

Registered No. 9502421

Victoria Asset Finance Limited

(formerly Asset Link Capital (No. 6) Limited)

Report and Financial Statements

For the period ended 31 March 2016



Officers and professional advisors

Directors

S L Burdell
A R Cloake
H Shah

Bankers

HSBC
8 Canada Square
London
EC14 5HQ

Solicitors

Martineau
35 New Bridge Street
London EC4V 6BW

Registered Office

Camelford House
89 Albert Embankment
London SE1 7TP

Independent Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

Registered Number

09502421

Directors' report for the period ended 31 March 2016

The directors present their report and the audited financial statements of Victoria Asset Finance Limited (the "company") for the period ended 31 March 2016.

Review of development of the business and key performance indicators

The company was first incorporated 20 March 2015 under the name of Asset Link Capital (No.6) Limited and changed its name on 2 September 2015 to Victoria Asset Finance Limited. The company was incorporated with the sole purpose of acquiring a portfolio of lease receivables. It was agreed between the company and the seller that the acquisition of the lease receivables would take place in two tranches with the initial tranche transferring on 31 October 2015 and the second tranche transferring on 31 January 2016. Therefore the income statement shown in these financial statements represents the first five months of trading.

The acquisition of the portfolios is financed through a secured loan facility with the company's parent company.

Future Developments

The company intends to manage the portfolios acquired for the foreseeable future.

Results and dividends

The audited financial statements for the period ended 31 March 2016 are set out on pages 7 to 20. The profit for the financial period was £61,000.

The directors do not recommend the payment of a dividend for the period and the profit for the period has been transferred to reserves.

Directors and their interests

The directors who served during the year and up to the date of signing the financial statements are as follows:

S L Burdell	(Appointed 20 March 2015)
A R Cloake	(Appointed 20 March 2015)
H Shah	(Appointed 20 March 2015)

Principal risks and uncertainties

The company is exposed to a variety of financial risks and has various policies and procedures so as to mitigate or reduce these risks.

Credit Risk

The most significant financial risk inherent in the company is the timely recovery of outstandings in the portfolio. The company has credit control procedures in place which deals with those agreements that have fallen into arrears.

Directors' report for the period ended 31 March 2016

Principal risks and uncertainties (continued)

Residual risk

Residuals are established following an assessment of the market value of the equipment at maturity. Residual values are reviewed on a regular basis and, where applicable, adjusted to reflect expected realisable values of these assets.

Currency Risk

The Company is exposed to limited risk with a very small percentage of the portfolio acquired being reported in Euro and US dollars.

Going Concern

The availability of sufficient credit to finance the portfolio is of paramount importance to the ongoing operation of the company. The directors will perform an assessment of the funds required over the next twelve months and beyond to ensure that sufficient funds are available to meet all ongoing obligations.

Foreign exchange

The purchased portfolio contains a small number of assets where receivables are based in currencies other than the base currency of GBP. The directors will monitor this exposure to ensure it is minimised as far as possible and that any excess currencies amounts are converted into the base currency when sufficiently sizeable balances have been accumulated.

Employees

All operational activities are outsourced to Link Financial Outsourcing Limited as servicer and third party administrator. The company has no employees.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial accounting period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and

Directors' report for the period ended 31 March 2016

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Statement of directors' responsibilities in respect of the financial statements (continued)

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.

The directors 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.

Statement of disclosure of information to the auditors

The directors confirm that:

- a) so far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditors are unaware, and
- b) having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditors are aware of that information.

Independent Auditors

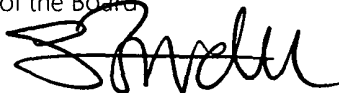
The auditors, PricewaterhouseCoopers LLP, have expressed a willingness to continue in office. Pursuant to Section 487 of the Companies Act 2006, PricewaterhouseCoopers LLP, subject to any resolution to the contrary, are deemed to have been re-appointed as auditors of the company.

Format of report

This report has been prepared in accordance with the special provisions relating to the small companies under Section 414 of the Companies Act 2006.

As a new company the directors have decided to adopt FRS 102 Section 1A and the company has therefore taken advantage of disclosure exemptions under this standard.

On behalf of the Board



S L Burdell

Director

19 July 2017

Independent auditors' report to the members of Victoria Asset Finance Limited

Report on the financial statements

Our opinion

In our opinion, Victoria Asset Finance Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the 13 month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 31 March 2016;
- the income statement and statement of comprehensive income for the period then ended;
- the statement of changes in equity for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law (United Kingdom Generally Accepted Accounting Practice), applicable to Smaller Entities.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Victoria Asset Finance Limited

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' Report, we consider whether this report includes the disclosures required by applicable legal requirements.



