Company Registration No. 02809862 (England and Wales)

CAPITAL ASSET FINANCE LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

CAPITAL ASSET FINANCE LIMITED

COMPANY INFORMATION

Directors	D Hullis D Wooldridge
Company number	02809862
Registered office	Building 7 Croxley Green Business Park Watford Hertfordshire United Kingdom WD18 8YN
Auditors	KPMG LLP One Snowhill Snow Hill Queensway Birmingham B4 6GH
Business address	Building 7 Croxley Green Business Park Watford Hertfordshire United Kingdom WD18 8YN

CAPITAL ASSET FINANCE LIMITED

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CAPITAL ASSET FINANCE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present the strategic report and financial statements for the year ended 31 December 2015.

Principal activities

The Company's principal activity is vendor leasing.

Business review

The Company's profit after tax for the year was £120,000 (2014: £263,000).

Principal risks and uncertainties facing the Company

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of changes in debt market prices, liquidity risk and interest rate risk. The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company by monitoring levels of debt finance and the related finance costs.

In order to ensure stability of cash outflows and hence manage interest rate risk, the Company has a policy of maintaining the majority of this debt at a fixed rate. The Company does not use derivative financial instruments to manage interest rate costs.

Credit risk

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity risk

The Company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the Company has sufficient available funds for operations and planned expansions.

Interest rate cash flow risk

The Company has both interest bearing assets and interest bearing liabilities. The majority of interest bearing assets earn interest at a fixed rate. The Company has a policy of maintaining debt at a fixed rate to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of this policy should the Company's operations change in size or nature.

Other risks

The directors have noted the outcome of the United Kingdom's EU membership referendum on 23 June 2016 when finalising these accounts, and are currently of the view that any impacts remain uncertain at this time. The directors will keep the situation under review during 2016/17 as the full implications become clear.

The Board uses certain financial key performance indicators ("KPIs) to monitor and assess the performance of the Company. The principal KPIs are profit and loss account and the balance sheet as presented on pages 7 and 9 respectively.

On behalf of the board

D Hullis
Director
5 July 2016

The directors present their report and financial statements for the year ended 31 December 2014.

Proposed dividend

The directors do not recommend the payment of a dividend *(2014: £Nil)*.

Results and dividends

The results for the year are set out on page 7.

Directors

The directors, who served throughout the year except as noted, were as follows:

D Hullis
D Wooldridge

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to Nil day's purchases, based on the average daily amount invoiced by suppliers during the year.

Auditors

KPMG LLP resigned as auditors of the company and PricewaterhouseCoopers LLP have been appointed.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS101 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 judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

CAPITAL ASSET FINANCE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

Statement of disclosure to auditors
Each director in office at the date of approval of this annual report confirms 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 he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Going concern
After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

On behalf of the board

D Hullis
Director
5 July 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CAPITAL ASSET FINANCE LIMITED

We have audited the financial statements of Capital Asset Finance Limited for the year ended 31 December 2015 set out on pages 7 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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.

Respective responsibilities of directors and auditors
As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements
In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion 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.

CAPITAL ASSET FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CAPITAL ASSET FINANCE LIMITED

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Andrew Jones

Andrew Jones (Senior Statutory Auditor))
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

5 July 2016

CAPITAL ASSET FINANCE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £'000	2014 £'000
Turnover	2	364	738
Administrative expenses		(131)	(216)
Other operating income		57	141
Operating profit	3	290	663
Other interest receivable and similar income	6	3	8
Interest payable and similar charges	7	(142)	(356)
Profit before taxation		151	315
Tax charge for the year	8	(31)	(52)
Profit for the financial year		120	263

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 12 to 21 are an integral part of these financial statements

CAPITAL ASSET FINANCE LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £'000	2014 £'000
Profit for the year	120	263
Other comprehensive income for the year	-	-
Total comprehensive income for the year	120	263

The notes on pages 12 to 21 are an integral part of these financial statements

CAPITAL ASSET FINANCE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £'000	2014 £'000
Non current assets			
Tangible fixed assets	**9**	470	1,773
Deferred tax asset	**13**	610	762
		1,080	2,535
Current assets			
Debtors (includes £382K (2014: £1,513K amounts falling due after one year)	**10**	3,686	4,706
Cash at bank and in hand		202	460
		3,888	5,166
Creditors: amounts falling due within one year			
Loans and overdrafts	**11**	1,480	2,679
Trade creditors and other payables	**12**	88	103
Taxation and social security		184	343
		1,752	3,125
Net current assets		2,136	2,041
Total assets less current liabilities		3,216	4,576
Creditors: amounts falling due after more than one year			
Loans and overdrafts	**11**	539	2,019
Net assets		2,677	2,557
Capital and reserves			
Called up share capital	**15**	500	500
Profit and loss account	**16**	2,177	2,057
Total equity		2,677	2,557

The notes on pages 12 to 21 are an integral part of these financial statements.

