

Equity Release Funding (No.5) plc

Directors and Officers

Directors

M Clarke
M H Filer
Wilmington Trust SP Services (London) Limited

Company Secretary

Wilmington Trust SP Services (London) Limited

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Benson House
33 Wellington Street
Leeds
LS1 4JP

Registered Office

c/o Wilmington Trust SP Services (London) Limited
Third Floor
1 King's Arms Yard
London
EC2R 7AF

Company Number

Registered in England No 5495271

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Equity Release Funding (No.5) plc

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Equity Release Funding (No.5) plc

Registered in England No 5495271

Directors' report

The directors present their annual report and audited financial statements for Equity Release Funding (No 5) plc (the Company) for the year ended 31 December 2012

Directors

The names of the present directors of the Company appear on page 1

S Masson resigned as a director of the Company on 7 January 2013. M Clarke was appointed as director of the Company on the same date.

Business review, principal activities and future outlook

The principal strategy and objective for the Company is investment in lifetime mortgage loans secured by first charges over properties within the United Kingdom using external funding, and to grant security over its assets. The directors consider that this strategy will continue unchanged into the foreseeable future.

The main assets of the Company consist of a largely closed book of lifetime mortgage loans. Cash flows received from these mortgages upon redemption are utilised to pay expenses and to repay the borrowings of the Company.

During the term of this transaction, any amounts realised from the mortgage portfolio in excess of that due to the providers of the funding, less any related administrative costs and the Company's entitlement of 0.01% of interest accruing on the mortgages, will be payable to the originator, Aviva Equity Release UK Limited (UKER), a wholly owned subsidiary of Aviva Life & Pensions UK Limited (ultimate controlling entity Aviva plc). Any cash shortfalls will ultimately be borne by the noteholders.

Changes in market conditions have led to revisions in credit risk assumptions and changes in the discount rate. This has resulted in large fair value movements in the mortgage and loan note balances over their lives, which do not off-set.

The entity bears the risk of sustained underperformance in the House Price Index (HPI), with the resultant increase in the likelihood that the mortgage debt will exceed the proceeds of the property sale at the date of redemption. However, due to the relatively low loan to values of the mortgages, where property price risk remains, house price values would have to be significantly lower than worst case market forecasts for house price deflation, coupled with an unexpected rise in short term mortality and morbidity rates, for the Company to make significant losses on negative equity.

Principal risks and uncertainties

A description of the principal risks and uncertainties facing the Company and its risk management policies are set out in note 17 to the financial statements.

Key performance indicators ('KPIs')

Income for the year is £24.7 million (2011: £24.2 million)

Finance costs and fee and commission expenses for the year are £24.7 million (2011: £24.2 million)

Profit after tax for the year is £2,000 (2011: £3,000)

Financial position and performance

The financial position of the Company at 31 December 2012 is shown in the statement of financial position on page 12, with the results shown in the income statement on page 11 and the statement of cash flows on page 14.

Equity Release Funding (No.5) plc

Directors' report (continued)

Financial instruments

The business of the Company includes the use of financial instruments. Details of the Company's risk management objectives and policies and exposures to risk relating to financial instruments are set out in note 17 to the financial statements.

Dividend

The directors do not recommend the payment of a dividend for the year (2011 £nil)

Directors' indemnity arrangements

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

Independent auditors

Following a competitive tender process by the Company's ultimate controlling entity, Aviva plc, PricewaterhouseCoopers LLP were appointed as auditors to the Company for the year ended 31 December 2012 in accordance with the provisions of the Companies Act 2006.

It is the intention of the directors to reappoint the auditor under the deemed appointment rules of Section 487 of the Companies Act 2006.

Disclosure of information to the auditors

Each person who was a director of the Company on the date that this report was approved, confirms that

- so far as the director is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

Corporate governance

The Company's ultimate controlling party is Aviva Plc. As part of the Group, the directors are committed to high standards of Corporate Governance and support The UK Corporate Governance Code (2010) ('the Corporate Governance Code'). The Group's Corporate Governance manual is available on the Group website at www.aviva.com.

A Group Reporting Manual, including International Financial Reporting Standards (IFRS), has been defined and rolled out across the Group. A Financial Reporting Control Framework (FRCF) is in place across the Group. FRCF relates to the preparation of reliable financial reporting and preparation of local financial statements in accordance with IFRS. FRCF also allows compliance with the requirements of the Sarbanes-Oxley Act 2002.

The FRCF process follows a risk based approach, with management identification, assessment (documentation and testing), remediation as required, reporting and certification over key financial reporting related controls. Management quality assurance procedures over the application of the FRCF process are signed off by the business unit and regional Chief Executives and Chief Financial Officers.

Equity Release Funding (No.5) plc

Directors' report (continued)

Statement of directors' responsibilities

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 year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board



Mignon Clarke for and behalf of

Wilmington Trust SP Services (London) Limited

Company Secretary

27 June 2013

Equity Release Funding (No.5) plc

Independent auditors' report

Independent auditors' report to the members of Equity Release Funding (No.5) plc

We have audited the financial statements of Equity Release Funding (No 5) plc for the year ended 31 December 2012 which comprise the Accounting Policies, the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 5), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of, whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit and cashflows for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

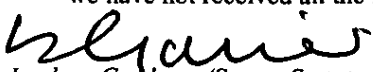
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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


Lindsay Gardiner (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds

27 June 2013

Equity Release Funding (No.5) plc

Accounting policies

The Company, a public limited company incorporated and domiciled in the United Kingdom (UK), invests in lifetime mortgage loans

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 presentation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as endorsed by the European Union (EU). In addition to fulfilling their legal obligation to comply with IFRS as adopted by the EU, the Company has also complied with IFRS as issued by the IASB and applicable at 31 December 2012. The financial statements have been prepared under the historical cost convention, except financial instruments that have been measured at fair value through profit and loss.

