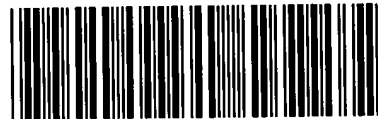


Company Registration No. 02027063 (England and Wales)

HUNT AND PALMER PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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HUNT AND PALMER PLC

COMPANY INFORMATION

Directors	P.R. Hunt J.F. Palmer M. Jenkinson S. Edwards N. Harvey
Secretary	M Jenkinson
Company number	02027063
Registered office	29-30 Fitzroy Square London W1T 6LQ
Auditor	Goodman Jones LLP 29-30 Fitzroy Square London W1T 6LQ
Business address	The Tower Goffs Park Road Crawley RH11 8XX
Bankers	National Westminster Bank plc 125 Great Portland Street London W1A 1GA

HUNT AND PALMER PLC

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HUNT AND PALMER PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present the strategic report and financial statements for the year ended 31 December 2016.

Group Overview

The Hunt & Palmer Group is an international trading organisation whose core business activity is that of aircraft charter broking.

Aircraft charter brokers act as intermediaries within the aviation industry between the end user and the aircraft operator. They utilise their skills in the ad-hoc markets where the flexibility of travel by senior executives and HNW individuals or a sudden surge in the demand for air transport movements in response to unforeseen circumstances such as natural disasters and emergencies, require a high level of experience and expertise to secure the right aircraft at the right price within a narrow time frame.

Hunt & Palmer PLC has been trading since 1986 and has, through both organic growth and acquisition, developed into an effective and successful group of entities providing specialist travel services and consultancy across the world.

The Group enjoys a diverse portfolio of clients across multiple market sectors, including private individuals, corporate entities, government departments and NGOs and delivers its services through a network of satellite offices, subsidiary entities and GSA partners in the UK, Europe, Asia, Australia and the USA.

Other commercial interests of the Group include a business travel agency, Hunt & Palmer Travel Services Ltd, which is a joint venture with corporate travel partner CTT Group, and Hunt & Palmer Yachts Ltd, an entity specialising in the charter of high end luxury yachts. Although these ancillary projects presently account for just a small proportion of the group's overall revenues, the Board considers they enhance the product offering of the Group.

The Directors consider that, in terms of revenue and organisational structure of its core business, Hunt & Palmer is presently placed as the number four broking company in the UK. There are around eighty other aircraft charter brokerages currently active in the UK to some degree or other; these are generally considerably smaller entities, often with just one or two staff operating from a home office environment.

At the year end 31 December 2016, the Hunt & Palmer Group employs a total of 52 staff (27 male and 25 female) and in addition retains under contract a number of independent GSAs providing sales and promotional activities in both the UK and overseas locations. During the period, the Group recruited a total of four staff, and had 3 leavers thereby showing a 1.9% increase in headcount across the group over the previous period. This was a lower workforce growth figure than in the previous three years however the directors are not concerned by this and expect that the company will continue to recruit and retain staff at a higher level in the next period.

The average length of service for employees during the period, excluding the Directors, is 6.89 years.

HUNT AND PALMER PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Significant Events

1. In January 2016, the Commercial Court in Bobigny, France finally published its judgement on the liquidation of subsidiary company Hunt et Palmer Voyage SARL, which ceased trading in December 2008. The judgement found no liability attached to Hunt & Palmer PLC as the parent company however there were some concerns pertaining to the potential liabilities of the gérants (directors) of the French company arising from the judgement. An appeal was subsequently lodged with the Court of Appeal in Paris by the Company.

Post year end, the appeal was heard and judgment published in February 2017. The Court of Appeal dismissed all charges and claims of the liquidator and neither Hunt & Palmer PLC nor the gérants of the French subsidiary were found to have any liability arising from the liquidation of Hunt et Palmer Voyage. The matter is now considered to be closed.

2. The 2015 report noted the one-year appointment of Darren Tilley to the Board as a non-executive director. Mr Tilley was brought in to undertake a number of specific tasks alongside the Board and having successfully completed these, he did not seek re-appointment at the end of the agreed term, although the option was available to him. The appointment of further non-executive directors in the future is likely as the Board recognises that there is real value in the independence and experience these appointments can bring to the Board dynamic.

The Board have made a vote of thanks to Mr Tilley for his contribution to the company during the period of his appointment.

3. The voluntary winding up process of the group subsidiary company Hunt & Palmer Air Charter India Pvt Ltd as outlined in the company's 2015 report, continued throughout the period. This was not wholly unexpected and has not impacted on the business of the parent company. All obligations of the subsidiary and the parent have been met in this respect and the matter should be concluded during 2017.

Post year end, a final court hearing date has been set for August 2017 which should see the winding up of Hunt & Palmer Air Charter India Pvt Ltd completed.

4. In July 2016, Jamie Martin, a founding director of Hunt & Palmer PLC, elected to take retirement from the company. His decision to do so necessitated that the Company 'buy-back' the bulk of the shares held by the Martin family, which represented a 33.3% share of the Company, and an HMRC approved scheme was put in place for this purpose.

