

**Company No: 07890812**

**RADIAN CAPITAL PLC**

**Annual Report and Financial Statements**

**Year Ended 31 March 2018**

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RADIAN CAPITAL PLC

## **GENERAL INFORMATION**

### **BOARD OF DIRECTORS**

Beverley Anne Costain	Appointed 27/04/2017
Michael Sweeney	Appointed 18/08/2017
Peter Evans	Appointed 27/04/2017

### **COMPANY SECRETARY**

Malcolm Rule

### **REGISTERED OFFICE**

Collins House  
Bishopstoke Road  
Eastleigh  
Hampshire  
SO50 6AD

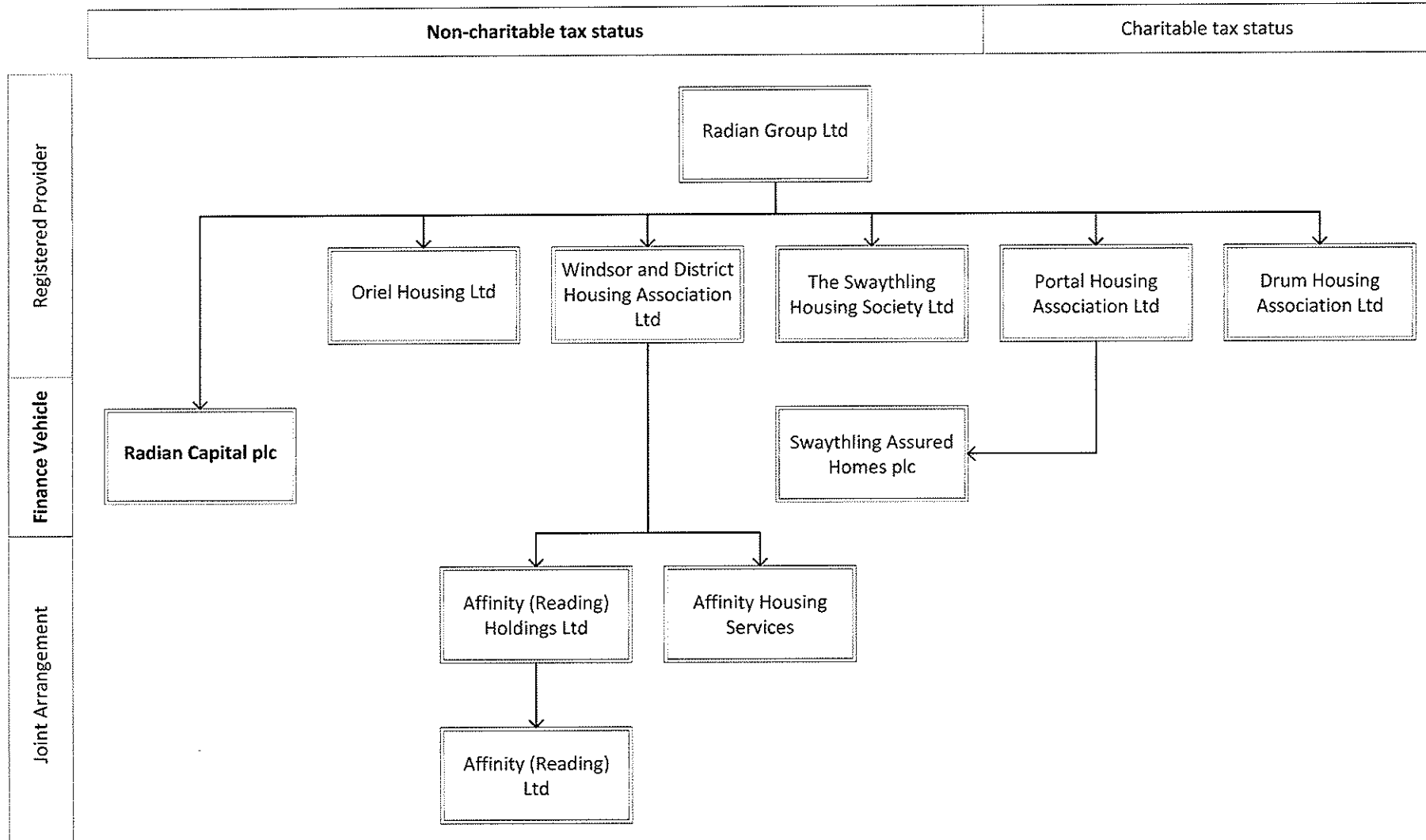
### **BANKERS**

Lloyds Bank  
25 Gresham Street  
London  
EC2V 7HN

### **AUDITOR**

BDO LLP  
2 City Place  
Beehive Ring Road  
Gatwick  
West Sussex  
RH6 0PA

OUR GROUP STRUCTURE



## **STRATEGIC REPORT**

### **Business Review**

The Company has entered into no new contractual arrangements in the year.

### **Key Performance Indicators**

External advisers assist us in benchmarking the pricing of our bond issues and sales against the bond markets and issues by other registered providers. The pricing achieved is a reflection of the Company's performance.

There were no bond issues or sales during the year.

The Company does not consider any other performance indicators to be relevant to managing the business.

### **Future Outlook**

The Company and Group as a whole have sufficient funds for their current needs and also have retained bonds available for sale to enable further investment.