Mark Jordan (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

19 July 2017

Income statement

for the period from 20 March 2015 (date of incorporation) to 31 March 2016

	Note	2016 £'000
Interest receivable and similar income	6	7,067
Interest payable and similar charges	7	(2,998)
Gross profit/(loss)		4,069
Administrative expenses	5	(7,228)
Operating loss		(3,159)
Other operating Income	8	3,246
Profit on ordinary activities before taxation	10	87
Tax on profit on ordinary activities	11	(26)
Profit for the financial period	19	61

All amounts relate to continuing operations.

The notes on pages 11 to 20 form an integral part of these financial statements.

Statement of comprehensive income

for the period from 20 March 2015 (date of incorporation) to 31 March 2016

	Note	2016 £'000
Profit for the financial period	19	61
Items that cannot be reclassified to the profit or loss		
Tax in items relating to components of other Comprehensive income		-
<i>Total comprehensive income for the period</i>		<u>61</u>

The notes on pages 11 to 20 form an integral part of these financial statements.

There are no material differences between the profit on ordinary activities before taxation and the profit for the financial period stated above and their historical cost equivalent, except where fair value is used as stated in the accounting policies.

Balance Sheet

at 31 March 2016

	Notes	2016 £'000
<i>Fixed assets</i>		
Tangible fixed assets	12	7,662
		<u>7,662</u>
<i>Current assets</i>		
Debtors		
Amounts falling due within one year	13	127,426
Debtors		
Amounts falling due after more than one year	13	33,233
		<u>160,659</u>
Cash at bank and in hand		43,196
		<u>203,855</u>
Creditors: amounts falling due within one year	16	(15,184)
		<u>196,333</u>
Net current assets		
Creditors: Amounts falling due after more than one year	17	(196,272)
		<u>61</u>
Net assets		<u><u>61</u></u>
<i>Capital and reserves</i>		
Called up share capital	18	-
Profit and loss account	19	61
		<u>61</u>
Total shareholders' funds	19	<u><u>61</u></u>

The notes on pages 11 to 20 form an integral part of these financial statements

The Financial Statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

The financial statements on pages 11 to 20 were approved and authorised for issue by the Board of directors on 19 July 2017 and signed on its behalf by:



S L Burdell

Director

19 July 2017

Statement of changes in equity

For the period from 20 March 2015 (date of incorporation) to 31 March 2016

	Called up share capital £000's	Profit and loss account £000's	Total shareholders funds £000's
Balance as at 20 March 2015	-	-	-
Total Comprehensive Income for the period	-	61	61
Balance as at 31 March 2016	-	61	61

The notes on pages 11 to 20 form an integral part of these financial statements.

Notes to the financial statements

For the period ended 31 March 2016

1. General information

Victoria Asset Finance Limited (the "Company") is a private company limited by shares incorporated and domiciled in England under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the business review on pages 2.

These financial statements are presented in Pound Sterling and all values are rounded to the nearest thousand (£'000), because that is the currency of the primary economic environment in which the company operates.

These financial statements are separate financial statements.

2. Statement of compliance

These financial statements are prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006. The company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except where otherwise indicated.

3. Summary of significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently over the reporting period, unless otherwise stated.

a. Basis of preparation

These financial statements are prepared for the period from 20 March 2015, the date of incorporation to 31 March 2016 and are the first period of account. The financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

b. Going Concern

The company meets its day-to-day working capital requirements from cash generated through its normal course of business. After making enquires, the directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

c. Exemptions under Financial Reporting Standard 102

FRS 102 Section 1A allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders. The company has taken advantage of the following exemptions;

- (i) from preparing a cashflow on the basis that the entity meets the qualifying small entity criteria under Section 7 Statement of cashflows.

Notes to the financial statements

For the period ended 31 March 2016

d. Functional and presentation currency

The company financial statements are presented in pounds sterling rounded to thousands.

Tangible Fixed Assets

Tangible fixed assets 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 calculated to write off their cost less any residual value on a straight-line basis over their estimated useful lives which are considered to be the time to the maturity of each contract.

The assets residual value, useful economic life and depreciation method are reviewed and adjusted prospectively if appropriate or if there is an indication of a significant change.

Residual values

A residual value exposure occurs due to the uncertain nature of the value of an asset at the end of an agreement. Throughout the life of an asset its residual value will fluctuate because of the uncertainty of the future market for that asset as well as the general economic conditions.

Residual values have been adopted by the company at the time of acquisition having previously been set based on the expectation of future sale proceeds. During the remaining course of the lease, residual values are monitored so as to identify any impairment required. Any permanent impairment in the residual value of each group of assets is immediately charged to the income statement.

Leases

Leases in which the company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases and shown under fixed assets.

