Registered number: 06455235

CORFE HILL LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

COMPANY INFORMATION

DIRECTORS	David S. McNulty Emma L. Scott
COMPANY SECRETARY	Merrill Lynch Corporate Services Limited
REGISTERED NUMBER	06455235
REGISTERED OFFICE	2 King Edward Street London EC1A 1HQ
INDEPENDENT AUDITORS	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT

CONTENTS

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their Strategic Report on Corfe Hill Limited ("Corfe Hill", the "Company") for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is a wholly owned subsidiary of Magellan Bay Limited ("Magellan"), a company incorporated in the Cayman Islands and the ultimate parent company is Bank of America Corporation ("BAC").

In 2014 the Company received a return of capital of £673,321,340 and a dividend of £9,823,138 from Hever Hill Limited ("Hever Hill"), the Company's subsidiary. Subsequently Hever Hill was placed into voluntary liquidation and was finally dissolved on 22 September 2015. Accordingly the Company is no longer required to prepare and deliver consolidated financial statements.

The principal activity of the Company is acting as an investment company. The Company derives income from the deposit of funds with Bank of America, National Association ("BANA"), an affiliated company.

Profit on ordinary activities for the 2015 has decreased compared to 2014, the main drivers are the final dividend from Hever Hill received in 2014 and increased interest income in 2015.

There have been no changes in the principal activity of the Company during the year and the directors expect the principal activity to continue in 2016.

PRINCIPAL RISKS AND UNCERTAINTIES

Legal entity governance is built on the Bank of America Corporation ("BAC") comprehensive approach to risk management. BAC's risk management objectives and policies are described in the notes to the financial statements. The notes also describe the Company's applicable exposures in relation to the seven key risk types (market, credit, operational, liquidity, reputational, strategic and compliance risks), see note 3.

FINANCIAL KEY PERFORMANCE INDICATORS

The results of the Company for the year ended 31 December 2015 are set out in the Statement of Comprehensive Income on page 6 of the financial statements. The profit for the financial year was £3,479,000 (2014: £11,686,000).

Cash and cash equivalents as at 31 December 2015 was £689,335,000 (2014: £685,857,000).

BAC manages its operations on a divisional basis. For this reason, the Company's directors believe that further key business performance indicators for the Company are not necessary.

This report was approved by the Board on 28 June 2016 and signed on its behalf by:

Emma L. Scott
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the audited financial statements for the Company for the year ended 31 December 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

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 prepared the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESULTS AND DIVIDENDS

The profit for the year after providing for income tax was £3,479,000 (2014: £11,686,000).

The directors declared and paid a dividend of £585,000,000 on 15 April 2016. The directors did not recommend the payment of a dividend for the year ended 31 December 2014.

DIRECTORS

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

George W. A. Ross (Resigned 27 July 2015)
Prashant Sood (Resigned 27 July 2015)
Emma L. Scott (Appointed 24 July 2015)
David S. McNulty (Appointed 24 July 2015)

DIRECTORS' REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

MATTERS COVERED IN THE STRATEGIC REPORT

Details regarding a review of the business, including future developments, principal risks and uncertainties are provided in the strategic report on page 1.

DIRECTORS THIRD PARTY INDEMNITY PROVISIONS

The Details have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

SUBSEQUENT EVENTS

On 12 April 2016 the Board of Directors approved a resolution to reduce the Company's share capital by £575,113,000 in order to make a distribution to Magellan. On 15 April 2016 the Company declared and paid a dividend of £585,000,000 to Magellan.

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

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

This report was approved by the Board on 28 June 2016 and signed on its behalf by:

Emma L. Scott
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORFE HILL LIMITED

REPORT ON THE FINANCIAL STATEMENTS

OUR OPINION

In our opinion, Corfe Hill Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of the Company's profit and the Company's cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

WHAT WE HAVE AUDITED

The financial statements comprise:

- the statement of financial position as at 31 December 2015;
- the statement of comprehensive income for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year 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 applicable law and IFRSs as adopted by the European Union.

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, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORFE HILL LIMITED (Continued)

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 parent 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 Directors' Report and Financial Statements 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.

H Varley

Heather Varley (Senior Statutory Auditor)
for and on behalf of **PricewaterhouseCoopers LLP**
Chartered Accountants and Statutory Auditors
7 More London Riverside
London SE1 2RT
28 June 2016

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £'000	2014 £'000
Interest income	4	**3,479**	1,863
Net interest income		**3,479**	1,863
Dividend received	5	**-**	9,823
Profit on ordinary activities before taxation		**3,479**	11,686
Tax on profit on ordinary activities	6	**-**	-
Profit and total comprehensive income for the year		**3,479**	11,686

The results above are all derived from continuing activities.

Profit and total comprehensive income are attributable to the owners of the Company.