The financial statements are prepared on the going concern basis and in accordance with the Companies Act 2006.

The Company has adopted the following new amendments to standards which became effective for financial years beginning on or after 1 January 2012. Neither of these amendments has a material impact on these financial statements.

- (i) Amendment to IFRS 7, Financial Instruments – Disclosures, relating to the transfer of financial assets
- (ii) Amendment to IAS 12, Income Taxes, relating to deferred tax

The IASB has issued a number of standards and amendments which are applicable for accounting periods beginning on or after 1 January 2013 and are therefore not applicable for the current accounting period, namely IFRS 10, Consolidated Financial Statements, IFRS 11, Joint Arrangements, IFRS 12 Disclosure Of Interest In Other Entities, IFRS 13, Fair Value Measurement, reissues of IAS 27, Separate Financial Statements and IAS 28, Investments in Associates and Joint Ventures and amendments to IFRS 7, Financial Instruments - Disclosures. These have all been endorsed by the EU. IFRS 10 is expected to have a significant impact on the recognition and measurements of interest in other entities. The full impact of the changes has yet to be assessed.

IFRS 9, Financial Instruments, will replace IAS 39, Financial Instruments – Recognition and Measurement. IFRS 9 is applicable prospectively for accounting periods beginning on or after 1 January 2015 and is therefore not applicable for the current accounting period. IFRS 9 has not yet been endorsed by the EU but, on adoption, will require us to review the classification of certain financial instruments while allowing us to retain fair value measurement as we deem necessary. We have not yet completed our assessment of its impact which is, to a large extent, dependent on the finalisation of the IASB's insurance contracts accounting project.

Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£000).

(B) Use of estimates

The preparation of financial statements requires the Company to select accounting policies and make estimates and assumptions that affect items reported in the income statement, statement of financial position, other primary statements and notes to the financial statements. This is particularly so in the estimation of loan assets, for which further details are given in policy H and note 7. 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 can always differ from those estimates, possibly significantly.

The table below sets out those items that are considered particularly susceptible to changes in estimates and assumptions, and the relevant accounting policy.

Equity Release Funding (No.5) plc

Accounting policies (continued)

Item	Accounting policy
Financial instruments	F
Derivative financial instruments	G
Loans	H
Borrowings	L
Payables and other financial liabilities	N

(C) Interest and similar income

Interest and similar income consists of interest receivable for the year. Interest income is recognised as it accrues, taking into account the effective yield on the investment.

(D) Other operating income

Other operating income consists of bank interest and reinsurance rebates.

(E) Fee and commission expense

Fee and commission expense consists primarily of fees payable to the originator, UKER, for administration of the mortgage and loan note portfolios.

(F) Financial instruments

The Company classifies the lifetime mortgages, the associated liabilities and derivative financial instruments at fair value, since they are managed as a portfolio on a fair value basis. Presentation at fair value provides more relevant information and ensures that any accounting mismatch is minimised.

The fair value category has two sub-categories – those that meet the definition as being held for trading and those the Company chooses to designate as fair value (referred to in this accounting policy as ‘other than trading’). Derivative financial instruments are classified as trading. All other financial instruments in the fair value category are classified as other than trading.

Changes in the fair value of trading and other than trading investments are included in the income statement in the period in which they arise.

Instruments carried at fair value are measured using a fair value hierarchy, described in note 6, with values based on amounts derived from cash flow models which include a risk adjusted discount rate to reflect the risks associated with these products.

(G) Derivative financial instruments

Derivative financial instruments include interest rate swaps, interest rate options and other financial instruments that derive their value mainly from underlying interest rates. All derivatives are initially recognised in the statement of financial position at their fair value, which usually represents their cost. They are subsequently re-measured at their fair value. The fair values are obtained from quoted market prices or, if these are not available, by using valuation techniques such as discounted cash flow models or option pricing models. All derivatives are carried as assets when the fair values are positive and as liabilities when the fair values are negative. Premiums paid for derivatives are recorded as an asset on the statement of financial position at the date of purchase, representing their fair value at that date.

All of the Company’s derivative contracts are over-the-counter (OTC). OTC derivative contracts are individually negotiated between contracting parties and include options, swaps, caps and floors. Derivatives are subject to various risks including market, liquidity and credit risk, similar to those related to the underlying financial instruments. Many OTC transactions are contracted and documented under International Swaps and Derivatives Association (ISDA) master agreements or their equivalent, which are designed to provide legally enforceable set-off in the event of default, reducing the Group’s exposure to credit risk.

The notional or contractual amounts associated with derivative financial instruments are not recorded as assets or liabilities on the statement of financial position as they do not represent the fair value of these transactions. These amounts are disclosed in note 18.

Equity Release Funding (No.5) plc

Accounting policies (continued)

Swaps

Swaps are contractual agreements between two parties to exchange periodic payments in the same currency, each of which is computed on a different interest rate or inflation basis on a specified notional amount. Most swaps involve the net exchange of payments calculated as the difference between the fixed and floating rate interest payments. Exposure to gain or loss on swap contracts will increase or decrease over their respective lives as a function of maturity dates, interest rates, and the timing of payments.

Options

Options, which consist primarily of caps and floors, are interest rate protection instruments that involve the obligation of the seller to pay the buyer an interest rate differential in exchange for a premium paid by the buyer. This differential represents the difference between current rate and an agreed rate applied to a notional amount. Exposure to gain or loss on all interest rate options contracts will increase or decrease over their respective lives as a function of maturity dates, interest rates, and the timing of payments.