### **Principal Risks and Uncertainties**

The Group is committed to effective business risk management. The Senior Management Team and the Audit and Risk Committee consider the principal risks that could prevent the Company and the Group from achieving their objectives each quarter. Risks are recorded and assessed in terms of their impact and probability. Major risks presenting the greatest threat to the Group are also reported to the Board quarterly with mitigating actions. These risk reports include assessments of the Company's key controls for risk management.

The major risks facing the Company as at 31 March 2018 are considered below within the capital and treasury management section.

### **Capital and Treasury Management**

#### ***Introduction***

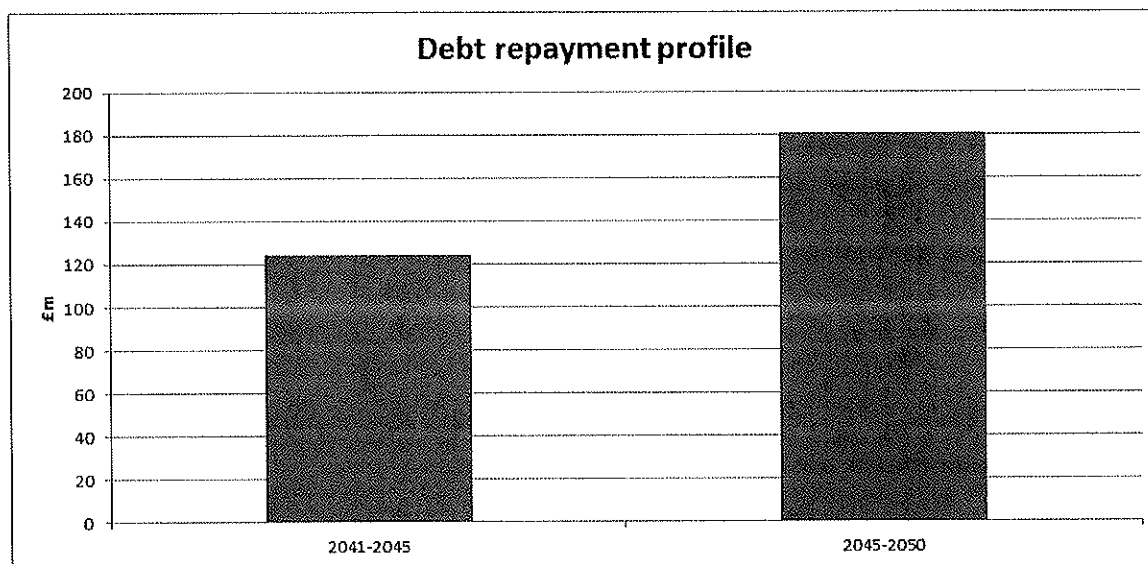
Radian has a comprehensive treasury policy with tests that apply to the Group as a whole. The policy requires the Group to maintain a minimum level of liquidity such that there is sufficient cash and committed financing facilities capable of immediate drawdown to cover the next six months' forecast cash requirement. The Group must also have sufficient cash and committed financing facilities, though not necessarily capable of immediate drawdown, to cover the higher of committed development spend or forecast cash requirement over the next 18 months. The policy also prioritises a lack of reliance on any one counterparty, whether through cash holdings or available facilities.

