
Total comprehensive income for the period			
Profit or loss	-	98	98
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	98	98
	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly in equity			
Total contributions by and distributions to owners	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 29 December 2019	-	613	613
Total comprehensive income for the period			
Profit or loss	-	445	445
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	445	445
	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly in equity			
Total contributions by and distributions to owners	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 3 January 2021	-	1,058	1,058
	<hr/>	<hr/>	<hr/>

The notes on pages 10 to 16 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Elan Homes SEQ Limited (*the "Company"*) is a company limited by shares and incorporated and domiciled in the UK.

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

The Company's intermediate parent undertaking, Elan Homes Holdings Limited, and its ultimate parent undertaking, Amber Residential Properties Limited, includes the Company in their consolidated financial statements. The consolidated financial statements of Elan Homes Holdings Limited and Amber Residential Properties Limited are prepared in accordance with FRS102 and are available to the public and may be obtained from 2nd Floor, Colmore Court, 9 Colmore Row, Birmingham, B3 2BJ.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

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

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except for shared equity loans which are recorded within other debtors at fair value.

1.2 Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate. In reaching this decision the directors have considered latest forecasts, covenant calculations and contractual agreements as well as taking into account the ongoing uncertainty regarding the impact of Coronavirus.

The directors have prepared cash flow forecasts for a period of 15 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides and the impact of Coronavirus on the operations and its financial resources, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

Amounts receivable from debtors are stated at fair value and there have been no recovery issues against balances due that have been identified in the period since 3 January 2021 to the date of these financial statements.

Consequently, the Directors are of the opinion that the Company has sufficient financing facilities available to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Notes (continued)

1 Accounting policies (continued)

1.3 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy. Transaction costs are allocated between the debt component and the equity component on the basis of their relative fair values.

1.4 Basic financial instruments

Trade and other creditors

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

1.5 Other financial instruments

Financial instruments not considered to be basic financial instruments (other financial instruments)

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

1.6 Turnover

Turnover represents amounts (excluding value added tax) derived from the sale of residential properties which is recognised on the day in which completion takes place. Turnover excludes value added tax.

1.7 Other operating income

Other operating income represents realised and unrealised gains on assets recognised at fair value.

1.8 Taxation

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

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Notes (continued)

1 Accounting policies (continued)

1.8 Taxation (continued)

Deferred taxation is not provided on timing differences arising from the revaluation of fixed assets in the financial statements. A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future renewal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

1.9 Provisions

Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

1.10 Accounting estimates and judgements

Management consider the following to be major sources of estimation that have been made in these financial statements:

Recoverability of other debtors relating to shared equity loans

Included in other debtors are balances due under shared equity loans secured by way of second legal charges over the properties acquired by customers in previous periods. The loans have repayment dates on the earlier of the onward sale of each property and the 10th anniversary. To determine the value of the debtor to be recognised at each year end the Group undertakes a review of investment risk in respect of the properties themselves, current and local market conditions, historic credit risk and performance by location and property type, age of the debt as well as any other known information. Other debtor balances recognised in respect of shared equity loans are £578,000 as at 3 January 2021 (29 December 2019: £401,000) following a fair value review which resulted in an increase in the carrying value of £247,000 which has been credited in the profit and loss account for the 53 weeks ended 3 January 2021 (52 weeks to 29 December 2019: impairment loss of £91,000).

Judgements

In the course of preparing the financial statements, no major judgements have been made in the process of applying the Group's accounting policies, other than those involving estimation, as set out above, that have had a significant effect on the amounts recognised in the financial statements.

2 Turnover

The company did not have any turnover during the period (52 weeks to 29 December 2019: none).

3 Expenses and auditor's remuneration

Included in profit / (loss) are the following:

	53 weeks to 3 January 2021	52 weeks to 29 December 2019
	£000	£000
Fair value (gain) /loss on other debtors	(247)	91

Audit fees of £nil were borne by Elan Homes Limited, a fellow group undertaking (52 weeks to 29 December 2019: £250).

4 Staff numbers and costs

The company does not employ any staff (52 weeks to 29 December 2019: none).

Notes (continued)

5 Directors' remuneration

The directors were not remunerated for providing services to the Company.

