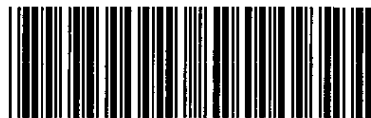

ENRA SPECIALIST FINANCE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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ENRA SPECIALIST FINANCE LIMITED

COMPANY INFORMATION

Directors	Mr D Waters Mr H Landy Ms E Gestetner Mr S Hogg
Registered number	08773012
Registered office	Third Floor The Edward Hyde Building 38 Clarendon Road Watford Hertfordshire WD17 1JW
Trading address	Third Floor The Edward Hyde Building 38 Clarendon Road Watford Hertfordshire WD17 1JW
Independent auditors	PricewaterhouseCoopers LLP 40 Clarendon Road Watford Hertfordshire WD17 1JJ

ENRA SPECIALIST FINANCE LIMITED

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ENRA SPECIALIST FINANCE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The directors present their Strategic Report on the company for the year ended 31 December 2021.

Business review

The Company's principal activities are the provision of management and financial support to its subsidiaries in order to support their ongoing growth and profitability.

The performance of the subsidiary investments is the key performance indicator of the company. Subsidiary performance is summarised in Note 16.

At the balance sheet date, the company's net assets increased by £41,287,113 to record a cumulative assets of £44,553,567 (2020: £3,266,454). The directors and shareholders are confident that the company has adequate resources to continue to trade for the foreseeable future and are therefore satisfied that the financial statements have been properly prepared on a going concern basis.

No dividends have been paid or proposed (2020: £nil).

Financial key performance indicators

The company's total shareholders' funds was £44,553,567 at 31 December 2021 (2020: £3,266,454).

Strategic overview

The Company and its subsidiaries ('Enra' or the 'Group') strategic objective continues to be the UK's leading non-bank specialist finance provider & distributor. This will be achieved by consolidating and enhancing its position in its existing specialist product markets and by leveraging its expertise and market insight to extend its offering into related product areas, developing high quality earnings through a balance between short-term higher margin products and lower margin term lending products that provide recurring revenue streams.

Enra has an integrated business model enabling income to be earned at multiple points in the property lending value chain. The firm's subsidiaries provide services and lending products to brokers, other intermediaries & direct to the consumer. Enra targets segments in which it has detailed product expertise and, in particular, where it can provide an end-to-end solution to customers, through progression into complementary product lines. In addition, Enra provides off-balance sheet asset management services. This enables the firm to leverage its expertise in these areas to earn fee income, and provides an alternative means of funding loans for the benefit of customers.

The strategy is delivered by:

- service expertise with a focus on meeting customer requirements;
- building strong relationships with both existing and new introducers;
- providing good value products in segments that offer a sustainable risk-reward return;
- designing products to provide solution to professional property investors and developers across the property development lifecycle;
- using insight afforded by existing distribution to develop innovative solutions to new segments;
- stringent focus on credit risk, both through careful underwriting of individual cases and the use of portfolio and individual product risk limits;
- investment in infrastructure to achieve a scalable and compliant operating platform; and
- recruitment, development and retention of high-quality staff.

ENRA SPECIALIST FINANCE LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Market position and outlook

The Company remains alert to continuing macroeconomic and public health challenges, and will continue to advance the strategy with care, ensuring that growth is built on solid foundations. However, the Company has performed strongly in adverse conditions that have tested the quality of previous lending as well as the operational infrastructure, and performance in the early part of 2022 has been encouraging. We continue to believe that the Company has significant opportunities on which to capitalise.

Governance

The Group continues to evolve its governance and committee structures to support the business through its continued growth in order to ensure that principal risks are appropriately over seen. Management committees are not formal sub-committees of the Board, although reports on their activities are given to the Board by Executive Directors.

Board committees include an Audit & Risk Committee and a Remuneration & Appointment Committee:

Audit & Risk Committee

The Audit & Risk Committee is responsible for discharging governance responsibilities in respect of audit, risk and internal control.

The Committee is chaired by the Chairman of Enra (Dave Stewart). Its members include both directors of the company (Ms E Gestetner and Mr D Waters) and directors of the Company's ultimate holding company (Mr A Clegg, Mr T Lightowler and Mr M Taylor). In 2021 it met three times. In discharging its responsibilities, the Committee is supported by senior executives and bi-annual meetings with the External Auditor. The principal roles and responsibilities of the Audit & Risk Committee include:

- monitoring the integrity of Enra's financial statements and providing advice on whether the Report & Accounts, taken as a whole, is fair, balanced and understandable.
- reviewing Enra's internal financial controls and risk management systems.
- reviewing and monitoring the External Auditor's independence and objectivity, assessing the effectiveness of the external audit and the appointment of the Auditors.