Impairment of lease receivables

As these financial statements represent the first period of account analysis has been performed on the historical default and write off rates and a provision made by applying a consistent loss rate across the portfolio at the balance sheet date.

Taxation

Current tax payable is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided using the liability method on all timing differences calculated at the rate at which it is anticipated the timing differences will reverse. Deferred taxation assets are only recognised if recovery is reasonably certain.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date. The carrying amount of deferred income tax assets is reviewed at each balance sheet date.

Notes to the financial statements

For the period ended 31 March 2016

Foreign currencies

Transactions in foreign currencies are translated at the rate prevailing at the time of the transaction. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the profit and loss.

Financial instruments

The company's financial assets and liabilities include cash and deposits, trade and other receivables, trade and other payables and interest bearing loans and other borrowings. Management determines the classification of the company's financial assets and liabilities at initial recognition.

Financial assets

(i) Trade and other receivables

Financial assets within trade and other receivables are initially recognised at fair value, which is usually the original invoiced amount (or the net asset value at the time of acquisition) and are subsequently carried at the amortised cost, using the effective interest rate method, less provisions made for doubtful receivables. Provisions are made specifically where there is evidence of a risk of non-payment, taking into account aging, previous losses experienced and general economic conditions.

(ii) Cash and cash equivalents

Cash and bank balances comprise cash in hand and current balances with banks which are readily convertible to cash and are subject to insignificant risk of changes in value and have an original maturity of three months or less. For the purpose of the company's statement of cashflows, cash and cash equivalents include cash and cash balances as defined above.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each period end. 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.

Financial Liabilities

(i) Trade and other payables

Financial liabilities within trade and other payables are initially recognised at the fair value, which is usually the original invoiced amount, and subsequently measured at amortised cost using the effective interest rate method.

(ii) Loans and other borrowings

Loans and other borrowings are initially recognised at the fair value of amounts received net of any transaction costs. Interest is calculated and accrued on the outstanding balance of the loan in accordance with the loan agreements in place.

Notes to the financial statements

For the period ended 31 March 2016

Turnover

a. Finance agreements

Finance income is recognised in the profit and loss account over the period of the agreement in respect of finance leases and hire purchase agreements. It is stated exclusive of VAT.

b. Operating leases

Rental income is stated exclusive of VAT and is recognised in the income statement on a straight line basis over the life of the lease.

4. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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 year are addressed below.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements:

Provisioning

Management have performed historical analysis of the default rates, being those loans where the past due exceeds 90 days and the write off rates, being those loans that exceed 180 days and extrapolated this across the portfolio. This analysis has provided the management with the information necessary for a specific provision to be applied to the loan receivable balance which reflects the current position and on-going trend of the portfolio.

5. Administrative Expenses

	£'000's
Depreciation on Operating leases	1,855
Provisions	2,366
Foreign Exchange gains	(331)
Other direct costs	3,338

7,228

Notes to the financial statements

For the period ended 31 March 2016

6. Interest receivable and similar income

The company's turnover arises substantially within the United Kingdom from its principal activities as defined below;

By Activity

20 March 2015 to
31 March 2016
£'000's

Turnover by origin:

Finance Interest	5,111
Operating lease rentals	1,956
	<u>7,067</u>

7. Interest payable and similar charges

20 March 2015 to
31 March 2016
£'000

Loans and overdraft	2,998
	<u>2,998</u>

The company entered into a secured loan facility agreement on 29 October 2015 with an interest rate of 4.8% per annum.

8. Other operating income

20 March 2015 to
31 March 2016
£'000

Secondary Rental Income	2,283
Asset sales taken as income	101
Other income	862
	<u>3,246</u>

Notes to the financial statements

For the period ended 31 March 2016

9. Staff costs

The company has no employees as all services are sub-contracted out to associated group companies.

10. Profit on ordinary activities before taxation

This has been arrived at after charging:

	20 March 2015 to 31 March 2016 £'000
Depreciation, amortisation and amounts written off tangible owned fixed assets	1,855
Bad debt charge for the period	2,137
Foreign exchange gain	(332)
Auditors' remuneration:	
Audit of the company's annual financial statements	40

The directors received no remuneration from the company.

11. Tax on profit on ordinary activities

(a) Tax on profit on ordinary activities

	20 March 2015 to 31 March 2016 £'000
Current tax	
UK corporation tax on profit for the period (20%)	26
Total current tax	26

Notes to the financial statements

For the period ended 31 March 2016

(b) Factors affecting tax charge for the period

Tax assessed for the year is higher than the standard rate of corporation tax in the UK for the period ended 31 March 2016 of 20%. The differences are explained below:

	20 March 2015 to 31 March 2016 £'000
Profit on ordinary activities before taxation	87
Tax on profit on ordinary activities at statutory rate (2016-20.007%)	18
Effects of: Non-deductible expenses	8
Tax charge for the period	26

The main rate of corporation tax in the UK was reduced from 21% to 20% with effect from 1 April 2015 accordingly profits for the accounting period ended 31 March 2016 were taxed at an effective rate of 20.00%.