**STRATEGIC REPORT (continued)**

**Capital and Treasury Management (continued)**

**Capital structure**

At 31 March 2018 the Company's borrowings amounted to £217.5m (2017: £173.8m).



*Includes £87.5m of 2049 Radian Capital plc subscribed bonds for which the cash has not yet been received.*

**Own-named bonds**

All bonds are issued by the Company with proceeds received being on lent to Portal Housing Association Limited. The proceeds for the 2042 and 2044 bonds were received upfront with the proceeds of the 2049 bond being received in instalments. The 2042 and 2049 bonds are repayable in 2042 and 2049 respectively. The 2044 bond is repayable in instalments.

- **2042 Bond** - £100m nominal of 6.000% 2042 bond was issued in March 2012. £75m of the bond was sold in March 2012, £2m in December 2012 and £23m in September 2013;
- **2044 Bond** - £100m nominal of 4.622% 2044 bond was issued in May 2014. £30m of the bond was sold in May 2014 and is repayable in five annual instalments on the 26th, 27th, 28th, 29th, and 30th anniversaries of issue; and
- **2049 Bond** - £200m of 5.029% 2049 bond was issued in May 2014. £100m was sold in May 2014 and nominal proceeds of £1m and £24m were received in May 2014 and May 2016 respectively, with a further £25m received in May 2017. At the reporting date a further two instalments of £25m were due in May 2018 and 2019. A further £50m was sold in July 2015 and nominal proceeds of £0.5m and £12m were received in July 2015 and May 2016 respectively, with a further £12.5m received in May 2017. At the reporting date a further two instalments of £12.5m were due in May 2018 and 2019. A further £25m was sold in June 2016 and nominal proceeds of £6.25m were received in June 2016 and May 2017. At the reporting date a further two instalments of £6.25m were due in May 2018 and 2019. In all cases the purchasers have contracted to make these future payments.

**STRATEGIC REPORT (continued)**

**Capital and Treasury Management (continued)**

**Risks**

- **Interest rate risk** is the risk that the Group is unable to service its loans and borrowings due to rises in interest rates. The Group manages interest rate risk through the requirements laid out in the Group treasury policy, including entering into interest rate swaps to fix a proportion of floating rate debt;
- **Liquidity risk** is the risk that the Group is unable to service its loans and borrowings, or meet repayment liabilities as they fall due, due to insufficient cash. The Group manages liquidity risk through the requirements laid out in the Group treasury policy, including requirements for minimum levels of cash or immediately available facilities;
- **Counterparty credit risk** is the risk that the Group is unable to access cash deposits due to failure of counterparties. The Group manages counterparty credit risk by regularly monitoring and reviewing the credit rating of counterparties through the requirements laid out in the Group treasury policy;
- **Market risk** is the risk that the Group is unable to refinance loans and borrowings at an acceptable interest rate as they mature. The Group manages market risk by modelling the impact of interest rate rises in its long-term forecast and identifying mitigating actions; and
- **Currency risk** is not applicable as the Group borrows and lends only in sterling.

***Interest rate management***

All of the Company's borrowings consist of fixed rate bonds.

***Financial loan covenant compliance***

Financial loan covenants are primarily measured by asset cover based on property asset values. Covenants are continually monitored and reported to the Board. There were no breaches of financial covenants during the year.

***Future funding options***

At 31 March 2018 £87.5m was available to the Company, in deferred bond proceeds due to be received by May 2019.

The Company has sufficient funds for its current needs.

The Strategic Report was approved by the Board on 18 July 2018 and signed on its behalf by:



**B Costain**  
Director

## DIRECTORS' REPORT

The directors present their report and audited financial statements for the Company for the year ended 31 March 2018.