Remuneration & Appointment Committee

The Remuneration & Appointment Committee is Chaired by the Chairman of the Group. Its members are directors of the ultimate parent company, Mr A Clegg, Mr T Lightowler, Mr D Stewart, Mr M Taylor, in addition to Mr D Waters as a director of the Company. It considers on behalf of the Board, Executive Director and Senior Executive remuneration, including the design of performance related remuneration. No person is present when his or her remuneration is being discussed.

The Committee also oversees the process for appointments to the Board and ensures that plans are in place for orderly succession to both the Board and Senior Management positions. The Committee meets at least annually and more frequently if required.

Subsidiary Boards

Each Subsidiary Board has a responsibility for setting its culture, values and business plans to show how they intend to achieve the Board's strategy and objectives, and to ensure the necessary resources are in place. The Subsidiary Boards are also responsible for establishing a framework of prudent and effective controls, which enable financial crime, regulatory and conduct risk to be assessed and managed. The Subsidiary Boards also have a general duty to ensure that each Subsidiary operates within the relevant laws, rules and guidance issued by relevant regulatory authorities. In particular, each Subsidiary Board's role is to safeguard the interests of its customers.

ENRA SPECIALIST FINANCE LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

CEO

The CEO is responsible for the day to day running of Enra Specialist Finance and its Subsidiary businesses. The CEO is also responsible for setting up an appropriate structure that will provide adequate oversight of the risks and management performance of each part of the business. The CEO leads the Executive Directors and senior managers and is responsible for the operational management of Enra and its subsidiaries on behalf of the respective Boards on a day-to-day basis.

Management Committees

The management committees in operation through the year included:

- Asset & Liability Committee (ALCO)
- Product Governance Committees
- Credit Committee
- Servicing Committee

The Asset & Liability Committee is tasked with managing Enra's liquidity risk, interest rate risk and product pricing, paying close regard to the quality and quantity of our funding options, compliance with funding covenants, and stress- testing the balance sheet across a variety of credit risk and market risk scenarios.

Product Governance Committees are responsible for the governance of product design within the lending subsidiaries, taking account of target market, distribution strategy, pricing (subject to ALCO's approval) and treating customers fairly. Each product has a separate committee to ensure that Enra remains focused on the individual product design in order to meet our objective of maintaining first class service to our intermediaries and customers and providing products that meet our customers' requirements.

The Credit Committee oversees the firm's appetite for credit risk, and the controls over that risk. In particular, the Credit Committee is concerned with setting the lending policies for each product, overseeing the devolution of credit mandates to underwriting personnel, reviewing the credit performance of the existing portfolio, and, where mandates require, taking credit decisions on individual cases.

The purpose of the Servicing Committee is to oversee the customer servicing, loan management, collection and recoveries processes on the firm's outstanding loan balances to ensure that all servicing activities are conducted with the necessary skill, care, and attention to deliver good customer outcomes and to manage the risks and commercial requirements of the business.

Principal risks and uncertainties

As a provider of financial services, the Company actively manages both its own risks and those of its subsidiaries as a core part of its day-to-day activities. The Directors have put in place procedures to document the Board's risk appetite and to monitor and manage each of these risks in line with this appetite. The Group has implemented a standardised risk management framework, focusing on the headline risks broken down into more detailed sub-risks, and associated controls. The principal risks monitored are:

- Credit risk
- Liquidity & interest rate risk
- Operational risk (including information security, cyber crime and business continuity risk)
- Compliance risk (including regulatory, conduct, financial crime and data protection risk)

ENRA SPECIALIST FINANCE LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Credit risk continues to be a core risk for the Group's lending activities. The Group has maintained a conservative risk profile through 2021, only gradually returning to pre-pandemic levels of lending criteria through the year.

On a day-to-day basis, credit risk is overseen by the Group's Head of Credit Risk who is responsible for recommending the lending policy criteria to the board, including concentration limits; deploying and assuring the credit mandate approval structure for individual credit authority limits; and monitoring and reporting credit risk performance to the Board. Detailed portfolio reviews are undertaken quarterly, and reported the Board, along with the output of detailed stress -testing analysis. New products are subject to additional credit risk oversight both in the planning phase and in the initial period following launch.