(H) Loans

Lifetime mortgages are designated at fair value through profit and loss, since they are managed as a portfolio on a fair value basis, and presentation at fair value provides more relevant information and ensures that any accounting mismatch with the associated liabilities is minimised. The fair values are estimated using discounted cash flow models. These include a risk adjusted discount rate to reflect the risks associated with these products. They are revalued at each period end, with movements in their fair values being taken to the income statement.

(I) Collateral

The Company receives and pledges collateral in the form of cash or non-cash assets in respect of certain derivative contracts and loans, in order to reduce the credit risk of these transactions.

Collateral received in the form of cash, which is not legally segregated from the Company, is recognised as an asset in the statement of financial position with a corresponding liability for the repayment.

Non-cash collateral pledged is not derecognised from the statement of financial position unless the Company defaults on its obligations under the relevant agreement, and therefore continues to be recognised on the statement of financial position within the appropriate asset classification.

(J) Statement of cash flows

Cash and cash equivalents

Cash and cash equivalents consist of cash at banks and in hand, deposits held on call with banks, treasury bills and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Such investments are those with less than three months' maturity from the date of acquisition, or which are redeemable on demand with only an insignificant change in their fair values.

Operating cash flows

Purchases and sales of loans and financial investments are included within operating cash flows as they represent the operating activities of the Company.

(K) Income taxes

The current tax expense is based on the taxable profits for the year, after any adjustments in respect of prior years. Taxable profits are computed in accordance with the provisions of current UK tax legislation. Tax, including tax relief for losses if applicable, is allocated over profits before taxation and amounts charged or credited to reserves as appropriate.

Provision is made for deferred tax liabilities, or credit taken for deferred tax assets, using the liability method, on all material temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Accounting policies (continued)

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised

(L) Borrowings

Loan notes backed by mortgages are designated at fair value through profit and loss as presentation at fair value provides more relevant information and ensures that any accounting mismatch is minimised

Borrowings that provide liquidity only are valued at amortised cost

The fair values are estimated using discounted cash flow models. These include a risk adjusted discount rate to reflect the risks associated with these products

The effective interest rate method is used for loans held at amortised cost, which consist of amounts owed to credit institutions

All borrowing costs are expensed as they are incurred

(M) 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

(N) Payables and other financial liabilities

Payables mainly comprise derivatives, for which the accounting policy is described in policy G above

Equity Release Funding (No.5) plc
Income statement
For the year ended 31 December 2012

	Note	2012 £'000	2011 £'000
Income			
Interest and similar income	C & 1	31,022	31,495
Losses on financial instruments	F & 1	(6,398)	(7,302)
Other operating income	D & 1	122	10
		<u>24,746</u>	<u>24,203</u>
Expenses			
Fee and commission expense	2	(1,692)	(984)
Other operating expenses	2	(40)	(28)
Finance costs	2	(23,011)	(23,187)
		<u>(24,743)</u>	<u>(24,199)</u>
Profit before tax		<u>3</u>	<u>4</u>
Tax charge	K & 5	(1)	(1)
Profit for the year		<u>2</u>	<u>3</u>

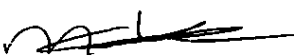
The Company has no other comprehensive income

The accounting policies (identified alphabetically) on pages 7 to 10 and notes (identified numerically) on pages 15 to 28 are an integral part of these financial statements

Equity Release Funding (No.5) plc
Statement of financial position
As at 31 December 2012

	Note	2012 £'000	2011 £'000
Assets			
Loans	H & 7	438,917	420,913
Derivative assets	F, G & 8	96,897	96,837
Receivables	9	5,944	7,179
Prepayments and accrued income		9	1
Cash and cash equivalents	J & 15	34,164	84
Total assets		575,931	525,014
Equity			
Ordinary share capital	M & 10	13	13
Retained earnings	11	15	13
Total equity		28	26
Liabilities			
Tax liabilities	K & 12	2	2
Borrowings	L & 13	355,494	345,704
Payables and other financial liabilities	G, N & 14	220,407	179,282
Total liabilities		575,903	524,988
Total equity and liabilities		575,931	525,014

Approved by the Board on 27 June 2013


Mignon Clarke for and on behalf of
Wilmington Trust SP Services (London) Limited
Director

The accounting policies (identified alphabetically) on pages 7 to 10 and notes (identified numerically) on pages 15 to 28 are an integral part of these financial statements

Equity Release Funding (No.5) plc
Statement of changes in equity
For the year ended 31 December 2012

	Note	Ordinary share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2011		13	10	23
Profit for the year	11	-	3	3
Balance at 31 December 2011		13	13	26
Profit for the year	11	-	2	2
Balance at 31 December 2012		13	15	28

The accounting policies (identified alphabetically) on pages 7 to 10 and notes (identified numerically) on pages 15 to 28 are an integral part of these financial statements

Equity Release Funding (No.5) plc
Statement of cash flows
For the year ended 31 December 2012

The cash flows presented in this statement cover all the Company's activities

	Note	2012 £'000	2011 £'000
Cash flows from operating activities			
Cash generated from/(used in) operations	15(a)	30,231	(3,806)
Tax paid		(1)	-
Net cash generated from/(used in) operating activities		30,230	(3,806)
Cash flows from financing activities			
Drawdown of borrowings		3,850	3,800
Net cash from financing activities		3,850	3,800
Net increase/(decrease) in cash and cash equivalents		34,080	(6)
Cash and cash equivalents at 1 January		84	90
Cash and cash equivalents at 31 December	15(b)	34,164	84