### Principal Activities

The Company was formed on 22 December 2011 for the purpose of issuing bonds and lending the proceeds of these to other members of the Group.

### Dividends

The directors do not recommend the payment of a dividend (2017: £nil).

### Going Concern

After making enquiries, the Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the report and the financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

In its assessment of going concern, the directors have considered and are confident of the recoverability of the Company's receivables.

### Directors

The names of the directors serving at the reporting date are shown on page 1 and remuneration of directors who held office during the year is detailed in note 6.

### Disclosure of Information to Auditors

At the date when this report is approved each of the board members confirm the following:

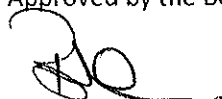
- So far as each board member is aware, there is no relevant audit information needed by the Company's auditor in connection with preparing their report, of which the Company's auditor is unaware; and
- Each board member has taken all the steps that they ought to have taken as a board member to make themselves aware of any relevant audit information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

### External Auditor

A resolution to appoint BDO LLP will be proposed at the forthcoming annual general meeting.

BDO LLP has indicated their willingness to continue in office and a resolution to reappoint them for the coming year will be proposed at the annual general meeting.

Approved by the Board of Directors on 18 July 2018 and signed on behalf:



**B Costain**  
Director



## STATEMENT OF THE DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- Follow applicable UK Accounting Standards, 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; and
- Prepare a director's report, a strategic report and director's remuneration report which complies with the requirements of the Companies Act 2006.

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in the annual reports may differ from legislation in other jurisdictions.

## INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF RADIAN CAPITAL PLC

### Opinion

We have audited the financial statements of Radian Capital plc ('the Company') for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- The financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2018 and of the Company's profit for the year then ended;
- The financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- The financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions Relating to Going Concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

We have determined that there are no key audit matters to communicate in our report.

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF RADIAN CAPITAL PLC  
(continued)**

**Our Application of Materiality**

Materiality: £2,700,000 (2017: £2,210,000).

Our materiality has been set at 1.2% of total assets for both the current and prior years on the basis that total assets is considered to be a key performance indicator for stakeholders assessing the performance of the Company.

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements. In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Performance materiality was set at 75 per cent of the above materiality levels. In setting the level of performance materiality we considered a number of factors including the expected total value of known and likely misstatements based on past experience and other factors.

We agreed with the audit committee that we would report to the committee all individual audit differences identified during the course of our audit in excess of £54,000 (2017: £33,000). We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

**An Overview of the Scope of Our Audit**

The scope of our audit was established by obtaining an understanding of the Company, including its control environment, and assessing the risks of material misstatement.

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF RADIAN CAPITAL PLC  
(continued)**

**Opinions on Other Matters Prescribed by the Companies Act 2006**

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 financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matters on Which We are Required to Report by Exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of the Directors**

As explained more fully in the statement of the directors' responsibilities set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF RADIAN CAPITAL PLC  
(continued)**

**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

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.

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

**Use of Our Report**

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

BDO LLP

Philip Cliftlands (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Gatwick, United Kingdom

30 July 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**STATEMENT OF COMPREHENSIVE INCOME**  
**Year ended 31 March 2018**

	Note	2018 £'000	2017 £'000
Finance income	3	11,987	9,567
Finance costs	4	(11,987)	(9,567)
<b>Result on ordinary activities before and after tax</b>	<b>5</b>	<b>-</b>	<b>-</b>

All activities derive from continuing operations.

The notes on pages 15 to 20 form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION**  
**As at 31 March 2018**

	Note	2018 £'000	2017 £'000
<b>Current assets</b>			
<i>Receivables</i>			
amounts due within one year	8	1,380	227
amounts due after one year	8	227,336	181,229
Cash		13	13
		<u>228,729</u>	<u>181,469</u>
 Payables: amounts due within one year	 9	 (2,947)	 (2,022)
<b>Net current assets</b>		<u>225,782</u>	<u>179,447</u>
 Payables: amounts due after one year	 10	 (225,732)	 (179,397)
<b>Total assets less current liabilities</b>		<u>50</u>	<u>50</u>
 <b>Capital and reserves</b>			
Share capital	11	50	50
Revenue reserve		-	-
<b>Shareholders' funds</b>		<u>50</u>	<u>50</u>

The notes on pages 15 to 20 form part of these financial statements.