The Group's stringent focus on credit ensured that there was limited provisions required despite stressed economic conditions caused by Covid-19.

Liquidity and interest rate risk is managed on a day-to-day basis by the Director of Funding Solutions - an experienced treasury professional reporting to the Chief Financial Officer. Funding and liquidity risk forms part of Board discussions and is overseen by the Asset & Liability Committee. The Asset & Liability Committee also has responsibility for managing Group's interest rate risk. Interest rate risk arises on fixed rate lending where the financing is variable rate and the Asset & Liability Committee seek to minimize the impact of interest rate volatility through a hedging strategy.

The majority of the Group's funding is subject to conditions controlling the type and quality of lending undertaken, including LTV ratios and credit metrics, and procedures are in place to monitor compliance with these requirements.

Operational risk is relevant to all aspects of the Group's activities. Losses arising from fraud, unauthorised activities, error, omission, inefficiency, system failure or from external events fall within the definition of operational risk. Both information security risk and cyber security risk are also managed and controlled within the broad definition of operational risk as part of the overall risk management framework. The framework seeks to manage and control operational risks in a cost- effective manner within the Group's targeted risk appetite. The Chief Operating Officer has responsibility for managing operational risk.

The security of customer data in a wider sense is another area of increasing regulatory attention and public concern. The Group continues to review, and where necessary enhance, its governance and controls framework to protect its own and customer data and maintain its technical infrastructure against these increasing risks.

The Board seeks to maintain a strong compliance culture and monitors the regulatory environment carefully to ensure each of these risks is addressed in a timely and comprehensive manner.

During 2021 the Financial Conduct Authority continued its focus on culture and conduct matters, highlighting, amongst other things, the importance of diversity and inclusion and fair outcomes for vulnerable customers. The Group has considered its operations and put in place measures to safeguard against areas of possible conduct risk, including sales processes and incentives, product suitability, product governance and employee activities. More specifically, the Group updated its vulnerability policy, training modules and relevant systems and processes, thus providing staff with the expertise to take a proactive approach to identifying and supporting its vulnerable customers. The Group maintains a code of conduct applicable to all its firms, directors and employees, that requires them to conform to the applicable laws, rules and regulations that govern the Group. The Group imposes specific responsibilities on its leaders and managers to commit to maintain a strong culture of compliance for its staff and customers.

ENRA SPECIALIST FINANCE LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

The Compliance function establishes, implements and maintains a risk-based Compliance Programme that is designed to ensure compliance with applicable laws, rules, regulations and company policies. The Compliance Programme seeks to mitigate the risk of regulatory censure, fines, financial loss or damage to the reputation of the Group arising from the Company, its subsidiaries, its directors and employees not adhering to applicable laws, rules and regulations, and internal policies. Amongst other areas, the programme addresses financial crime, conduct and regulatory risk evaluation, management and oversight process.

The Programme aims to implement and maintain systems and processes that:

- Know the laws, rules and regulations that the Company and its subsidiaries must adhere to in order to understand conduct and regulatory risks imposed on the Company
- Prevent conduct, regulatory, financial crime and data protection risks from materialising
- Detect conduct regulatory, financial crime and data protection risks that materialise at the earliest possible stage
- Respond quickly and remediate materialised risks which have lead to issues or breaches
- Assess the root causes of compliance issues and breaches to prevent their reoccurrence.

The compliance programme includes the following elements:

- Rules mapping
- Conduct and regulatory, financial crime and data protection risk assessments
- Annual compliance plan
- Compliance policies
- Regulatory horizon scanning
- Annual compliance training plan
- Projects and Advisory function
- Business support function
- Issues and breaches framework
- Compliance monitoring plan function

The Group has a Head of Compliance (HoC) to lead and manage its Compliance Programme, and to ensure resources are made available as necessary to carry out the Programme effectively. The HoC is responsible for the leadership, oversight and operation of the Compliance Programme and the Board is satisfied they have the knowledge, experience, independence, authority, time and resource to do so. All compliance staff shall have the knowledge and experience to carry out their role effectively and the ability and drive to keep abreast of regulatory changes. The HoC is also the Money Laundering Reporting Officer, responsible for ensuring that, when appropriate, the information or other matters leading to knowledge or suspicion, or reasonable grounds for knowledge or suspicion of money laundering is properly disclosed to the relevant authority. The MLRO has the knowledge, experience, independence, authority, time and resource to carry out this role effectively.

All employees undergo regular training to ensure that they are able to identify and appropriately manage compliance and operational risks within the business.