The accounting policies (identified alphabetically) on pages 7 to 10 and notes (identified numerically) on pages 15 to 28 are an integral part of these financial statements

Equity Release Funding (No.5) plc
Notes to the financial statements
For the year ended 31 December 2012

1. Income

	2012 £'000	2011 £'000
Interest and similar income	31,022	31,495
Financial instruments		
Unrealised losses on derivative contracts	(6,733)	(30,945)
Unrealised gains/(losses) on mortgages	5,566	(12,245)
Unrealised (losses)/gains on loan notes	(5,231)	35,888
	(6,398)	(7,302)
Other operating income		
Bank interest	118	10
Reinsurance rebates	4	-
	122	10
Total income	24,746	24,203

All revenue from external customers is derived from interest income received on mortgage loans. All revenue and non-current assets are attributable to the United Kingdom. The Company has no reliance on major customers as all mortgages are granted on individual personal property.

2. Expenses

	2012 £'000	2011 £'000
Fee and commission expense	1,692	984
Other operating expenses		
Audit fees	40	28
Finance cost		
Interest expense on		
Securitised mortgage loan notes	4,596	4,086
Subordinated debt	732	708
Credit facility	718	978
Interest rate swap	16,780	17,302
Inflation rate swap	185	113
	23,011	23,187
Total expenses	24,743	24,199

3. Directors' emoluments

Wilmington Trust SP Services (London) Limited received fees of £13,350 (2011 £17,521) including VAT during the year to 31 December 2012, in respect of structuring and management services.

Equity Release Funding (No.5) plc
Notes to the financial statements
For the year ended 31 December 2012 (continued)

4. Auditor's remuneration

	2012 £'000	2011 £'000
Fees for the statutory audit of the Company's financial statements for the year	40	28

Audit fees in respect of audit and other services for a fellow group undertaking are borne by the Company

Fees paid to PricewaterhouseCoopers LLP and its associates for services other than the statutory audit of the Company are not disclosed in these financial statements since the consolidated financial statements of the Company's ultimate controlling entity, Aviva plc (see note 12), are required to disclose other (non-audit) services on a consolidated basis

5. Tax

(a) Tax charged to the income statement

The total tax charged to the income statement is as follows

	2012 £'000	2011 £'000
Current tax		
For the year	1	1
Total tax charged to the income statement (note 5 (b))	1	1

(b) Tax reconciliation

The tax on the Company's profit before tax is the same as the tax calculated at the standard UK corporation tax rate as follows

	2012 £'000	2011 £'000
Net profit before tax	3	4
Tax calculated at standard UK corporation tax rate of 20% (2011 20 25%)	1	1
Tax charge for the year (note 5 (a))	1	1

Finance Act 2011 reduced the small profits rate of corporation tax from 21% to 20% with effect from 1 April 2011. Accordingly, the Company's profits for the period have been taxed at an effective rate of 20% (2011 20 25%)

6. Fair value methodology

(a) Basis for determining fair value hierarchy of financial instruments

Quoted market prices in active markets – ('Level 1')

Inputs to Level 1 fair values are quoted prices (unadjusted) in active markets for identical assets and liabilities. An active market is one in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Examples are listed equities in active markets, listed debt securities in active markets and quoted unit trusts in active markets.

Equity Release Funding (No.5) plc
Notes to the financial statements
For the year ended 31 December 2012 (continued)

Modelled with significant observable market inputs – (“Level 2”)

Inputs to Level 2 fair values are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the instrument. Level 2 inputs include the following

- Quoted prices for similar (i.e. not identical) assets and liabilities in active markets,
- Quoted prices for identical or similar assets and liabilities in markets that are not active, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly,
- Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates),
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means (market-corroborated inputs)

Modelled with significant unobservable market inputs – (“Level 3”)

Inputs to Level 3 fair values are unobservable inputs for the asset. Unobservable inputs may have been used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date (or market information for the inputs to any valuation models). As such, unobservable inputs reflect the assumptions the business unit considers that market participants would use in pricing the asset.

The Company's instruments that are fair valued are categorised at level 2

(b) Fair value hierarchy analysis

An analysis of financial assets and liabilities according to fair value hierarchy is given below

	Fair Value Hierarchy			Amortised cost £'000	2012 Statement of Financial position total £'000
	Level 2 £'000	Level 3 £'000	Sub-total Fair Value £'000		
Loans	438,917	-	438,917	-	438,917
Derivative assets	96,897	-	96,897	-	96,897
Financial liabilities					
Borrowings	(290,747)	-	(290,747)	(64,747)	(355,494)
Derivative liabilities	(185,858)	-	(185,858)	-	(185,858)
Total	59,209	-	59,209	(64,747)	(5,538)

Equity Release Funding (No.5) plc
Notes to the financial statements
For the year ended 31 December 2012 (continued)

	Fair Value Hierarchy			Amortised cost £'000	2011 Statement of Financial position total £'000
	Level 2 £'000	Level 3 £'000	Sub-total Fair Value £'000		
Loans	420,913	-	420,913	-	420,913
Derivative assets	96,837	-	96,837	-	96,837
Financial liabilities					
Borrowings	(285,516)	-	(285,516)	(60,188)	(345,704)
Derivative liabilities	(179,065)	-	(179,065)	-	(179,065)
Total	53,169	-	53,169	(60,188)	(7,019)

There have been no transfers between levels during the year

7. Loans

(a) Carrying amounts

On 11 August 2005, the Company purchased £359.0 million of mortgage assets at market value from Aviva Equity Release UK Limited (UKER). These assets are a portfolio of UK lifetime fixed rate and index linked residential mortgages, wholly secured on properties in the UK. In order to fund the purchase of these mortgage assets, the Company issued a series of mortgage backed loan notes. Under the terms of this arrangement, the rights of the providers of the finance for this transaction are limited to the mortgage assets purchased and any related income generated by the portfolio, and are without recourse to UKER. The mortgage assets are held by a mortgage trustee Equity Release Funding Trustee (No 5) Limited, a group company, for the benefit of the Company.