The financial statements of Radian Capital plc, registered number 07890812, on pages 12 to 20 were approved by the Board of Directors and authorised for issue on the 18 July 2018 and signed on its behalf by:



**B Costain**  
 Director

**STATEMENT OF CHANGES IN EQUITY**

	Share Capital £'000	Revenue Reserve £'000	Total £'000
<b>At 1 April 2016</b>	50	-	50
Result on ordinary activities after tax	-	-	-
<b>At 31 March 2017</b>	<u>50</u>	<u>-</u>	<u>50</u>
Result on ordinary activities after tax	-	-	-
<b>At 31 March 2018</b>	<u>50</u>	<u>-</u>	<u>50</u>

The notes on pages 15 to 20 form part of these financial statements.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

**1. LEGAL STATUS**

The Company is a public limited company incorporated in the United Kingdom under the Companies Act 2006.

**2. ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of the Company have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102). The financial statements are presented in pounds sterling and have been prepared on the historical cost basis.

**Going Concern**

The financial statements have been prepared on a going concern basis, details of which can be found in the Directors' Report on page 6.

**Disclosure Exemptions**

The Company has taken advantage of the following disclosure exemptions under FRS 102 paragraph 1.12(b) on the basis that they are included in the consolidated financial statements:

- Statement of cash flows;
- Remuneration of key management personnel; and
- Detailed financial instruments disclosures.

**Related Parties**

As a subsidiary of its parent, Radian Group Limited, whose results and balances are included in the consolidated financial statements, the Company has not disclosed all transactions and balances with entities which form part of the Group.

**Turnover**

The Company did not generate any turnover during the period. It received interest income on the bonds on lent to another Group undertaking.

**Finance Costs**

Finance costs, issue costs, premiums, and discounts are charged to income and expenditure over the term of debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

**Tax**

Current tax is recognised for the amount of income tax payable in respect of the taxable surplus for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (continued)

**2. ACCOUNTING POLICIES (continued)**

**Receivables and Payables**

Receivables and payables with no stated interest rate, and receivable and payable within one year, are recorded at transaction price.

**Financial Instruments**

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument, and are classified according to their substance.

For the deferred elements of the Radian Capital 2049 bond, the liability is recognised when security is in place and the funds are received by the Company.

**Financial Assets and Liabilities**

***Loans and borrowings***

The Group's loans and borrowings meet the definition of, and are classified as, basic financial instruments under FRS 102. These instruments are initially recorded at the transaction price. They are subsequently recorded at amortised costs using the effective interest method.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (continued)

## 3. FINANCE INCOME

	2018 £'000	2017 £'000
<b>On intercompany loans at amortised cost</b>		
Interest receivable from intercompany loans	11,525	9,259
Intercompany loan arrangement fees and associated costs	97	57
Bond premium amortised	365	251
	<u>11,987</u>	<u>9,567</u>

## 4. FINANCE COSTS

	2018 £'000	2017 £'000
<b>On bonds at amortised cost</b>		
Interest costs	11,525	9,259
Loan arrangement fees and associated costs	97	57
Bond discount amortised	365	251
	<u>11,987</u>	<u>9,567</u>

## 5. RESULT ON ORDINARY ACTIVITIES BEFORE TAX

	2018 £'000	2017 £'000
<b>The analysis of auditor's remuneration is as follows</b>		
Fees payable (excluding VAT) to the Company's auditor for the audit of the Company's annual financial statements	6	6
	<u>6</u>	<u>6</u>

The audit fees for the Company have been borne by The Swaythling Housing Society Limited.

## 6. DIRECTORS' EMOLUMENTS

The directors are defined as the board members and the Executive Board. All the directors of Radian Capital plc are remunerated by The Swaythling Housing Association Limited. It is not possible to disaggregate their remuneration in respect of services performed on behalf of the constituent Group entities. Their remuneration is disclosed within the Group accounts.