The Board has taken steps to encourage employees to raise any concerns that they may have.

ENRA SPECIALIST FINANCE LIMITED

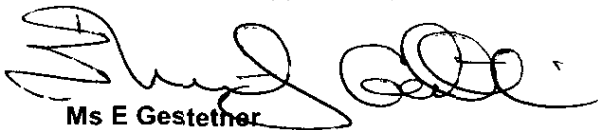
**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Going concern

The Directors have undertaken a Going Concern assessment, including a review of principal and emerging risks, including ongoing risks in relation to both Covid-19, the conflict in Eastern Europe, and potential economic consequences from higher interest rates and inflation. The Directors are satisfied that the Company have adequate resources to continue to operate as a going concern for a period in excess of 12 months from the date of this report and have prepared the financial statements on that basis.

In assessing whether the Going Concern basis is appropriate, the Directors have considered the information contained in the financial statements, the latest business plan, profit forecasts and liquidity projections. These forecasts have been subject to sensitivity tests. The stress scenarios included severe but plausible downside scenarios to satisfy the Directors that there is no realistic scenario under which the business would be unable to meet its liabilities as they fall due over the coming year. The Company has maintained an active dialogue with its lenders who continue to be supportive.

This report was approved by the board and signed on its behalf.



Ms E Gestethor
Director

Date: 29 April 2022

ENRA SPECIALIST FINANCE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company is that of an intermediate holding company that provides both capital and specialist support services to support the activities of its subsidiaries.

The company is a private company limited by shares and is incorporated and domiciled in England, UK.

Results and dividends

The profit for the year, after taxation, amounted to £41,422,788 (2020: £6,397,972).

There were no dividends paid in the year (2020: £Nil)

Directors

The directors who served during the year were:

Mr D Waters
Mr H Landy
Ms E Gestetner
Mr S Hogg

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

ENRA SPECIALIST FINANCE LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Matters covered in the strategic report

The Board is responsible for identifying principal risks and for proposing suitable mitigating strategies. This has been addressed in the Strategic Report, along with a full review of the position and performance of the company for the year. The future development aspirations of the company have also been disclosed in the Strategic Report.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

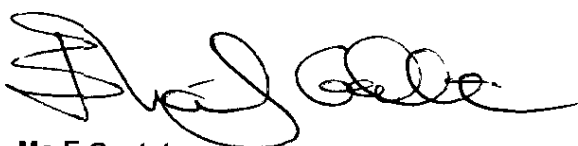
Post balance sheet events

There have been no significant events affecting the Company since the year end other than dealing with the impact of Covid-19 that has been previously disclosed.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Ms E Gestetner
Director

Date: 29 April 2022

ENRA SPECIALIST FINANCE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ENRA SPECIALIST FINANCE LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Enra Specialist Finance Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement financial position as at 31 December 2021; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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

ENRA SPECIALIST FINANCE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ENRA SPECIALIST FINANCE LIMITED

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

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

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to corporation tax and companies act reporting regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inappropriate journal entries and management bias in accounting estimates.

ENRA SPECIALIST FINANCE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ENRA SPECIALIST FINANCE LIMITED

Audit procedures performed by the engagement team included:

- Discussions with management and directors, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to provisions for doubtful debts;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Designing audit procedures to incorporate unpredictability around the nature, timing and extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

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

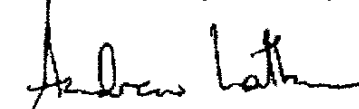
Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Andrew Latham (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Watford
Date: 29 April 2022

ENRA SPECIALIST FINANCE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	3	1,406,815	68,804
Cost of sales		130,114	(1,636,883)
Gross profit/(loss)		<u>1,536,929</u>	<u>(1,568,079)</u>
Administrative expenses		(8,696,050)	(6,940,437)
Exceptional administrative expenses	4	(11,573,843)	(409,008)
Other operating income	5	6,278,319	4,995,530
Operating loss	6	<u>(12,454,645)</u>	<u>(3,921,994)</u>
Income from investments	10	62,136,956	16,500,000
Interest receivable and similar income	11	1,160,567	2,145,407
Interest payable and similar expenses	12	(9,420,090)	(8,325,441)
Profit before tax		<u>41,422,788</u>	<u>6,397,972</u>
Tax on profit	13	-	-
Profit for the financial year		<u><u>41,422,788</u></u>	<u><u>6,397,972</u></u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>41,422,788</u></u>	<u><u>6,397,972</u></u>

The notes on pages 15 to 33 form part of these financial statements.