UKER is not obliged to support any losses which may arise in respect of the mortgage assets. During the term of this transaction, any amounts realised from the mortgage portfolio in excess of that due to the providers of the funding, less any related administrative costs, will be payable to UKER. UKER administers the mortgage portfolio.

The carrying amounts of loans at 31 December were as follows

	2012 £'000	2011 £'000
Lifetime mortgage loans	438,917	420,913

Of the above total, £413.6 million (2011 £398.2 million) is expected to be recovered more than one year after the statement of financial position date. This is because the majority of the loans are lifetime mortgages which by their nature do not have any contractual maturity and significant levels of early redemption are not anticipated.

The change in fair value of mortgage loans during the year attributable to a change in credit risk was a loss of £2.8 million (2011 loss of £5.7 million). The cumulative change attributable to changes in credit risk to 31 December 2012 was a loss of £135.3 million (2011 £132.5 million). Further details of the fair value methodology are given in Note 6.

(b) Collateral

The Company holds collateral in respect of all loans, in order to reduce the risk of non-recovery. This collateral generally takes the form of liens or charges over properties. As security for the lifetime mortgage and any other money owing from the customer, the property is charged to the Company by way of a legal mortgage with full title guarantee.

Equity Release Funding (No.5) plc
Notes to the financial statements
For the year ended 31 December 2012 (continued)

8. Financial instruments

Financial instruments comprise:

	2012 £'000	2011 £'000
At fair value through profit and loss: trading		
Derivative financial instruments (note 18)	96,897	96,837

Of the above total, £96.9 million (2011 £96.8 million) is expected to be recovered more than one year after the statement of financial position date

9. Receivables

	2012 £'000	2011 £'000
Amounts due from Equity Release Holdings (No 5) Limited	15	15
Amounts due from ERF Trustee (No 5) Limited	5,182	6,422
Amounts due from UKER	-	140
Amounts due from other related parties	747	-
Other receivables	-	602
	5,944	7,179

Of the above total £15,000 (2011 £15,000) is expected to be recovered more than one year after the statement of financial position date

10. Ordinary share capital

Details of the Company's ordinary share capital at 31 December are as follows:

	2012 £	2011 £
The authorised share capital of the Company was 100,000 ordinary shares of £1 each	100,000	100,000
The allotted, called up and fully paid share capital of the Company was 2 ordinary shares of £1 each	2	2
The allotted, called up and partly paid share capital of the Company was 49,998 ordinary shares of £1 each (25p paid per share)	12,500	12,500
	12,502	12,502

All shares are of the same class and rank par passu

11. Retained earnings

	2012 £'000	2011 £'000
Balance at 1 January	13	10
Profit for the year	2	3
Balance at 31 December	15	13

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Notes to the financial statements
For the year ended 31 December 2012 (continued)

12. Tax liabilities

(a) General

Tax liabilities payable in more than one year are £nil (2011 £nil)

(b) Deferred tax

The Company had no recognised or unrecognised deferred tax balances at the year end (2011 £nil)

13. Borrowings

(a) Carrying amount

	2012 £'000	2011 £'000
Securitised mortgage loan notes	290,747	285,516
Subordinated debt	28,364	27,632
Amounts owed to credit institutions	36,383	32,556
	355,494	345,704

The carrying amount of the above borrowings that are stated at amortised cost is £64.7 million (2011 £60.2 million). The corresponding fair value of these borrowings is £44.9 million (2011 £38.8 million).

The change in fair value of mortgage loan notes during the year attributable to a change in credit risk was a gain of £0.3 million (2011 gain of £34.5 million). The cumulative change attributable to changes in credit risk to 31 December 2012 was a gain of £118.7 million (2011 £118.4 million). The above liabilities stated at fair value have been calculated in a consistent manner with the assets stated at fair value. Further details of the fair value methodology are included in note 6.

Of the above total £350.4 million (2011 £341.0 million) is expected to be paid more than one year after the statement of financial position date.

(b) Loan notes and other borrowings

(i) Loan notes

On 11 August 2005, the Company issued £381.0 million of mortgage backed loan notes (class A, B and C) in order to fund the purchase of a mortgage portfolio. The balance of these notes at 31 December 2012 is shown at fair value.

The loan notes are secured over a portfolio of mortgage loans secured by first charges over residential properties in the UK. The mortgages were purchased from UKER. All classes of loan note were issued at par.

Interest on the notes is payable quarterly in arrears. Interest payable on the notes, which are listed on the London Stock Exchange, is as follows:

£381 million mortgage backed loan notes	Capital balance outstanding at end of year Total £381.0m	Credit rating (S&P, Moody's, Fitch)	Interest rate to July 2012	Interest rate from July 2012
Class A (£315 m)	315,000,000	A, Aa2, AAA	LIBOR + 0.23%	LIBOR + 0.46%
Class B (£43 m)	43,000,000	A, A3, A	LIBOR + 0.35%	LIBOR + 0.70%
Class C (£23 m)	23,000,000	BBB, Baa2, BBB	LIBOR + 0.90%	LIBOR + 1.80%

The A notes rank in priority to the B notes in point of payment and security. The B notes rank in priority to the C notes in point of payment and security. The loan notes are to be redeemed as funds become available from mortgage redemptions.