The directors of Radian Capital plc, including details of the other roles they perform on behalf of the constituent Group entities, are shown overleaf:

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (continued)

## 6. DIRECTORS' EMOLUMENTS (continued)

	Appointed	Resigned	Audit and Risk Committee	Treasury and Investment Committee	Remuneration and Nominations Committee
<i>Andrea Smith</i>	22/12/11	27/04/17			
<i>Andrew Newberry</i>	22/12/11	27/04/17			
<i>Beverley Anne Costain</i>	27/04/17			M	
<i>Lindsay Todd</i>	22/12/11	18/08/17			
<i>Michael Sweeney</i>	18/08/17			M	
<i>Peter Evans</i>	27/04/17				

M: Member, *Italics: Executive Director*

## 7. STAFF COSTS

The Company had no employees in the year (2017: none).

## 8. RECEIVABLES

	2018 £'000	2017 £'000
Unamortised net discounts	373	-
Amounts due from Group undertakings	1,007	227
<b>Amounts due within one year</b>	<b>1,380</b>	<b>227</b>
Called up share capital	37	37
Intercompany loans	227,299	181,192
<b>Amounts due after one year</b>	<b>227,336</b>	<b>181,229</b>
	<b>228,716</b>	<b>181,456</b>

Whilst amounts due from Group undertakings are due within one year, it is unlikely that the obligation to repay the debt within one year will be enforced.

## 9. PAYABLES: AMOUNTS DUE WITHIN ONE YEAR

	2018 £'000	2017 £'000
Interest due and payable	2,632	1,793
Loans and borrowings	315	229
	<b>2,947</b>	<b>2,022</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (continued)

## 10. PAYABLES: AMOUNTS DUE AFTER ONE YEAR

	2018 £'000	2017 £'000
Loans and borrowings	225,732	179,397

Loans and borrowings are repayable or will be released to the Statement of Comprehensive Income as follows:

<b>Own-named bonds</b>	2018 £'000	2017 £'000
<b>In multiple instalments</b>		
One year or less	150	150
One to two years	150	150
Two to five years	451	451
In five years or more	32,858	33,009
	<b>33,609</b>	<b>33,760</b>
<b>In a single instalment</b>		
One year or less	165	79
One to two years	163	67
Two to five years	488	201
In five years or more	191,622	145,519
	<b>192,438</b>	<b>145,866</b>
	<b>226,047</b>	<b>179,626</b>

The fair value of the bond liability as at 31 March 2018 was £276.9m (31 March 2017: £228.8m).

The bonds have been allocated to the Level 1 fair value hierarchy. Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

## 11. SHARE CAPITAL

	2018 £'000	2017 £'000
Issued and fully paid	13	13
Called up (not paid)	37	37
	<b>50</b>	<b>50</b>

The Company was incorporated on 22 December 2011 with an issued share capital of £50k of which £13k was fully paid.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (continued)

## 12. FINANCIAL INSTRUMENTS

	At historic or amortised cost	
	2018 £'000	2017 £'000
<b>Financial assets</b>		
Receivables	228,343	181,456
Cash	13	13
	<b>228,356</b>	<b>181,469</b>
<b>Financial liabilities</b>		
Payables: amounts due within one year	(2,632)	(1,793)
Payables: amounts due after one year	(217,500)	(173,750)
Share capital	(50)	(50)
	<b>(220,182)</b>	<b>(175,593)</b>

## 13. RELATED PARTY TRANSACTIONS

The Company, a subsidiary of Radian Group Limited, has taken advantage of the exemption contained in FRS 102 33.1A not to disclose transactions or balances with entities which are wholly owned by the Group.

There were no other related party transactions during the period or balances at the reporting date.

## 14. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

At 31 March 2018 the Company's ultimate parent and ultimate controlling party was Radian Group Limited, a company limited by guarantee and incorporated in England.

Radian Group Limited is a registered provider and is the parent of both the largest and smallest Group into which the Company is consolidated.

Group financial statements can be obtained from Radian Group Limited, Collins House, Bishopstoke Road, Eastleigh, Hampshire, SO50 6AD.