CAPITAL ASSET FINANCE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2015

The financial statements were approved by the Board of directors and authorised for issue on 5 July 2016
Signed on ~~its behalf~~ by:

D Hullis
Director

Company Registration No. 02809862

CAPITAL ASSET FINANCE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital	Profit and loss account	Total
	£'000	£'000	£'000
Balance at 1 January 2014	500	1,794	2,294
Profit for the year	-	263	263
Balance at 31 December 2014	500	2,057	2,557
Profit for the year	-	120	120
Total for the period	-	120	120
Balance at 31 December 2015	500	2,177	2,677

The notes on pages 12 to 21 are an integral part of these financial statements.

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework FRS 101. The amendments to FRS 101 (2014/15 Cycle issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2016 and has set out below where where advantage of the FRS 101 disclosure exemptions has been taken.

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. The transition to FRS 101 has not materially affected the reported financial position or financial performance of the Company.

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 paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64 (o)(ii), B64(p), B64(q)(ii), B66 and B67of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Coöperatieve Rabobank U.A. in which the entity is consolidated;
- the requirements of paragraph 33 (c) of IFRS 5 Non current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 *Financial Instruments: Disclosures*;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40 ,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 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 ; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share based payments, financial instruments, capital management, presentation of a cash flow statement, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets, business combinations, discontinued operations and related party transactions.

Where required, equivalent disclosures are given in the group accounts of the parent company Coöperatieve Rabobank U.A. The group accounts of Coöperatieve Rabobank U.A. are available to the public and can be obtained as set out in note 19.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1 Accounting policies **(Continued)**

1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents the gross earnings under finance leases and hire purchase agreements provided in the normal course of business, net of discounts and VAT.

The total gross earnings under finance leases, and similar hire purchase contracts, are allocated so as to give a constant periodic rate of return on the company's net cash investment in the lease.

1.4 Tangible fixed assets

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the life of the lease
Fixtures, fittings & equipment	10 - 20%
Computer equipment	20 - 33%

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.5 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The company is exempt under FRS 101 from the disclosure requirements of IFRS 13. There was no impact on the company from the adoption of IFRS 13.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

Debtors

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

1 Accounting policies **(Continued)**

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.8 Financial liabilities
Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities
Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.9 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

1.10 Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Turnover

An analysis of the company's turnover is as follows:

	2015	**2014**
	£'000	**£'000**
Income from leases	361	726
Income from hire purchase agreements	4	12
	364	738

Geographical market

	Turnover	
	2015	**2014**
	£'000	**£'000**
United Kingdom	364	738

3 Operating profit	**2015**	**2014**
	£'000	**£'000**
Operating profit is stated after charging/(crediting):		
Depreciation of operating leases	829	1,557
Staff costs	63	63
Audit of the company's financial statements	11	2

4 Auditors' remuneration

The analysis of auditor's remuneration is as follows:

	2015	2014
	£'000	£'000
Fees payable to the company's auditors for the audit of the company's annual accounts	11	2

5 Employees

The average number of people employed by the company under contracts of service, excluding executive directors, was 1 (2014:1).

Their aggregate remuneration comprised:

Employment costs	2015	2014
	£'000	£'000
Wages and salaries	49	49
Social security costs	8	8
Pension costs	6	6
	63	63

6 Other interest receivable and similar income

	2015	2014
	£'000	£'000
Interest income		
Other interest income	3	8
	3	8

7 Interest payable and similar charges

	2015	2014
	£'000	£'000
Interest on loans from group undertakings	128	324
Other interest payable	14	32
Total interest expense	142	356

Interest payable and similar charges includes interest payable and similar on bank loans and overdrafts of £14,000 (2014: £32,000) and on all other loans of £128,000 (2014: £324,000). Of the above amount £128,000 (2014: £324,000) was payable to group undertakings.