All results derive from continuing operations.

ENRA SPECIALIST FINANCE LIMITED
REGISTERED NUMBER: 08773012

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible assets	14		1,488,324		1,451,019
Tangible assets	15		8,001,713		201,844
Investments	16		81,301,445		67,501,445
			<u>90,791,482</u>		<u>69,154,308</u>
Current assets					
Debtors: amounts falling due within one year	17	70,805,223		44,542,248	
Cash at bank and in hand	18	2,223,071		1,463,199	
			<u>73,028,294</u>		<u>46,005,447</u>
Creditors: amounts falling due within one year	19	(28,150,460)		(36,191,837)	
Net current assets			<u>44,877,834</u>		<u>9,813,610</u>
Total assets less current liabilities			<u>135,669,316</u>		<u>78,967,918</u>
Creditors: amounts falling due after more than one year	20		(91,115,749)		(75,701,464)
Net assets			<u><u>44,553,567</u></u>		<u><u>3,266,454</u></u>
Capital and reserves					
Called up share capital	23		3,726		3,726
Share premium account			3,408,152		3,408,152
Other reserves			-		135,675
Profit and loss account			41,141,689		(281,099)
Total shareholders' funds			<u><u>44,553,567</u></u>		<u><u>3,266,454</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


Ms E Gestetner
Director

Date: 29 April 2022

The notes on pages 15 to 33 form part of these financial statements.

ENRA SPECIALIST FINANCE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2021	3,726	3,408,152	135,675	(281,099)	3,266,454
Comprehensive income for the year					
Profit for the year	-	-	-	41,422,788	41,422,788
Total comprehensive income for the year	-	-	-	41,422,788	41,422,788
Other movement	-	-	(135,675)	-	(135,675)
At 31 December 2021	3,726	3,408,152	-	41,141,689	44,553,567

The notes on pages 15 to 33 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2020	3,726	3,408,152	-	(6,679,071)	(3,267,193)
Comprehensive income for the year					
Profit for the year	-	-	-	6,397,972	6,397,972
Total comprehensive income for the year	-	-	-	6,397,972	6,397,972
Other movement	-	-	135,675	-	135,675
At 31 December 2020	3,726	3,408,152	135,675	(281,099)	3,266,454

The notes on pages 15 to 33 form part of these financial statements.

ENRA SPECIALIST FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

ENRA SPECIALIST FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.3 Exemption from preparing consolidated financial statements

The financial statements contain information about the Company as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by s400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the UK consolidated accounts of Galene Topco Limited.

1.4 Impact of new international reporting standards, amendments and interpretations

The Company has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2021:

- Definition of Material – Amendments to IAS 1 and IAS 8; and
- Revised Conceptual Framework for Financial Reporting.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Company. None of these are expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

1.5 Revenue

Revenue represents interest receivable on bridging loans for which the company provides short term finance. Interest receivable is recognised over the life of the loan. Accrued and deferred income arises where interest servicing arrangements differ from the recognition policy.

1.6 Leases

The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;

The lease liability is included in 'Creditors' on the Statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

ENRA SPECIALIST FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.6 Leases (continued)

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the 'Intangible Assets', 'Tangible Fixed Assets' and 'Investment Property' lines, as applicable, in the Statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 1.14.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

1.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

1.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

ENRA SPECIALIST FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.10 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

1.12 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

ENRA SPECIALIST FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.13 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Costs capitalised include direct staff costs and contracting costs incurred in the creation of technology platforms. Maintenance costs are not capitalised but are treated as operational costs and expensed to the profit and loss.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The estimated useful lives range as follows:

In house software development - 3 years

1.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Long-term leasehold property	-	10% straight-line over the lease term
Leasehold improvements	-	10% straight-line over the lease term
Other fixed assets	-	30% reducing balance

1.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. A review of the *carrying value of investments against an assessment of the recoverable amount is undertaken annually.*

1.16 Debtors

Debtors are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, debtors are carried at amortised cost. Provision is made when there is objective evidence that the company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as remote.

ENRA SPECIALIST FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.18 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, unless the effect of discounting is considered to be immaterial.

1.19 Financial instruments

The company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The company's accounting policies in respect of financial instruments transactions are explained below:

(i) Classification

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (through OCI), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in OCI.

For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The group reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Recognition and derecognition

The regular way purchases and sales of financial assets are recognised on settlement-date, the date on which the group to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

ENRA SPECIALIST FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.19 Financial Instruments (continued)

(iv) Impairment

The group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been an identifiable increase in credit risk.