To ensure that the Company's share capital never fell below the statutory minimum level during the course of this transaction and to provide that individual shareholders' proportion of ownership in the company was similarly maintained, a bonus share issue was made to all shareholders, thereby temporarily increasing the company's share capital.

In addition to an initial sum paid over by the Company for the Martin's shares, a series of further tranche payments will be made once every 6 months over a three-year period, concluding in July 2019. Notwithstanding this arrangement, the share buy-back transaction is a liability for the company in its entirety and is therefore reflected as such in the balance sheet accordingly.

There are no immediate plans to replace Mr Martin's seat on the Board of Hunt & Palmer PLC. Mr Martin held directorships on the Boards of several Hunt & Palmer group companies and these posts have since been taken up by other Hunt & Palmer PLC directors.

The Board recognise and thanks Jamie Martin sincerely for his considerable contribution to the organisation over more than 30 years of service.

HUNT AND PALMER PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Performance

Trading conditions during the 2016 period were tougher than in 2015 and similar to those seen in 2014. Group turnover fell slightly by 1.6% on the previous year amid market uncertainty arising from the UK Brexit referendum and US Presidential election respectively. The Directors are pleased to note however that despite this the Company achieved a profit at year end that was 37% up on that realised in 2015.

Enquiry levels for the groups aircraft charter service dipped at the start the period but picked up in second quarter. The 'enquiry to booking ratio' has remained constant in comparison to previous years and despite the fiercely competitive nature of the markets, the margin percentages achieved have seen a small rise.

The Conference and Incentive travel industry, which is a core market for the Group's Commercial Aviation division, appears to be markedly stronger than it has been for some time and the Company has enjoyed the benefit of this upturn with levels of business from this very demanding sector continuing to grow. Despite challenging trading conditions during 2016 the Company has realised an increased number of major flight programmes for commercial airliner charters and this, alongside alternative revenue streams from other client markets, has ensured a strong performance from the Commercial Aviation division. The Directors are confident that this trend will continue and at year end the Company has several significant multi departure international flight programmes in place or pending for the 2017 period which indicates a healthy start to the coming year.

The Directors are pleased to note a high level of repeat business for the Company's Executive Aviation division from both corporate entities and private individuals, despite the volatility of the markets this year. As already identified, uncertainty arising from global affairs such as the US presidential election and the UK's referendum to leave or remain in the EU has impacted notably on these particular markets. The Directors believe however that now these primary issues have been to some extent resolved, a degree of stability will return in due course and business from these key client areas will revert at least to previous levels.

The Hunt & Palmer Group's specialist music tour subsidiary, Premier Aviation (UK) Ltd, has enjoyed another strong year, benefiting from the market upturn first seen in 2015. During the year this division has contracted a good number of tour programmes from both established clients and new customers for the company's services and at year end this trend looks likely to continue with significant levels of enquiries for tour programme in 2017. Post year end, booking levels for Premier Aviation are already 10% up on the previous year.

Hunt & Palmer Cargo Charters Ltd, the Group's air freight division, has also been affected by global market conditions and the year saw some difficult trading conditions them however despite this, results at year end are positive. Much of the Company's cargo business continues to emanate from the Asia region and although at year end, trading is quieter than anticipated there are indications that this may improve during the forthcoming period.

The Company's Australian and Hong Kong subsidiaries have each suffered from the current downturn of passenger charter business in the Asia region. The Directors are aware of the strategic value to the Group of maintaining a presence in this region and has therefore pledge continued support for these entities. Post year end, business for Hunt & Palmer Hong Kong limited has seen a marked increase, with margin for year to date already 33% ahead of the 2016 year end.

There are a number of positive messages to be taken from 2016 however notwithstanding, the Directors are mindful that overall the Group has not shown the levels of growth that were anticipated at the end of the 2015 period. As can be seen in the financial statements for 2016, the Hunt & Palmer Group has continued to perform well in difficult and challenging market conditions and certain key areas of the Company's business have performed better than others. This is the diverse and changeable nature of the aircraft charter industry so therefore such variance is to be expected.

External forces continue to shape the dynamics of the aircraft charter industry and the Directors believe that the Group must act swiftly and decisively to adjust its strategies and attitudes as the charter business continues to evolve. Whilst change is a necessary part of growth, the Directors recognise that the culture, ethos and ethic of the Hunt & Palmer organisation, which is acknowledged and respected by clients and suppliers alike, must not be overlooked nor undervalued and that due regard should always be given to the founding principles on which this successful Company and Group has been built.

HUNT AND PALMER PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

KPIs

The Directors have agreed the following KPI's which will be used to measure performance during the forthcoming financial period.

1. Financial

To ensure that funds are properly managed and that such monies be available when required, it is important that all departments continue to observe reasonable levels of financial restraint when submitting their budgets for the period and managers will be expected to deliver the service levels required within those financial parameters.

The Directors have identified certain areas of the business for investment in the forthcoming period and funds have been allocated accordingly. The Board will regularly evaluate the financial performance of all sections during the period to ensure that the Group is achieving these objectives.