Equity Release Funding (No.5) plc
Notes to the financial statements
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Unless previously redeemed in full, each class of notes will mature on the interest payment date falling in

A notes	July 2045
B notes	July 2050
C notes	July 2050

The Company may, at its option, redeem all (but not some only) of the notes at their principal amounts outstanding in the event of certain tax changes affecting the notes

(ii) Other borrowings

On 11 August 2005, the Company also entered into a subordinated loan agreement with UKER for £20.0 million at an interest rate of LIBOR + 1.75%. The capital balance outstanding on the subordinated loan includes £8.4 million (2011 £7.6 million) of accumulated interest

During 2005, the Company entered into a credit facility agreement, the purpose of which is to provide the Company with a committed cash facility for the years when mortgage redemptions are not expected to be sufficient to pay the expenses of the Company and interest on the mortgage loan notes. The gross amount outstanding as at 31 December 2012 was £36.4 million (2011 £32.6 million) and the committed credit facility was £187.1 million (2011 £192.2 million)

14. Payables and other financial liabilities

	2012	2011
	£'000	£'000
Derivative financial liabilities (notes 6(b) and 18)	185,858	179,065
Amounts due to UKER	128	-
Collateral amounts payable	34,000	-
Other financial liabilities	421	217
	220,407	179,282

Of the above total, £198.9 million (2011 £161.3 million) is expected to be paid more than one year after the statement of financial position date

Equity Release Funding (No.5) plc
Notes to the financial statements
For the year ended 31 December 2012 (continued)

15. Statement of cash flows

(a) The reconciliation of profit before tax to the net cash flow from operating activities is:

	2012 £'000	2011 £'000
Profit before tax	3	4
Adjustments for		
Fair value (gains)/losses on mortgages	(5,566)	12,245
Fair value losses/(gains) on loan notes	5,231	(35,888)
Fair value losses on derivatives	6,733	30,945
Interest receivable on mortgage loans	(31,022)	(31,495)
Changes in working capital		
Decrease/(increase) in receivables	1,235	(1,816)
(Increase)/decrease in prepayments and accrued income	(8)	2
Increase/(decrease) in payables and other financial liabilities	34,332	(458)
Increase in interest on borrowings	709	1,034
Proceeds from redemption of mortgages	18,584	21,621
Cash generated from/(used in) operations	30,231	(3,806)

Redemptions of mortgages are included within operating cash flows as they represent the operating activities of the Company

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

	2012 £'000	2011 £'000
Cash at bank and in hand	34,164	84

16. Capital

In managing its capital, the Company seeks to retain financial flexibility by maintaining strong liquidity. The Company is not subject to any externally imposed capital requirements.

The Company manages IFRS shareholders' equity of £28,000 (2011 £26,000) as capital.

17. Risk management

(a) Risk management framework

The ultimate controlling entity, Aviva plc, and its subsidiaries, joint ventures and associates, (collectively known as "the Group"), operate a risk management framework ("RMF"), which forms an integral part of the management and Board processes and decision-making framework across the Group. The key elements of our risk management framework comprise risk appetite, risk modelling, roles and responsibilities, risk policies and procedures and risk governance and oversight. Additional information on the key elements of the RMF is included in the risk and capital management section of the performance review. The Group's approach to risk management ensures that significant existing or emerging risks are actively identified, measured, managed, monitored and reported on a continuous basis. The RMF has been adopted in the businesses collectively referred to as "UK Life" (including this Company).

Equity Release Funding (No.5) plc

Notes to the financial statements

For the year ended 31 December 2012 (continued)

For the purposes of risk identification and measurement, risks are usually grouped by risk type market, credit, life insurance, liquidity, operational risk and asset management Risk falling within these types may affect a number of key metrics including those relating to balance sheet strength, liquidity and profit They may also affect the performance of the products that the Company delivers to customers and the service to customers and distributors, which can be categorised as risks to the Company's franchise value

Risk models are an important tool in the Company's measurement of risk and are used to support the monitoring and reporting of the risk profile and in the consideration of the risk management actions available The Company carries out a range of stress (where one risk factor, such as equity returns, is assumed to vary) and scenario (where combinations of risk factors are assumed to vary) tests to evaluate their impact on the business and the management actions available to respond to the conditions envisaged Board oversight of risk and risk management across the Group is maintained on a regular basis through its Risk Committee The Board has overall responsibility for determining risk appetite, which is an expression of the risk it is willing to take The Group's position against risk appetite is monitored and reported to the Board on a regular basis A similar arrangement prevails at the UK Life business level

UK Life sets limits to manage material risks to ensure the risks stay within risk appetite (the amount of risk UK Life is willing to accept) UK Life assesses the size and scale of a risk by considering how likely it is that the risk will materialise and the potential impact the risk could have on its business and its stakeholders Where risks are outside of appetite, actions are agreed to mitigate the exposure Impact assessments are considered against financial, operational and reputational criteria and take into account underlying factors such as economic conditions, for example, UK economic growth and inflation

The UK Life business has an established governance framework, which has the following key elements

- defined terms of reference for the legal entity Boards and the associated executive management and other committees across the UK Life business including the UK & Ireland Board, Risk Committee and Audit Committee,
- a clear organisational structure with documented delegated authorities and responsibilities from the legal entity Boards to CEOs and senior management, and
- adoption of the Group policy framework that defines risk appetite measures and sets out risk management and control standards for the Group's worldwide operations The policies also set out the roles and responsibilities of businesses, policy owners, and risk oversight committees