8 Income tax expense

	2015 £'000	2014 £'000
Corporation tax		
Current year	(121)	(75)
Deferred tax		
Origination and reversal of temporary differences	154	136
Changes in tax rates	(2)	(9)
	152	127
Total tax charge	31	52

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2015 £'000	2014 £'000
Profit before taxation on continued operations	151	315
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.25% (2014 - 21.50%)	31	68
Taxation impact of factors affecting tax charge:		
Capital allowances in excess of depreciation	(151)	(143)
Deferred tax adjustments in respect of prior years	151	127
Total adjustments	-	(16)
Tax charge for the year	31	52

9 Tangible fixed assets

	Operating leases £'000
Cost	
At 31 December 2014	7,373
Disposals	(3,149)
At 31 December 2015	4,224
Accumulated depreciation/impairment	
At 31 December 2014	5,600
Charge for the year	829
Eliminated on disposal	(2,675)
At 31 December 2015	3,754
Carrying amount	
At 31 December 2015	470
At 31 December 2014	1,773

10 Debtors

	2015 £'000	2014 £'000
Net investment in finance leases <1 yr	1,536	3,097
Net investment in finance leases >1 yr	382	1,513
Corporation tax recoverable	121	74
Amounts due from fellow group undertakings	1,646	-
Other debtors	1	22
	3,686	4,706

Trade debtors disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

11 Loans and overdrafts

	2015 £'000	2014 £'000
Unsecured borrowings at amortised cost		
Other loans	173	271
Loans from fellow group undertakings	1,846	4,427
	2,019	4,698

(Continued)

11 Loans and overdrafts 2015 2014

Analysis of loans and overdrafts

Borrowings are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2015 £'000	2014 £'000
Due within one year liabilities	1,480	2,679
Due after one year liabilities	539	2,019
	2,019	4,698

12 Trade creditors and other payables

	Due within one year 2015 £'000	2014 £'000
Trade creditors	73	98
Accruals	15	5
	88	103

13 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs £'000
Deferred tax asset at 1 January 2014	889
Deferred tax movements in prior year	
Other	(127)
Deferred tax asset at 1 January 2015	762
Deferred tax movements in current year	
Other	(152)
Deferred tax asset at 31 December 2015	610

13 Deferred taxation **(Continued)**

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2015 £'000	2014 £'000
Deferred tax assets	610	762

14 Retirement benefit schemes

Defined contribution schemes

The total costs charged to income in respect of defined contribution plans is £6,000 (2014: £6,000).

The company makes pension contributions on behalf of qualifying employees to two sections of the pension scheme operated by the London branch of Rabobank International. The sponsoring company being Coöperatieve Centrale Raiffeisen Boerenleenbank BA, trading as Rabobank International. The first section is a funded defined benefits scheme, and contributions are calculated on a group basis in accordance with the advice of an appointed, professionally qualified actuary. The last actuarial valuation was made on 31 March 2013. The valuation shows a deficit of £15.8 million on a current funding level basis. It represents a funding level of 81% relative to the Funds funding target. During the year, an amount of £0.1m (2014: £0.1m) was paid to the pension fund in respect of the deficit. No new members are allowed to join this section of the pension scheme.

Because the company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, as permitted by IAS19 'Employee Benefits', the scheme is accounted for as if the scheme was a defined contribution scheme.

As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

The second section of the scheme is a non-contributory money purchase scheme.

15 Share capital	2015 £'000	2014 £'000
Ordinary share capital		
Issued and fully paid		
500 Ordinary shares of £1 each	500	500

16 Profit and loss account

	£'000
At 1 January 2014	1,794
Profit for the year	263
At 31 December 2014	2,057
Profit for the year	120
At 31 December 2015	2,177

17 Contingent liabilities

At the balance sheet date there were no contingent liabilities.

18 Events after the reporting date

There are no material post balance sheet events.

19 Controlling party

The immediate holding company is De Lage Landen Limited, and the ultimate controlling party is Coöperatieve Rabobank U.A.

The smallest group in which the results of the company are consolidated is that headed by De Lage Landen International BV which is incorporated in the Netherlands. The group financial statements of De Lage Landen International BV can be obtained from Vestdijk 51, PO Box 652, 5600 AR, Eindhoven, The Netherlands.

The largest group in which the results of the company are consolidated is that headed by Coöperatieve Rabobank U.A. trading as Rabobank Nederland and incorporated in the Netherlands. The group financial statements of Rabobank Group may be obtained from Croeselaan 18, Postbus 17100, 3500 HG Utrecht, The Netherlands.

20 Commitments

There were no material commitments held at the balance sheet date.

21 Accounting estimates and judgements

The impairment on residual value of assets are estimated and the amounts are subsequently included within the profit and loss account. These amounts are not considered as being material at the balance sheet date.