2. Clients

The Directors are pleased to note that the Group continues to enjoy a significant level of client retention and repeat business in most of the markets in which it operates. The Board considers that the retention of existing clients and the acquisition of new or dormant ones are fundamental for the continued success of the organisation and have identified these as being key factors for the growth of the business.

Considerable importance is placed on maintaining and developing the client relationship and the Directors understand fully the importance of CRM technology in respect of this. During the 2016 period further investment has been set aside for the continued development of the Group's in-house systems and the training resources necessary to ensure staff competence in its use. The Board will continue to monitor these areas during the forthcoming period to determine the level of return realised on that investment and will be evaluating both the software and procedures used to ascertain if further resources are required.

3. Employees

The Directors are proud of the investment made in Human Resources and managers are actively encouraged by the Board to develop and maintain good relations with their staff and other employees. The Directors consider that the Group has an excellent record as a good and responsible employer and believe this can be measured through

- Excellent staff retention
- Employee satisfaction
- Sickness absences below the National average
- Low occurrences of disciplinary or grievance matters

The Directors have put in place the necessary training and development policies needed to encourage staff to further their careers and skills within the organisation and thereby feel they are a valued member of the workforce.

Underlying this commitment is Investor in People accreditation, which Hunt & Palmer PLC has held since 2001. In 2016 the Company elected to undergo reassessment of the accreditation under a new and more stringent Investor in People standard.

Once an ostensibly UK centric scheme, Investors in People has now been approved for international accreditation and the Directors determined that the entire Hunt & Palmer Group, including overseas subsidiaries, should be participate in the scheme. The Directors are delighted to report that the accreditation review was successful and that the Group is the first aircraft charter broking business to have achieved this international status. The Board consider that this award recognises the consistently high standards of management throughout the organisation and endorses the Director's considerable investment made to the Company's human resources. In addition, it is acknowledgement of the dedication and loyalty that the Company enjoys from its employees in return and the Board is committed to maintaining the highest standards of HR management and employee investment throughout the Hunt & Palmer organisation.

HUNT AND PALMER PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Risks

1. Competition

With few barriers to entry, the number of air charter broking companies entering the market continues to rise and has significant impact on market conditions.

The majority of new entrants lack the experience and expertise necessary to fulfil the more complex flight demands of corporate, government or NGO clients and as a consequence these small brokerages tend to concentrate their sales efforts on the private individual travellers looking for the simple A-B flight and to any specialist sectors in which that broker may have previous working experience. Some of these will inevitably include areas which are core markets for the Group.

The business model adopted by many of these start-up businesses means that their operating overheads are significantly lower than that of the larger and more established firms. Their resultant ability and willingness to provide broking services at a margin significantly below traditional expectations forces a highly competitive buyers market. At the same time, the poor standards of broking demonstrated by many of these micro-enterprises do little to enhance the reputation of the broking profession in general.

2. Internet and online broking

A number of online broking companies have emerged in the last few years and continue to push hard for a share of the air charter market. Significant investment has been made by the top three players in this area during the period and it cannot be overlooked that these businesses have taken a portion of the market share from the traditional broker. This is particularly evident with those clients looking to charter smaller aircraft on short flights and those prepared to consider making use of the empty leg option.

Despite the unshakable belief by the proponents of the online model that the future of air charter broking is in this direction, it is still the preference of the markets at large to favour the more personal and service orientated offering of the traditional broker, such as provided by Hunt & Palmer. There are potentially many reasons that this preference continues for the time being but as the market evolves, it is certainly possible that more clients may start to consider the online option. Consequently, the Directors are not able to ignore the possible dilution of margins and market share that such businesses may have on certain sectors of the Group's core business. It is the intention of the Board that the ongoing activity of such entities is carefully monitored and that the Group's strategy for combating such should be reviewed regularly to ensure that the business remains competitive in this changing market place.

3. Global financial markets

The aircraft charter business, in keeping with the aviation industry overall, is sensitive to the volatility of the world's financial markets. As has been seen during the 2016 period, these markets are themselves affected negatively through political and economic uncertainty and as already noted herein, such has contributed to the variance in the Group's performance this year.

The Directors are aware of the influence such conditions may have on the Company's business and continue to closely monitor the international situation, being ready to make any strategic adjustments necessary to address concerns as they arise.

4. Brexit

There continues to be much conjecture circulating about the post Brexit market place however whilst speculation continues, to date there is no firm evidence to support any particular scenario.

The Directors are of course, aware that there is potential for impact to the UK's aviation business within the EEA subsequent to the UK's exit however they are of the view that as a broker, it is unlikely that leaving the EU will necessarily prevent the Company from conducting its business in the EEA, either from a UK base or through a European subsidiary. With this in mind, the Board have elected to maintain the currently dormant Hunt & Palmer Germany GmbH entity and will continue to monitor events carefully as the UK's negotiations to leave the EU commence.