The notes on pages 10 to 17 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

Registered number: 06455235

	Note	2015 £'000	2014 £'000
Assets			
Current assets			
Interest receivable	7	**152**	151
Cash and cash equivalents	8	**689,335**	685,857
Total assets		**689,487**	686,008
Equity and liabilities			
Equity			
Share capital	9	**680,000**	680,000
Retained earnings	10	**9,013**	5,534
Total equity		**689,013**	685,534
Liabilities			
Current liabilities			
Other payables	11	**474**	474
Total liabilities		**474**	474
Total equity and liabilities		**689,487**	686,008

The notes on pages 10 to 17 form part of these financial statements.

The financial statements on pages 6 to 17 were approved and authorised for issue by the Board on 28 June 2016 and signed on its behalf by:

Emma L. Scott
Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Share Capital £'000	(Accumulated losses)/ retained earnings £'000	Total equity £'000
Balance as at 1 January 2014		**680,000**	**(6,152)**	**673,848**
Profit and total comprehensive income for the year		-	11,686	11,686
Balance as at 31 December 2014 and 1 January 2015	9,10	**680,000**	**5,534**	**685,534**
Profit and total comprehensive income for the year		-	3,479	3,479
Balance as at 31 December 2015	9,10	**680,000**	**9,013**	**689,013**

The notes on pages 10 to 17 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £'000	2014 £'000
Cash flows from operating activities			
Profit on ordinary activities before taxation		**3,479**	11,686
Adjustment for:			
Interest income	4	**(3,479)**	(1,863)
Distribution received from subsidiary		**-**	(9,823)
		-	-
Cash generated from operations:			
Interest received		**3,478**	1,712
Net cash generated from operating activities		**3,478**	1,712
Cash flows from investing activities			
Distributions received		**-**	683,144
Net cash generated from investing activities		**-**	683,144
Net increase in cash and cash equivalents		**3,478**	684,856
Cash and cash equivalents at beginning of year	8	**685,857**	1,001
Cash and cash equivalents at end of year	8	**689,335**	685,857

The notes on pages 10 to 17 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

The Company is a private limited company incorporated and domiciled in the United Kingdom.

The principal accounting policies, which have been applied consistently throughout the current and prior year, are set out below.

1.1 Basis of accounting

These financial statements have been prepared in accordance with IFRSs as adopted by the European Union ("IFRSs as adopted by the EU"), and the Companies Act 2006 applicable to companies reporting under IFRS and IFRS Interpretations Committee ("IFRS IC") interpretations. The financial statements were prepared using the going concern assumption and the directors expect the principal activities to continue in 2016.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates. It also requires management to exercise their judgement in the process of applying the Company's accounting policies, for example, determining the fair value of financial assets. The financial statements were prepared using the going concern assumption and the directors expect the principal activities to continue in 2016.

The financial statements are prepared under the historical cost convention.

New and amended standards adopted by the Company

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2015 that would be expected to have a material impact on the Company.

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2015, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company, but they include IFRS 9 as set out below:

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39.

For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted subject to EU endorsement. The Company is yet to assess IFRS 9's full impact. The Company will also consider the impact of the remaining phases of IFRS 9 when completed by the Board.

1. ACCOUNTING POLICIES (continued)

1.2 *Translation of foreign currencies*

The financial statements have been presented in Pounds Sterling ("GBP") which is also the functional currency of the Company.

Transactions in foreign currencies are translated into GBP at the rate ruling on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into GBP at rates of exchange ruling at the balance sheet date. Exchange gains and losses are recognised in the profit and loss account.

1.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, deposits held at call with banks or other short term deposits with maturities of three months or less from the end of the reporting period.

1.4 Share capital

Ordinary shares are classified as equity.

1.5 Financial reporting by segments

The Company derives operating revenue from one principal business activity; acting as an investment company. The Company's income is all generated in the United Kingdom. Accordingly, segmental data has not been disclosed.

1.6 Interest and dividend income

Interest income and expense are recognised on an accruals basis using the effective interest method. Dividend income is recognised when the right to receive payment is established.

1.7 Taxation

Current tax, including UK corporation tax and foreign taxes, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

2. 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.

In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015 (continued)

3. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks, including: market risk and credit risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. Risk management for the overall Company is the responsibility of the board of directors.

Market risk

Interest rate risk is the risk of volatility resulting from movements in interest rates. The Company's main exposure to interest rate risk is through deposits placed with BANA.

Interest income on the deposit with BANA is based on the British Bankers' Association ("BBA") LIBOR interest rate fixings. As at 31 December 2015, a 0.50% movement in the interest rate would result in a £3,447,000 (2014: £3,429,000) movement in the Company's profit before income tax for the year.