The methodology involves a 3-step process regarding how we recognise expected credit losses. On the initiation of all loans the probability of a potential loss is assessed based on a risk score conducted on loan origination, where a high-risk score implies a higher probability of loss. This drives an element of provisioning at the inception of loans. Where credit risk is viewed as having increased significantly since initial recognition lifetime expected losses are recognised along with interest revenue calculated on the gross amount of the asset. Where there is objective evidence of impairment at the reporting date, impairment losses and interest revenue calculated on the impaired amount of the asset.

1.20 Impairment of financial and non-financial assets

The company assesses at the end of each reporting period whether there is objective evidence that a financial or non-financial asset or group of assets is impaired. A financial or non-financial asset or a group assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a loss event) and that loss event (or events) has an impact on the estimated future cash flows of the financial or non-financial asset or group of assets that can be reliably estimated.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are addressed below:

(a) Useful economic lives of property, plant and equipment - The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful/economic lives and residual values of the assets. The useful economic lives and residual values are re assessed annually.

(b) Intangible assets - The annual amortisation charge for intangible assets is sensitive to changes in the estimated useful/economic lives and residual values of the assets. The useful economic lives and residual values are re assessed annually.

(c) Doubtful debt provisions - Provisions for doubtful debts are now based on the expected credit loss model of IFRS 9. The directors' prudent expectations and the use of estimates and valuations regarding recoverability of loan balances outstanding determine the impairments of the loans

ENRA SPECIALIST FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. Turnover

The whole of the turnover is attributable to interest receivable on bridging loans for which the company provides short term finance.

All turnover arose within the United Kingdom.

4. Exceptional administrative expenses

	2021	2020
	£	£
Professional costs incurred	132,803	276,615
Corporate transaction fees	23,399	16,224
Redundancy costs	-	116,169
Covid-19 infection prevention controls	10,405	-
Office re-allocation	112,347	-
Other	94,889	-
Impairment of investment held in Aura Finance Topco Limited	11,200,000	-
	<u>11,573,843</u>	<u>409,008</u>

5. Other operating income

	2021	2020
	£	£
Inter-group overhead recharges	<u>6,278,319</u>	<u>4,995,530</u>

Functions across the Enra group of companies have been centralised into Enra Specialised Finance Limited & recharged to group companies.

6. Operating loss

The operating loss is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	342,001	331,977
Amortisation of intangible assets	649,541	542,599
Defined contribution pension cost	<u>95,505</u>	<u>77,911</u>

ENRA SPECIALIST FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Auditors' remuneration

	2021	2020
	£	£
Fees payable to the Company's auditors	<u>14,160</u>	<u>11,100</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group financial statements of the parent Company.

8. Directors' remuneration

	2021	2020
	£	£
Directors' emoluments	<u>1,399,187</u>	<u>1,189,320</u>

The highest paid director received remuneration of £784,300 (2020: £550,936).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £2,400 (2020: £2,400).

ENRA SPECIALIST FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Employees

Staff costs, including directors' remuneration, were as follows:

	2021	2020
	£	£
Wages and salaries	4,746,986	3,859,553
Social security costs	749,782	577,710
Other pension costs	95,505	77,911
	<u>5,592,273</u>	<u>4,515,174</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2021	2020
	No.	No.
Servicing	14	12
Risk and compliance	12	11
Finance and treasury	14	12
IT	14	12
Management	7	6
Marketing	4	3
Other central functions	6	7
	<u>71</u>	<u>63</u>

10. Income from investments

	2021	2020
	£	£
Dividends received from West One Loan Limited	2,200,000	6,000,000
Dividends received from Enterprise Finance Limited	-	9,000,000
Dividends received from Vantage Finance Limited	-	1,500,000
Dividends received from Aura Finance Topco Limited	59,936,956	-
	<u>62,136,956</u>	<u>16,500,000</u>

ENRA SPECIALIST FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. Interest receivable and similar income

	2021 £	2020 £
Loan note interest receivable	1,160,567	2,145,407

12. Interest payable and similar expenses

	2021 £	2020 £
Loan note interest payable	9,354,454	8,325,441
Interest on lease liabilities	65,636	-
	9,420,090	8,325,441

ENRA SPECIALIST FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. Tax on profit

	2021 £	2020 £
Current tax on profit for the year	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 -lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit before tax	41,422,788	6,397,972
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2020 -19%)	7,870,330	1,215,615
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,157,590	1,062,910
Capital allowances for year in excess of depreciation	(32,377)	(8,281)
Non-taxable income	(149,667)	(103,094)
Dividends from UK companies	(11,806,021)	(3,135,000)
Other tax charge (relief) on exceptional items	2,128,000	-
Other differences leading to an increase (decrease) in the tax charge	1,623	-
Group relief	830,522	967,850
Total tax charge for the year	-	-

Factors that may affect future tax charges

In the March 2021 Budget, the Government announced that the main rate of Corporation Tax would increase from 19% to 25% with effect from 1 April 2023.