HUNT AND PALMER PLC

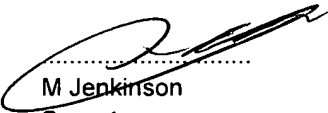
STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Conclusion

The Directors are pleased to report that despite a difficult trading period, the business remains profitable across the Hunt & Palmer group. During the year, the Board has kept a firm hand on the corporate rudder and through prudent management and insightful budgeting has maintained a healthy financial heart to the business and is holding sufficient reserve to allow the Directors to pursue their strategic plan of organic growth and acquisitional expansion once market conditions are right to do so. The Directors are of the opinion that the performance this year has once again demonstrated the Group's ability to adapt quickly to changing market conditions and the year end results confirm that the Hunt & Palmer group is a robust entity, capable of developing further for the benefit of all stakeholders in the future.

By order of the board



M Jenkinson
Secretary
27 June 2017

HUNT AND PALMER PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal activities

The principal activity of the company and group continued to be that of aircraft brokering.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

P.R. Hunt

J.S. Martin

(Resigned 29 July 2016)

J.F. Palmer

M. Jenkinson

S. Edwards

N. Harvey

Non-Executive Directors

The non-executive directors who held office during the year were as follows:

D. Tilley

(Resigned 6 July 2016)

Results and dividends

The results for the year are set out on page 11.

Ordinary dividends were declared amounting to £100,000 (2015: £100,002). The directors do not recommend payment of a final dividend.

Financial instruments

The company uses financial instruments comprising borrowings and various net working capital items such as trade debtors and trade creditors to finance operations not funded by way of equity. The main risks identified with using these financial instruments is the management of cash flow and exposure to interest rate and currency rate fluctuations. The directors believe that the group is well placed to manage its business risks successfully despite the current uncertain economic outlook affecting global markets generally and that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly the accounts are prepared on a going concern basis.

Auditor

Goodman Jones LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

HUNT AND PALMER PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Statement of directors' responsibilities

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board


.....
M Jenkinson
Secretary
27 JUNE 2017

HUNT AND PALMER PLC

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HUNT AND PALMER PLC

We have audited the financial statements of Hunt and Palmer Plc for the year ended 31 December 2016 which comprise the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 auditor

As explained more fully in the Directors' Responsibilities Statement, 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

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 group's and the parent 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. 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2016 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 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.

HUNT AND PALMER PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF HUNT AND PALMER PLC

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Jane Bates (Senior Statutory Auditor)
for and on behalf of Goodman Jones LLP

28 June 2017

Chartered Accountants
Statutory Auditor

29-30 Fitzroy Square
London
W1T 6LQ

HUNT AND PALMER PLC

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Turnover	3	41,636,862	42,316,185
Cost of sales		(35,688,238)	(35,706,010)
Gross profit		5,948,624	6,610,175
Administrative expenses		(5,280,095)	(6,193,806)
Operating profit	4	668,529	416,369
Interest receivable and similar income	8	46,038	30,407
Interest payable and similar expenses	9	(43)	(130)
Profit before taxation		714,524	446,646
Taxation	10	(177,651)	(55,209)
Profit for the financial year		536,873	391,437
Other comprehensive income			
Currency translation differences		17,791	7,844
Total comprehensive income for the year		554,664	399,281
Profit for the financial year is attributable to:			
- Owners of the parent company		515,185	333,196
- Non-controlling interests		21,688	58,241
		536,873	391,437
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		532,976	341,040
- Non-controlling interests		21,688	58,241
		554,664	399,281

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

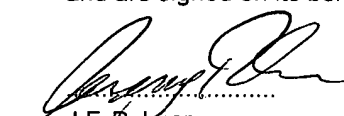
HUNT AND PALMER PLC

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Goodwill	12		238,068		255,073
Tangible assets	13		206,795		203,183
Investments	14		2,672		2,672
			<u>447,535</u>		<u>460,928</u>
Current assets					
Debtors	16	4,949,397		2,519,582	
Cash at bank and in hand		3,335,065		3,078,387	
		<u>8,284,462</u>		<u>5,597,969</u>	
Creditors: amounts falling due within one year	17	(6,829,857)		(3,841,761)	
Net current assets			<u>1,454,605</u>		<u>1,756,208</u>
Total assets less current liabilities			<u>1,902,140</u>		<u>2,217,136</u>
Creditors: amounts falling due after more than one year	18		(483,081)		-
Provisions for liabilities	20		(31,172)		(33,291)
Net assets			<u><u>1,387,887</u></u>		<u><u>2,183,845</u></u>
Capital and reserves					
Called up share capital	21		62,313		50,001
Capital redemption reserve			8,938		-
Profit and loss reserves			<u>1,236,217</u>		<u>2,075,113</u>
Equity attributable to owners of the parent company			<u>1,307,468</u>		<u>2,125,114</u>
Non-controlling interests			<u>80,419</u>		<u>58,731</u>
			<u><u>1,387,887</u></u>		<u><u>2,183,845</u></u>

The financial statements were approved by the board of directors and authorised for issue on 27 June 2017 and are signed on its behalf by:


