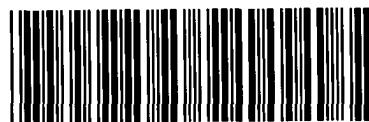


HUNDRED PERCENT HOLDINGS LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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HUNDRED PERCENT HOLDINGS LIMITED

COMPANY INFORMATION

Directors	D P Richards (appointed 24 March 2017) K Richards (appointed 24 March 2017)
Company secretary	R Eden
Registered number	10690138
Registered office	Prodrive Headquarters Chalker Way Banbury Oxfordshire OX16 4XD
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor The Colmore Building 20 Colmore Circus Birmingham West Midlands B4 6AT

HUNDRED PERCENT HOLDINGS LIMITED

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HUNDRED PERCENT HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Introduction

The directors present their Strategic Report for the period ended 31 December 2017.

Business review

The group continues to manage its hotel business which is growing in reputation with numerous awards and accolades. The first few years of operation have been focused on investment and building the profile which has been rewarded with increasing turnover and profitability. The group also continues to manage helicopter rental services and explore further opportunities in the property market.

Direct comparison with the results of previous years is not always possible due to a group reorganisation and reallocation of revenues.

Principal risks and uncertainties

The group's activities include investment property, provision of aviation services and the operation of two hotels.

The principal risks around these operations are the general impact of the economy on travel and leisure services.

Financial key performance indicators

The directors monitor turnover, operating profit and return on capital employed as the key performance indicators of the group.

Financial risk management objectives and policies

The group's principal financial instruments comprise cash and loans. The main purpose of the financial instruments is to raise the finance for the group's operations. The group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. The group does not enter into derivative transactions.

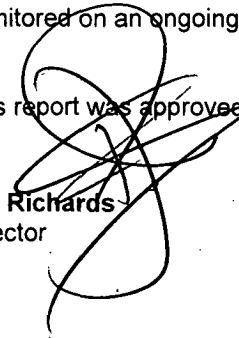
Liquidity risk

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Credit risk

The group trades with only recognised, creditworthy third parties. It is the company policy that all customers who wish to trade on credit terms are subject to credit vetting procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debt is not significant.

This report was approved by the board on 27 September 2018 and signed on its behalf.


D P Richards
Director

HUNDRED PERCENT HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Principal activity

The company's principal activity is that of an investment holding company. The principal activities of the group are the provision of aircraft rental services to third parties, provision of hotel services, consultancy, and the development and rental of freehold properties.

Results and dividends

The profit for the year, after taxation, amounted to £8,242,401 (2016 - loss £1,979,373).

Directors

The directors who served during the year were:

D P Richards (appointed 24 March 2017)

K Richards (appointed 24 March 2017)

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Matters covered in the strategic report

The Business Review, Principal risks and uncertainties and Financial key performance indicators are included in the Group Strategic Report.

HUNDRED PERCENT HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the directors 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 and the Group's auditor is aware of that information.

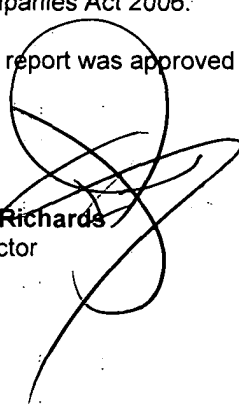
Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 27 September 2018 and signed on its behalf.



D P Richards
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUNDRED PERCENT HOLDINGS LIMITED

Opinion

We have audited the financial statements of Hundred Percent Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2017 which comprise the consolidated statement of comprehensive income, consolidated and parent company statement of financial position, consolidated and parent company statement of changes in equity, consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standard including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice)

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2017 and of the Group's 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.

Basis for opinion

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

Who we are reporting to

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.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUNDRED PERCENT HOLDINGS LIMITED
(CONTINUED)**

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUNDRED PERCENT HOLDINGS LIMITED
(CONTINUED)**

Matters on which we are required to report by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.



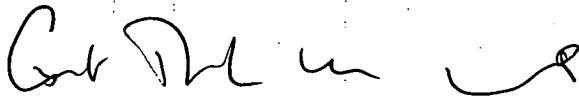
Grant Thornton

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUNDRED PERCENT HOLDINGS LIMITED
(CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditor's report.



David P White (Senior Statutory Auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants
Birmingham

Date: 28/9/18

HUNDRED PERCENT HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover	4	3,564,332	3,373,789
Cost of sales		(1,477,287)	(1,685,276)
Gross profit		2,087,045	1,688,513
Administrative expenses		(2,829,498)	(2,611,850)
Exceptional administrative expenses		-	(105,000)
Other operating income	5	(42,893)	(300,361)
Operating loss	6	(785,346)	(1,328,698)
Dividend income	9	8,985,254	-
Interest receivable and similar income	10	88,774	350,917
Interest payable and expenses	11	(190,521)	(715,338)
Profit/(loss) before taxation		8,098,161	(1,693,119)
Tax on profit/(loss)	12	144,240	(286,254)
Profit/(loss) for the financial year		8,242,401	(1,979,373)
Unrealised surplus on revaluation of tangible fixed assets		-	736,617
Other comprehensive income for the year		-	736,617
Total comprehensive income (loss) for the year		8,242,401	(1,242,756)
Profit/(loss) for the year attributable to:			
Owners of the parent Company		8,242,401	(1,979,373)
Total comprehensive income (loss) for the year attributable to:			
Owners of the parent Company		8,242,401	(1,242,756)

The notes on pages 16 to 39 form part of these financial statements.