ENRA SPECIALIST FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Intangible assets

	In house software development £
Cost	
At 1 January 2021	2,753,203
Additions - internal	686,846
At 31 December 2021	<u>3,440,049</u>
Amortisation	
At 1 January 2021	1,302,184
Charge for the year	649,541
At 31 December 2021	<u>1,951,725</u>
Net book value	
At 31 December 2021	<u>1,488,324</u>
At 31 December 2020	<u>1,451,019</u>

The internal asset additions relate to costs capitalised include direct staff costs and contracting costs incurred in the creation of technology platforms.

ENRA SPECIALIST FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. Tangible assets

	Right-of-use assets £	Leasehold improvements £	Other fixed assets £	Total £
Cost or valuation				
At 1 January 2021	-	314,547	328,117	642,664
Additions	6,229,951	1,741,512	170,407	8,141,870
Disposals	-	(314,547)	-	(314,547)
At 31 December 2021	<u>6,229,951</u>	<u>1,741,512</u>	<u>498,524</u>	<u>8,469,987</u>
Depreciation				
At 1 January 2021	-	281,311	159,509	440,820
Charge for the year on owned assets	138,181	73,664	130,156	342,001
Disposals	-	(314,547)	-	(314,547)
At 31 December 2021	<u>138,181</u>	<u>40,428</u>	<u>289,665</u>	<u>468,274</u>
Net book value				
At 31 December 2021	<u>6,091,770</u>	<u>1,701,084</u>	<u>208,859</u>	<u>8,001,713</u>
At 31 December 2020	<u>-</u>	<u>33,236</u>	<u>168,608</u>	<u>201,844</u>

16. Investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2021	67,501,445
Additions	25,000,000
Amounts written off	(11,200,000)
At 31 December 2021	<u>81,301,445</u>

ENRA SPECIALIST FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Investments (continued)**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Aura Finance (Holdco) Limited	Intermediate holding company	Ordinary	100%
Aura Finance Limited	Provision of regulated and unregulated loans	Ordinary	100%
Aura Finance Topco Limited	Intermediate holding company	Ordinary	100%
Enra Development Bond Co Limited	Inter-group funding intermediary	Ordinary	100%
Enra GP Limited	Dormant	Ordinary	100%
Enterprise Finance Limited	Advisor and packager of specialist loans	Ordinary	100%
Vantage Finance Limited	Provision of specialist loans	Ordinary	100%
Vantage Private Finance Limited	Dormant	Ordinary	100%
West One Bridging Limited	Dormant	Ordinary	100%
West One Capital Limited	Dormant	Ordinary	100%
West One Development Finance Holdings Limited	Funding intermediary	Ordinary	100%
West One Development Finance Limited	Provision of unregulated loans	Ordinary	100%
West One Development Finance MidCo Limited	Funding intermediary	Ordinary	100%
West One Loan Limited	Provision of regulated and unregulated loans	Ordinary	100%
West One Secured Loans Holdings Limited	Intermediate holding company	Ordinary	100%
West One Secured Loans Limited	Provision of regulated and unregulated loans	Ordinary	100%

The Group has an indirect shareholding of 100% in all of these subsidiaries. The address for the registered office for all subsidiaries is 3rd floor, The Edward Hyde Building, 38 Clarendon Road, Watford, Hertfordshire WD17 1JW. The principal place of business for subsidiaries is the same as the registered office with the exception of Vantage Finance Limited. The principal place of business for Vantage Finance Limited is 2nd floor, Building 1, Chalfont Park, Chalfont St Peter, Gerrards Cross, Buckinghamshire SL9 0BG.