J.F. Palmer
Director

HUNT AND PALMER PLC

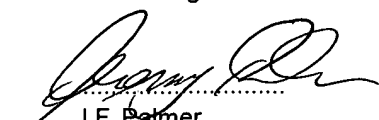
COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	13	198,536		197,381	
Investments	14	801,181		801,181	
		<u>999,717</u>		<u>998,562</u>	
Current assets					
Debtors	16	3,752,548	2,387,744		
Cash at bank and in hand		2,064,331	1,824,345		
		<u>5,816,879</u>	<u>4,212,089</u>		
Creditors: amounts falling due within one year	17	<u>(5,168,017)</u>	<u>(3,475,889)</u>		
Net current assets		<u>648,862</u>		<u>736,200</u>	
Total assets less current liabilities		<u>1,648,579</u>		<u>1,734,762</u>	
Creditors: amounts falling due after more than one year	18	(483,081)		-	
Provisions for liabilities	20	(31,172)		(33,291)	
Net assets		<u>1,134,326</u>		<u>1,701,471</u>	
Capital and reserves					
Called up share capital	21	62,313	50,001		
Capital redemption reserve		8,938	-		
Profit and loss reserves		1,063,075	1,651,470		
Total equity		<u>1,134,326</u>	<u>1,701,471</u>		

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's profit for the year was £783,477 (2015 - £79,053).

The financial statements were approved by the board of directors and authorised for issue on 27 June 2017 and are signed on its behalf by:


J.F. Palmer
Director

Company Registration No. 02027063

HUNT AND PALMER PLC

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total controlling interest £	Non-controlling interest £	Total £
Balance at 1 January 2015		50,001	-	1,834,075	1,884,076	250	1,884,326
Year ended 31 December 2015:							
Profit for the year		-	-	333,196	333,196	58,241	391,437
Other comprehensive income:							-
Currency translation differences		-	-	7,844	7,844	-	7,844
Total comprehensive income for the year		-	-	341,040	341,040	58,241	399,281
Dividends	11	-	-	(100,002)	(100,002)	-	(100,002)
Acquisition of non-controlling interests		-	-	-	-	240	240
Balance at 31 December 2015		50,001	-	2,075,113	2,125,114	58,731	2,183,845
Year ended 31 December 2016:							
Profit for the year		-	-	515,185	515,185	21,688	536,873
Other comprehensive income:							
Currency translation differences on overseas subsidiaries		-	-	17,791	17,791	-	17,791
Total comprehensive income for the year		-	-	532,976	532,976	21,688	554,664
Bonus issue of shares	21	21,250	-	(21,250)	-	-	-
Dividends	11	-	-	(100,000)	(100,000)	-	(100,000)
Own shares acquired		-	-	(1,250,622)	(1,250,622)	-	(1,250,622)
Redemption of shares	21	(8,938)	8,938	-	-	-	-
Balance at 31 December 2016		62,313	8,938	1,236,217	1,307,468	80,419	1,387,887

HUNT AND PALMER PLC

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 January 2015		50,001	-	1,672,419	1,722,420
Year ended 31 December 2015:					
Profit and total comprehensive income for the year		-	-	79,053	79,053
Dividends	11	-	-	(100,002)	(100,002)
Balance at 31 December 2015		50,001	-	1,651,470	1,701,471
Year ended 31 December 2016:					
Profit and total comprehensive income for the year		-	-	783,477	783,477
Bonus issue of shares	21	21,250	-	(21,250)	-
Dividends	11	-	-	(100,000)	(100,000)
Own shares acquired		-	-	(1,250,622)	(1,250,622)
Redemption of shares	21	(8,938)	8,938	-	-
Balance at 31 December 2016		62,313	8,938	1,063,075	1,134,326

HUNT AND PALMER PLC

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from operations	29	1,017,771		817,531	
Interest paid		(43)		(130)	
Income taxes paid		(117,246)		(31,457)	
Net cash inflow from operating activities		900,482		785,944	
Investing activities					
Purchase of tangible fixed assets		(63,842)		(44,315)	
Proceeds on disposal of tangible fixed assets		-		8,325	
Purchase of shares in subsidiary from non-controlling interest		-		240	
Interest received		847		740	
Dividends received		3,052		332	
Other investment income received		42,139		29,335	
Net cash used in investing activities		(17,804)		(5,343)	
Financing activities					
Buyback of owners' shares		(526,000)		-	
Dividends paid to equity shareholders		(100,000)		(100,002)	
Net cash used in financing activities		(626,000)		(100,002)	
Net increase in cash and cash equivalents		256,678		680,599	
Cash and cash equivalents at beginning of year		3,078,387		2,397,788	
Cash and cash equivalents at end of year		3,335,065		3,078,387	

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Hunt and Palmer Plc ("the Company") is a limited company domiciled and incorporated in England and Wales. The registered office is 29-30 Fitzroy Square, London, W1T 6LQ.

The Group consists of Hunt and Palmer Plc and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures.

1.2 Basis of consolidation

The consolidated financial statements incorporate those of Hunt and Palmer Plc and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 December 2016.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.3 Going concern

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

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

The full value of the sale is recognised at the flight date when the full economic benefit has been deemed to have passed on to the customer.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Fixtures, fittings & equipment	20% Reducing balance
Motor vehicles	25% Reducing balance

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.

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, 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 have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing 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 if, and only if, there is 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.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Share-based payments

The fair value of equity-settled share based payments to employees is determined at the date of grant and is expensed over the vesting period based on the group's estimate of shares options that will eventually vest.