12. Tangible fixed assets

Operating leases

	£'000
Cost:	
At 20 March 2015	-
Additions	10,279
Disposals during the period	762
At 31 March 2016	9,517
Accumulated depreciation:	
At 20 March 2015	-
Depreciation charge for the period	1,855
At 31 March 2016	1,855
Net book value:	
At 20 March 2015	-
At 31 March 2016	7,662

Notes to the financial statements

For the period ended 31 March 2016

13. Debtors

	2016
	£'000
<i>Amounts falling due within one year</i>	
Finance lease, hire purchase and loan receivables (note 14)	101,602
Trade and other receivables	1,173
Other debtors	24,651
	<u>127,426</u>
	<u>127,426</u>
 <i>Amounts falling due after more than one year</i>	 £000
Finance lease, hire purchase and loan receivables (note 14)	33,233
	<u>33,233</u>
	<u>33,233</u>

14. Finance lease, hire purchase and loan receivables

	2016
	£'000
Minimum finance lease, hire purchase and loan receivables	141,408
Finance lease, hire purchase and loan income allocated to future periods	(6,573)
	<u>134,835</u>
Asset at the end of the period	<u>134,835</u>

The amounts receivable under finance lease and hire purchase contracts comprise:

	2016
	£'000
Finance leases	43,802
Hire purchase contracts and loan receivables	91,033
	<u>134,835</u>
	<u>134,835</u>

The cost of assets acquired under finance leases and hire purchase contract but excluding operating leases was £206,253,000.

Notes to the financial statements

For the period ended 31 March 2016

15. Residual Values

Unguaranteed residual values under finance leases can be analysed as follows;

	2016 £'000
Within one year	4,315
Between 1 and 5 years	2,258
More than 5 years	-
Total exposure	<u>6,573</u>

The total exposure of £6,573,000 for 2016 is included within the £141,408,000 balance of "Minimum finance lease, hire purchase and loan receivables" within note 14.

16. Creditors: Amounts falling due within one year

	2016 £'000
Accrued Interest payable	2,998
Accruals and deferred income	9,579
Corporation tax payable	26
Other creditors	2,581
Total exposure	<u>15,184</u>

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

On 29 October 2015 the company entered into a Loan Agreement providing a secured facility with its Parent Company, LC Asset 1 S.a.r.l. Under the terms of the agreement the first repayment date fell due prior to the year-end but this date has subsequently been extended to May 2017 and therefore the entire outstanding loan and accrued interest is classified as falling due after one year.

	2016 £'000
Creditors falling due after more than one year	<u>196,272</u>

18. Called up share capital

The company's share capital consists of 100 ordinary shares of £1 which are allotted and fully paid up as at the period end.

Notes to the financial statements

For the period ended 31 March 2016

19. Reconciliation of movements in shareholders' funds and movement on reserves

	<i>Called up Share capital £'000</i>	<i>Profit and loss account £'000</i>	<i>Total £'000</i>
At 20 March 2015	-	-	-
Profit for the financial period	-	61	61
At 31 March 2016	-	61	61

20. Related party transactions

The Servicing and Administration of the leasing and Hire Purchase portfolios is delegated to Link Financial Outsourcing Limited through an Asset Management Agreement dated 29 October 2015. The accrued fees due to the Asset Manager as at the period end were £687,000.

On 29 October 2015 the company entered into a Loan Agreement providing a secured facility with its Parent Company, LC Asset 1 S.a.r.l. At the balance sheet date no repayments have been made as the first repayment date has been extended to May 2017 and therefore the entire outstanding loan and accrued interest is classified as falling due after one year as detailed in Note 17. The Company made a number of payments to LC Asset 1 S.a.r.l during the year which are reflected as an intercompany balance and shown in note 13 under Other Debtors.

21. Ultimate parent undertaking and controlling party

The Company's ultimate parent company is LCH European Portfolio Holdings Limited which is a Dublin registered Company.

As a result of the financing arrangements for the Company, the directors of directors of LCH European Portfolio Holdings Limited do not regard the group as having economic benefit in, or being exposed to risk to or being the controlling party of the Victoria Asset Finance Limited. The Company does not therefore form part of the consolidated financial statements of LCH European Portfolio Holdings Limited. The Directors consider LC Asset 1 S.a.r.l, a special purpose vehicle registered in the Grand Duchy of Luxembourg to be the controlling party for accounting purposes.