ENRA SPECIALIST FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Investments (continued)

Subsidiary undertakings (continued)

The aggregate of the share capital and reserves as at 31 December 2021 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Aura Finance (Holdco) Limited	1	939
Aura Finance Limited	16,757,203	(48,976,334)
Aura Finance Topco Limited	3,275,462	62,105
Enra Development Bond Co Limited	11,974	13,732
Enra GP Limited	999	-
Enterprise Finance Limited	2,047,079	1,254,491
Vantage Finance Limited	2,147,744	1,201,958
Vantage Private Finance Limited	1,000	-
West One Bridging Limited	100	-
West One Capital Limited	1	-
West One Development Finance Holdings Limited	1	-
West One Development Finance Limited	6,207,105	3,229,230
West One Development Finance MidCo Limited	625,001	-
West One Loan Limited	38,481,923	9,076,789
West One Secured Loans Holdings Limited	28,000,000	-
West One Secured Loans Limited	32,639,596	3,266,353

17. Debtors: amounts falling within one year

	2021 £	2020 £
Amounts owed by group undertakings	62,823,809	29,818,282
Other debtors	7,747,918	14,562,925
Prepayments and accrued income	233,496	161,041
	<u>70,805,223</u>	<u>44,542,248</u>

ENRA SPECIALIST FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

18. Cash at bank and in hand

	2021	2020
	£	£
Cash at bank and in hand	2,223,071	1,463,199

19. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	110,795	108,778
Amounts owed to group undertakings	25,871,465	34,802,964
Other taxation and social security	309,617	252,920
Lease liabilities	217,726	-
Other creditors	49,286	36,271
Accruals and deferred income	1,591,571	990,904
	<u>28,150,460</u>	<u>36,191,837</u>

20. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Loan notes	85,037,888	75,701,464
Lease liabilities	6,077,861	-
	<u>91,115,749</u>	<u>75,701,464</u>

The loan notes are provided by shareholders at a rate of interest at 12% per annum which compounds every 6 months and last compounded on 31 December 2021. The interest charged for the year is presented in Note 12 above.

ENRA SPECIALIST FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

21. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due after more than one year		
Loan notes	85,037,888	75,701,464
	<u>85,037,888</u>	<u>75,701,464</u>

22. Leases

Company as a lessee

The company holds rental leases for the trading premises.

Lease liabilities are due as follows:

	2021 £	2020 £
Not later than one year	217,726	-
Between one year and five years	3,207,577	-
Later than five years	2,870,284	-
	<u>6,295,587</u>	<u>-</u>

The following amounts in respect of leases, where the Company is a lessee, have been recognised in profit or loss:

	2021 £	2020 £
Interest expense on lease liabilities	<u>65,636</u>	<u>-</u>

ENRA SPECIALIST FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

23. Called up share capital

	2021 £	2020 £
Allotted, called up and fully paid		
3,726 (2020: 3,726) Ordinary shares of £1.00 each	3,726	3,726

24. Related party transactions

The company has taken the exemption from disclosing related party transactions, as disclosed in note 1.2. As at 31 December 2021 the company had the following balances outstanding with its related parties:

Related party	Relationship to the Company	2021 (Creditor)/ Debtor £	2020 (Creditor)/ Debtor £
Aura Finance Topco Limited	100% subsidiary	6,340,884	27,171
Aura Finance (Holdco) Limited	Indirect 100% subsidiary	-	19,503,079
West One Secured Loans Limited	Indirect 100% subsidiary	45,346,088	8,523,610
Enra Development Bond Co Limited	100% subsidiary	1,433,838	1,433,838
West One Development Finance Limited	Indirect 100% subsidiary	(20,611)	142,938
Aura Finance Limited	Indirect 100% subsidiary	(6,791,188)	(23,806,317)
West One Loan Limited	100% subsidiary	(5,024,724)	57,946
Enterprise Finance Limited	100% subsidiary	(1,840,055)	(175,181)
Vantage Finance Limited	100% subsidiary	(2,199,887)	(823,467)
Galene Midco 1 Limited	Indirect parent company	(9,995,000)	(9,998,000)
Galene Topco Limited	Ultimate parent company	321,297	-
Galene Bidco Limited	Immediate parent company	9,381,701	-

25. Controlling party

The immediate parent company is Galene Bidco Limited.

The smallest group to consolidate these financial statements is Galene Midco 3 Limited.

The largest group to consolidate these financial statements is Galene Topco Limited. Copies of the Galene Topco Limited and Galene Midco 3 Limited consolidated financial statements can be obtained from the Company Secretary at Third Floor, The Edward Hyde Building, 38 Clarendon Road, Watford, Hertfordshire, WD17 1JW.

The ultimate controlling party of the company is Exponent Private Equity Partners III LLP.