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

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

	2016 £	2015 £
Turnover	41,636,862	42,316,185
Other significant revenue		
Interest income	847	740
Dividends received	3,052	332
Turnover analysed by geographical market		
	2016 £	2015 £
United Kingdom	26,936,628	25,982,794
Europe	4,353,286	2,442,942
Rest of World	10,346,948	13,890,449
	41,636,862	42,316,185

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	(304,161)	(80,657)
Depreciation of owned tangible fixed assets	46,769	44,456
Loss on disposal of tangible fixed assets	13,652	1,919
Amortisation of intangible assets	17,005	17,005
Operating lease charges	76,979	72,765
	<u> </u>	<u> </u>

5 Auditors' remuneration

	2016 £	2015 £
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the group and company	40,600	39,500
Audit of the company's subsidiaries	7,400	17,400
	<u> </u>	<u> </u>
	48,000	56,900
	<u> </u>	<u> </u>
For other services		
Taxation compliance services	4,325	4,350
All other non-audit services	5,800	5,500
	<u> </u>	<u> </u>
	10,125	9,850
	<u> </u>	<u> </u>
For services in respect of associated pension schemes		
Accounts preparation	2,700	2,700
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2016 Number	2015 Number	Company 2016 Number	2015 Number
Administration and sales	<u>54</u>	<u>52</u>	<u>40</u>	<u>39</u>

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

6 Employees

(Continued)

Their aggregate remuneration comprised:

	Group 2016 £	2015 £	Company 2016 £	2015 £
Wages and salaries	3,102,983	3,553,249	2,351,007	2,707,006
Social security costs	353,394	421,282	281,984	336,542
Pension costs	97,138	102,845	81,902	88,464
	<u>3,553,515</u>	<u>4,077,376</u>	<u>2,714,893</u>	<u>3,132,012</u>

7 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	1,177,222	1,531,360
Company pension contributions to defined contribution schemes	24,000	52,042
	<u>1,201,222</u>	<u>1,583,402</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 5 (2015 - 6).

The number of directors who are entitled to receive shares under long term incentive schemes during the year was 3 (2015 - 3).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>317,506</u>	<u>427,590</u>
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8 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Interest on bank deposits	847	740
Other income from investments		
Dividends received	<u>3,052</u>	<u>332</u>
	3,899	1,072
Income from fixed asset investments		
Income from participating interests - associates	<u>42,139</u>	<u>29,335</u>
Total income	<u>46,038</u>	<u>30,407</u>

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

8	Interest receivable and similar income	(Continued)	
	Investment income includes the following:		
	Interest on financial assets not measured at fair value through profit or loss	847	740
	Dividends from financial assets measured at fair value through profit or loss	3,052	332
		<u> </u>	<u> </u>
9	Interest payable and similar expenses	2016	2015
		£	£
	Interest on financial liabilities measured at amortised cost:		
	Interest on bank overdrafts and loans	43	130
		<u> </u>	<u> </u>
10	Taxation	2016	2015
		£	£
	Current tax		
	UK corporation tax on profits for the current period	178,673	92,036
	Adjustments in respect of prior periods	1,097	(36,593)
		<u> </u>	<u> </u>
	Total current tax	179,770	55,443
		<u> </u>	<u> </u>
	Deferred tax		
	Origination and reversal of timing differences	(2,119)	(234)
		<u> </u>	<u> </u>
	Total tax charge	177,651	55,209
		<u> </u>	<u> </u>
The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:			
		2016	2015
		£	£
	Profit before taxation	714,524	446,646
		<u> </u>	<u> </u>
	Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	142,905	89,329
	Non deductible expenses	13,326	9,489
	Utilisation of tax losses	724	(37,166)
	Adjustments in respect of prior years	1,097	(7,039)
	Capital allowances instead of depreciation	(6,667)	(632)
	Other tax adjustments	26,266	1,228
		<u> </u>	<u> </u>
	Tax expense for the year	177,651	55,209
		<u> </u>	<u> </u>

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

11 Dividends

	2016 £	2015 £
Final paid	100,000	100,002

12 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 January 2016 and 31 December 2016	340,098
Amortisation and impairment	
At 1 January 2016	85,025
Amortisation charged for the year	17,005
At 31 December 2016	102,030
Carrying amount	
At 31 December 2016	238,068
At 31 December 2015	255,073

The company had no intangible fixed assets at 31 December 2016 or 31 December 2015.