UK Life operates a three lines of defence risk management model that encourages close working relationships between line management and the risk function whilst facilitating independent assurance by internal audit Primary responsibility for risk identification and management lies with business management (the first line of defence) Support for and challenge on the completeness and accuracy of risk assessment, risk reporting and adequacy of mitigation plans are performed by specialist risk functions (the second line of defence) Independent and objective assurance on the robustness of the risk management framework and the appropriateness and effectiveness of internal control is provided by internal audit (the third line of defence)

The FSA also requires UK Life to assess its economic capital requirements to ensure that it adequately reflects the risks facing the business UK Life has accordingly developed economic capital models that support the measurement, comparison and further understanding of its risks The results of the modelling are incorporated into key strategic planning and decision-making processes These models show the relative impact to economic capital from the risks faced In turn this supports the assessment of appropriate and effective mitigating strategies where risks are outside of appetite

(b) Market risk

Market risk is the risk of adverse financial impact due to changes in fair values or future cash flows of financial instruments from fluctuations in interest rates and property prices Market risk arises within the Company due to fluctuations in the value of lifetime mortgage assets relative to their funding and to the value of the property on which they are secured

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Notes to the financial statements
For the year ended 31 December 2012 (continued)

For each of the major components of market risk, described in more detail below, UK Life has put in place additional policies and procedures to set out how each risk should be managed and monitored, and the approach to setting an appropriate risk appetite. UK Life monitors adherence to this market risk policy and regularly review how these risks are being managed.

Any amounts realised from the mortgage portfolio in excess of that due to the providers of the funding, less any related administrative costs and the Company's entitlement to 0.01% of interest accruing on the mortgages, will be payable to the originator, Aviva Equity Release UK Limited (UKER), a wholly owned subsidiary of Aviva Life & Pensions UK Limited. Any cash shortfalls will ultimately be borne by the noteholders. Accordingly, there would be no impact on the Company's profit as the result of changes in economic factors and assumptions. Consequently, the Company has not provided any detailed sensitivity analysis as required by IFRS 7 and the impact of the risks referred to below is restricted to the statement of financial position of the Company. Exposure to these risks is borne by the noteholders and other creditors of the company.

(i) Property price risk

Property price risk arises from sustained underperformance in the HPI with the resultant increase in the likelihood that the mortgage debt will exceed the proceeds of the property sale at the date of redemption. The level of HPI is monitored and the impact of exposure to adverse movements in the HPI regularly reviewed.

To mitigate this risk the loan to value ratios on origination are at low levels and the performance of the mortgage portfolio is monitored through dilapidation reviews. There would need to be a decrease in house price values to levels which are significantly lower than worst case market forecasts for house price deflation, coupled with an unexpected rise in short term mortality and morbidity rates for the Company to make significant losses on negative equity. Exposure to property price risk is borne by the note holders and other creditors of the company.

The Company has granted a deed of charge to its creditors such that, in event of default by the Company, the mortgages are sold by the Trustee and the proceeds, together with any other cash available, is paid to the secured creditors according to a prescribed waterfall.

The HPI adjusted Loan to Value (LTV) percentage of the mortgage asset interest bearing balances are as follows:

Age	Under 75	75-79	80-84	85-89	90-94	95-99	Total
LTV	£m	£m	£m	£m	£m	£m	£m
Up to 40%	139.3	58.4	21.4	10.2	2.6	0.7	232.6
Up to 50%	18.1	65.6	34.7	6.1	1.6	0.1	126.2
Up to 60%	3.1	12.4	22.2	15.2	1.8	0.3	55.0
Up to 70%	-	1.1	7.6	4.6	4.7	0.4	18.4
Up to 80%	-	0.1	0.3	3.0	2.1	0.2	5.7
Up to 90%	-	0.1	-	-	0.6	0.3	1.0
Total	160.5	137.7	86.2	39.1	13.4	2.0	438.9

The LTVs in the table above are as at 31 December 2012. LTVs are published quarterly, (January, April, July and October) in the Investor Report.

(ii) Interest rate risk

Interest rate risk arises primarily from fluctuations in the value of lifetime mortgage assets and their related funding and derivatives. Interest rate risk is controlled through the close matching of duration and value of mortgages and mortgage funding and the use of derivatives, in order to hedge against unfavourable or unmatched market movements in interest rates inherent in the underlying mortgages and funding. The impact of exposure to sustained adverse interest rates is regularly monitored.

Equity Release Funding (No.5) plc
Notes to the financial statements
For the year ended 31 December 2012 (continued)

(iii) Derivatives risk

Derivatives are used to a limited extent, within policy guidelines agreed by the Board of Directors and overseen by Group Financial Risk which monitors implementation of the policy, exposure levels and supports large or complex transactions. Derivatives are used for risk hedging purposes and speculative activity is prohibited. OTC derivative contracts are entered into only with approved counterparties, thereby reducing the risk of credit loss.

(iv) Prepayment risk

Prepayment risk is the risk that loans will be repaid prior to their expected maturity. This risk is mitigated by the structure of the related derivatives at the inception of the securitisation, which passes prepayment risk on to a related party.

(c) Credit risk

Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations, or changes to the market value of assets caused by changed perceptions of the credit worthiness of such counterparties. The credit ratings of financial institutions to which the Company is exposed are monitored and if these fall below a certain threshold collateralisation or other risk mitigation techniques are implemented.

The carrying amount of assets included on the statement of financial position represents the maximum credit exposure of the Company at the statement of financial position date.