6 Interest receivable

	53 weeks to 3 January 2021 £000	52 weeks to 29 December 2019 £000
Total other interest payable and similar charges	-	1

7 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	53 weeks to 3 January 2021 £000	52 weeks to 29 December 2019 £000
Current tax		
Current tax on income for the period	104	22
Adjustments in respect of prior periods	-	-
Total current tax	104	22
Deferred tax		
Change in tax rate	-	-
Total deferred tax	-	-
Total tax	104	22

	53 weeks to 3 January 2021	52 weeks to 29 December 2019
	£000	£000
	Current tax	Deferred tax
Recognised in Profit and loss account	104	-
Recognised in other comprehensive income	-	-
Recognised directly in equity	-	-
Total tax	104	22

Notes (continued)

7 Taxation (continued)

Analysis of current tax recognised in profit and loss

	53 weeks to 3 January 2021 £000	52 weeks to 29 December 2019 £000
UK corporation tax	104	22
	<hr/>	<hr/>
Total current tax recognised in profit and loss	104	22
	<hr/> <hr/>	<hr/> <hr/>

Reconciliation of effective tax rate

	53 weeks to 3 January 2021 £000	52 weeks to 29 December 2019 £000
Profit for the period	445	98
Total tax expense	104	22
	<hr/>	<hr/>
Profit excluding taxation	549	120
	<hr/> <hr/>	<hr/> <hr/>
Tax using the UK corporation tax rate of 19% (52 weeks to 29 December 2019: 19%)	104	22
Expenses not deductible for tax purposes	-	-
	<hr/>	<hr/>
Total tax expense included in profit or loss	104	22
	<hr/> <hr/>	<hr/> <hr/>

Factors affecting the tax charge in future years

The UK corporation tax standard rate for the period is 19% (52 weeks ended 29 December 2019: 19%). A UK corporation tax rate of 25% (effective 1 April 2023) was substantively enacted on 3 March 2021 increasing the future tax rate accordingly.

Notes (continued)

8 Debtors

	3 January 2021 £000	29 December 2019 £000
Amounts owed by group undertakings	480	212
Other debtors	578	401
	<u>1,058</u>	<u>613</u>
	<u><u>1,058</u></u>	<u><u>613</u></u>
Debtors falling due within one year	816	212
Debtors falling due after one year	242	401
	<u>1,058</u>	<u>613</u>
	<u><u>1,058</u></u>	<u><u>613</u></u>

9 Capital and reserves

Share capital

	3 January 2021 £	29 December 2019 £
Allotted, called up and fully paid 1 ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>
Shares classified as liabilities	-	-
Shares classified in shareholders' funds	1	1
	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Dividends

No dividends have been declared after the balance sheet date up to the date that these financial statements were signed.

10 Contingent Liabilities

The company has entered into a cross guarantee and debenture covering some but not all, of the bank borrowings of other companies in the Group amounting to £20,000,000 (29 December 2019: £26,000,000). Elan Homes SEQ Limited considers this cross guarantee to be an insurance arrangement.

Notes (continued)

11 Financial instruments

Carrying amount of financial instruments

The carrying value of amounts of the financial assets and liabilities include:

	3 January 2021 £000	29 December 2019 £000
<i>Assets measured at fair value through profit or loss</i>		
Other debtors	578	401

Financial instruments measured at fair value

Other debtors include shared equity loans where the Group has provided a 10 year or 25 year loan for a proportion of the sales price, and retains a second charge over the residential property sold. The fair value of shared equity loans is determined using market assumptions for the likely period to redemption, movements in UK house prices and the default risk of the debtors.

The fair value of the shared equity loans has increased in the year as a result of a fair value gain of £247,000 (52 weeks ended 29 December 2019: loss of £91,000). The remainder of the movement in shared equity loans in the period is attributable to loan redemptions.

The shared equity loans are subject to movements in fair value prior to redemption including changes in the market value of each residential property and the default risk. The directors believe that the market exposure is minimal based on long-term house price inflation and that the exposure for default risk is adequately factored into the determined fair value of the debts.

12 Ultimate Parent Company and Ultimate Controlling Parties

The ultimate parent undertaking is Amber Residential Properties Limited, a company incorporated and domiciled in the UK. A copy of the consolidated financial statements for Amber Residential Properties Limited can be obtained from 2nd Floor, Colmore Court, 9 Colmore Row, Birmingham, B3 2BJ.

The ultimate controlling parties are RS Boparan and BK Boparan.