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

13 Tangible fixed assets

Group	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost			
At 1 January 2016	593,272	8,950	602,222
Additions	63,842	-	63,842
Disposals	(227,339)	-	(227,339)
Exchange adjustments	648	646	1,294
At 31 December 2016	430,423	9,596	440,019
Depreciation and impairment			
At 1 January 2016	395,197	3,842	399,039
Depreciation charged in the year	45,720	1,049	46,769
Eliminated in respect of disposals	(213,687)	-	(213,687)
Exchange adjustments	537	566	1,103
At 31 December 2016	227,767	5,457	233,224
Carrying amount			
At 31 December 2016	202,656	4,139	206,795
At 31 December 2015	198,075	5,108	203,183
Company			
	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost			
At 1 January 2016	621,249	5,494	626,743
Additions	59,999	-	59,999
Disposals	(227,339)	-	(227,339)
At 31 December 2016	453,909	5,494	459,403
Depreciation and impairment			
At 1 January 2016	428,558	804	429,362
Depreciation charged in the year	44,256	936	45,192
Eliminated in respect of disposals	(213,687)	-	(213,687)
At 31 December 2016	259,127	1,740	260,867
Carrying amount			
At 31 December 2016	194,782	3,754	198,536
At 31 December 2015	192,691	4,690	197,381

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

14 Fixed asset investments

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Investments in subsidiaries	24	-	-	798,509	798,509
Listed investments		2,672	2,672	2,672	2,672
		<u>2,672</u>	<u>2,672</u>	<u>801,181</u>	<u>801,181</u>
Listed investments included above:					
Listed investments carrying amount		2,672	2,672	2,672	2,672
Market value if different from carrying amount		8,880	8,199	8,880	8,199
		<u>8,880</u>	<u>8,199</u>	<u>8,880</u>	<u>8,199</u>

Movements in fixed asset investments

Group	Investments other than loans £
Cost or valuation	
At 1 January 2016 and 31 December 2016	<u>2,672</u>
Carrying amount	
At 31 December 2016	<u>2,672</u>
At 31 December 2015	<u>2,672</u>

Movements in fixed asset investments

Company	Shares in group undertakings £	Other investments other than loans £	Total £
Cost or valuation			
At 1 January 2016 and 31 December 2016	<u>798,509</u>	<u>2,672</u>	<u>801,181</u>
Carrying amount			
At 31 December 2016	<u>798,509</u>	<u>2,672</u>	<u>801,181</u>
At 31 December 2015	<u>798,509</u>	<u>2,672</u>	<u>801,181</u>

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

15 Financial instruments

	Group 2016 £	2015 £	Company 2016 £	2015 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	3,080,119	1,257,896	2,156,721	1,227,705
Equity instruments measured at cost less impairment	2,672	2,672	801,181	801,181
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount of financial liabilities				
Measured at amortised cost	6,325,141	3,305,544	4,813,194	3,127,342
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

16 Debtors

	Group 2016 £	2015 £	Company 2016 £	2015 £
Amounts falling due within one year:				
Trade debtors	3,027,142	1,215,509	1,849,805	1,046,889
Corporation tax recoverable	-	2,353	-	-
Amounts due from fellow group undertakings	-	-	273,370	141,382
Amounts due from associate undertakings	31,500	33,030	-	-
Other debtors	63,617	33,009	69,515	59,537
Prepayments and accrued income	1,827,138	1,235,681	1,559,858	1,139,936
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	4,949,397	2,519,582	3,752,548	2,387,744
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

17 Creditors: amounts falling due within one year

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Trade creditors		1,352,494	989,160	1,189,739	912,311
Amounts due to group undertakings		-	-	87,142	211,405
Corporation tax payable		159,642	99,471	120,491	7,652
Other taxation and social security		345,074	436,746	234,332	340,895
Liability for share based payments	22	241,541	-	241,541	-
Other creditors		176,461	59,031	174,486	58,139
Accruals and deferred income		4,554,645	2,257,353	3,120,286	1,945,487
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		6,829,857	3,841,761	5,168,017	3,475,889
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

18 Creditors: amounts falling due after more than one year

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Liability for share based payments	22	483,081	-	483,081	-

19 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit and loss in respect of defined contribution schemes	97,138	102,845

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

20 Deferred taxation

Group	Liabilities 2016 £	Liabilities 2015 £
Accelerated capital allowances	31,172	33,291
Company	Liabilities 2016 £	Liabilities 2015 £
Accelerated capital allowances	31,172	33,291
Movements in the year:	Group 2016 £	Company 2016 £
Liability at 1 January 2016	33,291	33,291
Credit to profit or loss	(2,119)	(2,119)
Liability at 31 December 2016	31,172	31,172

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

21 Share capital

	Group and company	
	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
6,231,245 Ordinary shares of 1p each	62,313	50,001

As at 1 January 2016, the company had 5,000,100 ordinary shares in issue.

During the year, a bonus issue of 2,124,900 ordinary shares was made.

On the 29 July 2016, the company entered into a share buyback agreement. The company has bought back 893,755 shares to date. As at the balance sheet date, there were 6,231,245 shares in issue.

Reconciliation of movements during the year:

	No. of shares
At 1 January 2016	5,000,100
Bonus issue	2,124,900
Redemption of shares	(893,755)
At 31 December 2016	6,231,245

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

22 Share-based payment transactions

	Group 2016 £	2015 £	Company 2016 £	2015 £
Liabilities at the period end				
Arising from equity settled share based payment transactions	483,081	-	483,081	-

Share buyback agreement

The company entered into an unconditional share buyback agreement on 29 July 2016, to repurchase 2,125,000 of the £0.01 ordinary share capital at a value of £0.59 per share, over a 36 month period.