Credit risk

Credit risk is the potential risk of financial loss arising from the failure of a counterparty to settle its financial and contractual obligations.

The directors consider this risk to be minimal due to the fact that the Company's material counterparty is BANA, who has a short term credit rating of A-1 (2014: A-1) from Standard & Poors. None of the Company's financial assets were past due or impaired as at 31 December 2015 or 31 December 2014.

The following table provides analysis of the Company's exposure to credit risk.

	Transactions with group and other related parties £'000	Total £'000
2015		
Interest receivable	152	152
Cash and cash equivalents	689,335	689,335
	689,487	689,487
2014		
Interest receivable	151	151
Cash and cash equivalents	685,857	685,857
	686,008	686,008

Liquidity risk

Liquidity risk is the potential inability to meet contractual and contingent financial obligations, both on or off balance sheet, as they fall due; liquidity risk could arise from either an actual or perceived inability to meet such obligation. The amount of these obligations was not material at 31 December 2015. At 31 December 2015 liabilities are mainly with affiliated undertakings and pose minimal liquidity risk.

3. FINANCIAL RISK MANAGEMENT (continued)

Reputational risk

Reputational risk is the potential that negative perceptions of the BAC's conduct or business practices will adversely affect its profitability or operations through an inability to establish new or maintain existing customer/client relationships.

BAC manages reputational risk through established policies and controls in the business and risk management processes to mitigate reputational risks in a timely manner and through proactive monitoring and identification of potential reputational risk events. Ultimately, to ensure that Reputational Risk is mitigated through regular business activity, awareness of Reputational Risk is integrated into the overall governance process, as well as incorporated into the roles and responsibilities for BAC employees. Given the nature of Reputational Risk, BAC does not set quantitative limits for the level of acceptable risk. Through proactive risk management, BAC seeks to minimise both the frequency and impact of reputational events.

At the enterprise level, Reputational Risk is reviewed by the Enterprise Risk Committee and the Management Risk Committee, which provide primary oversight of Reputational Risk. Additionally, the Global Risk Management Leadership team and the BAC Board review the top reputational risks as part of the Summary Risk Report process. Each front line unit and control function has a committee whose charter includes oversight of reputational risk. That oversight includes providing approval for business activities that present elevated levels of reputational risks.

Strategic risk

Strategic risk is the risk resulting from incorrect assumptions about external or internal factors, inappropriate business plans, ineffective business strategy execution, or failure to respond in a timely manner to changes in the regulatory, macroeconomic or competitive environments (such as competitor actions, changing customer preferences, product obsolescence and technology developments). Strategic risk is managed through the following approaches: (1) The strategic planning process specifically addresses many forms of strategic risk. The BAC boards of directors review and approve the strategic plans after considering strategic risks in addition to other types of risk. (2) The strategic plans are consistent with risk appetite and specifically address strategic risks. (3) The executive management team continuously monitors business performance throughout the year to assess strategic risk and find early warning signals so that risks can be proactively managed.

The strategic plan is reviewed and approved annually by the BAC Board alongside the capital plan, financial operating plan and risk appetite. Significant strategic actions, such as capital actions, material acquisitions or divestitures, and recovery and resolution plans are reviewed and approved by the BAC Board as required. Routines exist to discuss the Strategic Risk implications of new business and product entries and other strategic initiatives, and to provide approvals where appropriate. Control Functions provide key input, oversight and challenge to front line unit and regional level strategic assessments.

Front line units present tracking updates to executive management on their business performance. Updates take into account analyses of performance relative to the financial operating plan and risk appetite and performance relative to peers. Topical presentations are made to address any developments or considerations as it relates to strategic planning.

3. FINANCIAL RISK MANAGEMENT (continued)

Compliance risk

Compliance Risk is the risk of legal or regulatory sanctions arising from the failure of BAC and its enterprise subsidiaries (which includes the group) to comply with requirements of banking and financial services laws, rules and regulations.

Front line units are responsible for the proactive identification, management and escalation of compliance risks across The Company. Global Compliance is responsible for setting BAC-wide policies and standards and provides independent challenge and oversight to the front line units. The Company's approach to the management of compliance risk is further described in the Global Compliance Policy, which outlines the requirements of BAC's global compliance program and defines roles and responsibilities related to the implementation, execution and management of the compliance program by Global Compliance.

Global Compliance is a separate function with governance routines and executive reporting distinct from those of the front line units and other control functions. Global Compliance also collaborates with other control functions to provide additional support for specific remediation efforts and shares responsibility with the front line units, Global Risk Management and other control functions for mitigating reputational risk.

The Global Compliance Executive leads the Global Compliance organisation, which together with the front line units, also has primary responsibility for the aggregated identification, management and escalation of compliance risks and compliance-related matters across the company.