There are no financial assets which are either past due or impaired.

Concentrations of credit risk

Individual loans represent little credit risk as the debt is ultimately repayable from the proceeds of the sale of the property on death of the mortgagee or on their transfer to long-term care.

The impact of collateral held on the net credit exposure is shown below.

	2012		
	Carrying value in the statement of financial position £'000	Collateral held £'000	Net credit exposure £'000
Derivative assets	96,897	-	96,897
Loans	438,917	438,917	-
	2011		
	Carrying value in the statement of financial position £'000	Collateral held £'000	Net credit exposure £'000
Derivative assets	96,837	-	96,837
Loans	420,913	420,913	-

Additional information in respect to collateral is provided in notes 7(b).

To the extent that collateral held is greater than the amount receivable that it is securing, the table above shows only an amount equal to the latter. In the event of default, any over-collateralised security would be returned to the relevant counterparty.

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(d) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments, if the cash flows from the mortgages differ from those expected. Such differences would arise from mortality, morbidity and voluntary prepayment risks. The Company has a committed credit facility of £187.1 million (2011 £192.2 million) which has been sized to cover significant stresses on mortgage cash flows.

The contractual undiscounted cash flows in relation to liabilities have the following maturities:

	Within 1 year £m	1-5 years £m	Over 5 years £m	2012 No contractual maturity £m
Liabilities				
Borrowings	5.1	18.6	587.1	78.3
Derivative financial liabilities	21.0	74.0	111.9	-
Payables and other financial liabilities	0.5	-	-	34.0
	Within 1 year £m	1-5 years £m	Over 5 years £m	2011 No contractual maturity £m
Liabilities				
Borrowings	4.7	25.9	667.5	83.8
Derivative financial liabilities	18.0	65.2	123.4	-
Payables and other financial liabilities	0.2	-	-	-

The carrying value of the loan notes is £90.3 million lower (2011 £95.5 million lower) than the anticipated payment at maturity.

18. Derivative financial instruments

During 2005, the Company entered into an interest rate swap agreement, the purpose of which is to protect the Company from interest rate risk in respect of the floating rate loan notes and credit facility. The notional amount outstanding as at 31 December 2012 was £448.3 million (2011 £441.8 million) and the swap had an expiry date of October 2032. Under the terms of the swap, the Company receives interest at three month LIBOR and pays interest at 5% of the notional amount, payable quarterly.

During 2005, the Company entered into a separate transaction that supplements its interest rate swap agreement and provides the Company with an option to adjust the notional value (within specified bands) of the swap to match its exposure on its floating rate notes at no cost or gain. The notional value of the option contract fluctuates based on the underlying exposure and therefore is not a meaningful amount to present in the financial statements.

During 2005, the Company entered into an inflation rate swap agreement, the purpose of which is to protect the Company from interest rate risk in respect of the index-linked mortgages. The notional amount outstanding as at 31 December 2012 was £34.9 million (2011 £36.2 million) and the swap had an expiry date of July 2045. Under the terms of the swap, the Company receives interest at 7.28% compounding and pays interest at 4.89% + Limited Price Index compounding, on the reduction of the notional amount annually, payable quarterly.

During the year, the Company obtained £34.0m in the form of cash by receiving collateral held as security on derivative contracts.

Equity Release Funding (No.5) plc
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The fair value asset has been disclosed under "Derivative financial instruments" in note 8. The fair value liability has been disclosed under "Derivative financial liabilities" in note 14.

			2012			2011
	Contract/ notional amount £'000	Fair value asset £'000	Fair value liability £'000	Contract/ notional amount £'000	Fair value asset £'000	Fair value liability £'000
Interest rate contracts						
Interest rate swap	448,300	-	(163,956)	441,800	-	(156,031)
Option		96,897	-		96,837	-
Inflation rate swap	34,900	-	(21,902)	36,200	-	(23,034)
	483,200	96,897	(185,858)	478,000	96,837	(179,065)

19. Related party transactions

(a) The members of the Board of Directors are listed on page 1 of these financial statements

(b) Expenses payable to related parties

	2012 Expense incurred in year £'000	2011 Expense incurred in year £'000
ERF Trustee (No 5) Limited	2	3
UKER – portfolio administration and cash handling fees	1,294	974
UKER – interest	732	708
	2,028	1,685

(c) Income receivable from related parties

	2012 Income received in year £'000	2011 Income received in year £'000
ERF Trustee (No 5) Limited – bank interest	12	10

(d) Payable at year end

	2012 £'000	2011 £'000
UKER		
Subordinated debt	28,364	27,632
Other	128	-
	28,492	27,632

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(e) Receivable at year end

	2012	2011
	£'000	£'000
Equity Release Holdings (No 5) Limited	15	15
ERF Trustee (No 5) Limited	5,182	6,422
UKER other	-	140
Other related parties	747	-
	5,944	6,577

(f) Key management compensation

Wilmington Trust SP Services (London) Limited received fees of £13,350 (2011 £17,521) including VAT during the year to 31 December 2012, in respect of structuring and management services

There are no amounts receivable from or payments due to members of key management

(g) Ultimate parent undertaking and controlling party

The immediate parent undertaking is Equity Release Holdings (No 5) Limited, a company incorporated in England. The ultimate parent undertaking is Bedell Cristin Trustees Limited, a company incorporated in Jersey.

The ultimate controlling party is Aviva plc, a company incorporated in England.

Aviva plc is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2012. The consolidated financial statements of Aviva plc are available on www.aviva.com or by application to the Group Company Secretary, Aviva plc, St Helen's, 1 Undershaft, London EC3P 3DQ.