The carrying amount at the balance sheet date is £724,622, of which £241,541 is due within one year and the amount shown above of £483,081 is due after one year.

Share option scheme

Hunt and Palmer Plc operates a share option scheme for 3 of its directors. At 31 December 2016 full provision has been made for the estimated value of the options granted (754,164 share options).

The life of 128,208 options is a period of 10 years from July 2010, and the life of 625,956 options is a period of 10 years from December 2013. The option price is £0.01 per share and the agreed market value at date of grant is £0.21.

During the year, no additional options were granted and no options have yet vested.

23 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2016 £	2015 £	Company 2016 £	2015 £
Within one year	67,864	70,674	60,581	70,674
Between two and five years	40,470	102,678	38,649	102,678
	108,334	173,352	99,230	173,352

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

24 Subsidiaries

Details of the company's subsidiaries at 31 December 2016 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Hunt and Palmer Cargo Charters Limited	G.B	Air brokers	Ordinary	75.00	
Hunt and Palmer Hong Kong Limited	Hong Kong	Air brokers	Ordinary	100.00	
Hunt and Palmer PTY Limited	Australia	Air brokers	Ordinary	100.00	
Hunt and Palmer India Air Charter Private Limited	India	Dormant	Ordinary	75.00	
Air Charter Corporation Limited	G.B	Dormant	Ordinary	100.00	
Premier Aviation (UK) Limited	G.B	Air brokers	Ordinary	100.00	
H P M S Limited	G.B	Dormant	Ordinary	100.00	
Hunt and Palmer USA Inc	U.S.A	Dormant	Ordinary	100.00	
Hunt and Palmer Yachts Limited	G.B.	Yacht brokers	Ordinary	76.00	
Hunt and Palmer GmbH	Germany	Dormant	Ordinary	100.00	

25 Joint ventures

Details of joint ventures at 31 December 2016 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Hunt & Palmer Travel Services Limited	G.B	Travel services	Ordinary	50.00	

26 Events after the reporting date

Group

Since the Balance Sheet date, no final dividend (2015: £250,000) has been declared by Premier Aviation (UK) Limited with respect to the year ending 31 December 2016. An interim dividend has already been declared for the year ending 31 December 2016 of £250,000 (2015: £nil).

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

27 Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 102 Section 33 'Related party disclosures' not to disclose transactions entered into between two or more members of the group provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

Included in creditors at the year end is £nil (2015: £12,847 due from) due to Hunt and Palmer India Air Charter Private Ltd, a 75% subsidiary of the group. In the prior year, During the year, £nil (2015: £24,100) was invoiced by Hunt and Palmer India Air Charter Private Ltd to the parent company Hunt and Palmer Plc for fees including commission and administrative recharges. As proceedings to formally liquidate Hunt and Palmer India Air Charter Private Ltd commenced in November 2015, the investment held by Hunt and Palmer Plc has been fully written-down in value.

During the year, Hunt and Palmer Plc provided management services to Hunt and Palmer Cargo Charters Limited, a 75% subsidiary of the group, amounting to £30,079 (2015: £28,591). At the year end Hunt and Palmer Cargo Charters Limited owed Hunt and Palmer Plc £48,951 (2015: £33,484) relating to management fees and recharged administrative expenses. In the prior year, Hunt and Palmer Cargo Charters Limited received income of £7,948 from fellow group company Premier Aviation (UK) Limited for freight handling services.

Hunt and Palmer Plc provided management services to Hunt and Palmer Yachts Limited, a 76% subsidiary of the group, amounting to £7,671 (2015: £11,768). At the year end, Hunt and Palmer Yachts Limited owed Hunt and Palmer Plc £47,322 (2015: £31,331) relating to management fees and recharged administrative expenses.

Included in debtors is £31,500 (2015: £33,030) due from Hunt & Palmer Travel Services Limited. The group's share of profits from Hunt & Palmer Travel Services Limited for the year is £31,500 (2015: £34,000) in respect of its share of commissions earned.

During the year the company paid rent of £48,000 (2015: £48,000) to Hunt and Palmer Plc Retirement Benefit Scheme, a scheme under the control of the directors.

During the year the company was charged £3,352 (2015: £1,242) by Mono Europe Limited for office furniture. This company is under the control of members of certain directors' close families. There is a £2,958 (2015: £nil) balance in the creditors ledger in respect of this company at the balance sheet date.

28 Control

The company is controlled by P R Hunt and J F Palmer.

HUNT AND PALMER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

29 Cash generated from group operations

	2016 £	2015 £
Profit for the year after tax	536,873	391,437
Adjustments for:		
Taxation charged	177,651	55,209
Finance costs	43	130
Investment income	(46,038)	(30,407)
Loss on disposal of tangible fixed assets	13,652	1,919
Amortisation and impairment of intangible assets	17,005	17,005
Depreciation and impairment of tangible fixed assets	46,769	44,456
Foreign exchange gains on cash equivalents	17,600	8,157
Movements in working capital:		
(Increase)/decrease in debtors	(2,413,680)	76,841
Increase in creditors	2,667,896	252,784
Cash generated from operations	1,017,771	817,531