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for its immediate parent and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may pay dividends to its immediate parent, return capital to its immediate parent, or issue new shares.

The Company's capital consists of share capital and audited retained earnings. At 31 December 2015, the Company's total capital was £689,013,000 (2014: £685,534,000).

4. INTEREST INCOME

	2015	2014
	£'000	£'000
Deposits with BANA London Branch	**3,479**	1,863
Amounts relating to entities in the wholly owned group and other related parties	**3,479**	1,863

5. DIVIDEND RECEIVED

	2015 £'000	2014 £'000
Distribution received from subsidiary	-	9,823
Amounts relating to entities in the wholly owned group and other related parties	-	9,823

On 15 April 2016 the Company declared and paid a dividend of £585,000,000 to Magellan. On 16 June 2014 the Company received a dividend of £9,823,000 from Hever Hill.

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2015 £'000	2014 £'000
Current tax:		
UK corporation tax on profits of the year	-	-

The tax on the Company's profit before tax differs from the amount that would arise using the tax rate applicable as follows:

	2015 £'000	2014 £'000
Profit on ordinary activities before taxation	**3,479**	11,686
Tax calculated at UK tax rates applicable of 20.25% (2014: 21.49%)	**704**	2,512
Tax effects of:		
Group relief	**(704)**	(401)
Income not taxable	-	(2,111)
Total tax for the year	-	-

7. INTEREST RECEIVABLE

	2015 £'000	2014 £'000
Interest receivable on deposit with BANA	**152**	151

8. CASH AND CASH EQUIVALENTS

	2015	2014
	£'000	£'000
Cash at bank	-	-
Short term deposit with BANA	**689,335**	685,857
	689,335	685,857
Amounts relating to entities in the wholly owned group and other related parties	**689,335**	685,857

The Company held short term interest bearing deposits with BANA. Interest on the deposit is earned at the one month GBP LIBOR rate. At the end of the reporting year the interest rate of the deposit was 0.5019% (2014: 0.5019%).

9. SHARE CAPITAL

	2015	2014
	£'000	£'000
Allotted, called up and fully paid		
680,000,000 (2014: 680,000,000) ordinary shares £1 each	**680,000**	680,000

10. RETAINED EARNINGS

	£'000
At 1 January 2015	**5,534**
Profit for the financial year	**3,479**
At 31 December 2015	**9,013**

11. OTHER PAYABLES

	2015	2014
	£'000	£'000
Amounts payable to affiliated undertakings	**474**	474
Amounts relating to entities in the wholly owned group and other related parties	**474**	474

12. REMUNERATION OF AUDITORS

	2015	2014
	£'000	£'000
Fees payable to the Company's auditors for the Company's financial statements	**7**	7

Audit fees are paid by the Company's intermediate parent company, BANA. The auditors did not receive any other fees in respect of their audit or other services (2014: £nil).

13. EMPLOYEES

The Company have no employees other than the directors, who did not receive any remuneration (2014: £nil) for their services to the Company.

14. SUBSEQUENT EVENTS

On 12 April 2016 the Board of Directors approved a resolution to reduce the Company's share capital by £575,113,000. On 15 April 2016 the Company declared and paid a dividend of £585,000,000 to Magellan.

15. RELATED PARTY INFORMATION

(a) Group entities

A party or a close member of the family of any individual is related to the Company if directly or indirectly through one or more intermediaries, they; control, is controlled or under common control, has a significant interest or joint control of the Company. A party is also related if it is an associate, joint venture, post employment benefit plan, member of key management personnel and or a close member of the family of key management personnel.

The Company is a wholly owned subsidiary of Magellan Bay Limited, a company incorporated in the Cayman Islands.

The Company owned 100% equity of Hever Hill, a company incorporated in the United Kingdom. In 2014 Hever Hill was placed into voluntary liquidation and on the 22 September 2015 Hever Hill was finally dissolved.

(b) Key management personnel

The board of directors represents key management personnel. A list of directors who served during the year is set out in the directors' report on page 2.

(c) Transactions with related parties

Year end balances with related parties are disclosed in notes 7, 8 and 11 to these financial statements.

Interest received from related parties is disclosed in note 4 to these financial statements. Dividends paid to Magellan in 2016 and received from Hever Hill in 2015 are disclosed in note 5 to these financial statements.

16. ULTIMATE CONTROLLING PARTY

The Company's immediate parent company is Magellan Bay Limited, a company incorporated in the Cayman Islands, and the ultimate parent company and controlling party is BAC, which is organised and existing under the laws of the State of Delaware in the United States of America ("U.S.A.").

The parent company of the smallest and largest group that includes the Company and for which group financial statements are prepared is BAC. Copies of BAC's financial statements can be obtained from either of the following website locations: http://investor.bankofamerica.com or www.sec.gov/.