HUNDRED PERCENT HOLDINGS LIMITED
REGISTERED NUMBER: 10690138

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	16	11,228,533	11,138,488
		<u>11,228,533</u>	<u>11,138,488</u>
Current assets			
Stocks	18	25,558	31,735
Debtors: amounts falling due after more than one year	19	-	8,500,835
Debtors: amounts falling due within one year	19	198,743	174,097
Cash at bank and in hand	20	268,684	250,568
		<u>492,985</u>	<u>8,957,235</u>
Creditors: amounts falling due within one year	21	(2,899,413)	(13,528,055)
Net current liabilities		<u>(2,406,428)</u>	<u>(4,570,820)</u>
Total assets less current liabilities		<u>8,822,105</u>	<u>6,567,668</u>
Creditors: amounts falling due after more than one year	22	(3,945,690)	(4,556,729)
Provisions for liabilities			
Deferred taxation	25	(529,943)	(582,088)
		<u>(529,943)</u>	<u>(582,088)</u>
Net assets		<u>4,346,472</u>	<u>1,428,851</u>
Capital and reserves			
Called up share capital	26	24,918	-
Revaluation reserve	27	718,202	736,617
Merger reserve	27	50,082	75,000
Profit and loss account	27	3,553,270	617,234
		<u>4,346,472</u>	<u>1,428,851</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 September 2018.

D P Richards
Director

The notes on pages 16 to 39 form part of these financial statements.

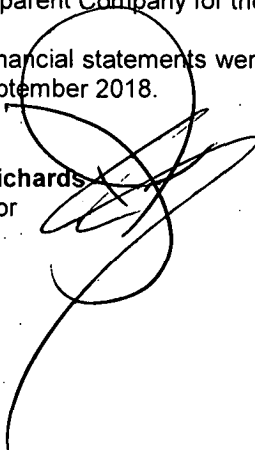
HUNDRED PERCENT HOLDINGS LIMITED
REGISTERED NUMBER:10690138

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £
Fixed assets		
Investments	17	5,941,544
Net assets		<u>5,941,544</u>
Capital and reserves		
Called up share capital	26	24,918
Merger reserve	27	5,916,626
		<u>5,941,544</u>

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent Company for the year was £nil.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 September 2018.


D P Richards
Director

HUNDRED PERCENT HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital	Merger reserve	Revaluation reserve	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£	£
At 1 January 2017	-	75,000	736,617	617,234	1,428,851	1,428,851
Comprehensive income for the year						
Profit for the year	-	-	-	8,242,401	8,242,401	8,242,401
Surplus on revaluation of freehold property	-	-	-	18,415	18,415	18,415
Total comprehensive income for the year	-	-	-	8,260,816	8,260,816	8,260,816
Contributions by and distributions to owners						
Dividend in specie (see note 13)	-	-	-	(5,324,780)	(5,324,780)	(5,324,780)
Transfer to/from profit and loss account	-	-	(18,415)	-	(18,415)	(18,415)
Shares issued during the year	24,918	(24,918)	-	-	-	-
Total transactions with owners	24,918	(24,918)	(18,415)	(5,324,780)	(5,343,195)	(5,343,195)
At 31 December 2017	24,918	50,082	718,202	3,553,270	4,346,472	4,346,472

HUNDRED PERCENT HOLDINGS LIMITED

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

	Capital redemption reserve	Revaluation reserve	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 January 2016	75,000	-	2,596,607	2,671,607	2,671,607
Comprehensive income for the year					
Loss for the year	-	-	(1,979,373)	(1,979,373)	(1,979,373)
Surplus on revaluation of freehold property	-	736,617	-	736,617	736,617
Total comprehensive income for the year	<u>-</u>	<u>736,617</u>	<u>(1,979,373)</u>	<u>(1,242,756)</u>	<u>(1,242,756)</u>
At 31 December 2016	<u>75,000</u>	<u>736,617</u>	<u>617,234</u>	<u>1,428,851</u>	<u>1,428,851</u>

The notes on pages 16 to 39 form part of these financial statements.

HUNDRED PERCENT HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital £	Share premium account £	Total equity £
Contributions by and distributions to owners			
Shares issued during the year	24,918	5,916,626	5,941,544
At 31 December 2017	<u>24,918</u>	<u>5,916,626</u>	<u>5,941,544</u>

HUNDRED PERCENT HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 £	2016 £
Cash flows from operating activities		
Profit/(loss) for the financial year	8,242,401	(1,979,373)
Adjustments for:		
Amortisation of intangible assets	-	70,000
Depreciation of tangible assets	507,096	776,381
Impairment of intangible assets	-	105,000
Gain on sale of investment properties	-	(25,000)
Dividend income	(8,985,256)	-
Interest received	(88,774)	(350,917)
Interest paid	190,521	715,338
Taxation charge	(144,240)	286,254
Decrease/(increase) in stocks	6,177	(5,665)
(Increase) in debtors	(14,150)	(39,289)
Decrease/(increase) in amounts owed by associated undertakings	798,945	(141,629)
(Decrease) in creditors	(63,022)	(761,139)
Increase in amounts owed to related party	1,629,175	-
Corporation tax received/(paid)	81,570	(306,281)
Net cash used in operating activities	2,160,443	(1,656,320)
Cash flows from investing activities		
Purchase of tangible fixed assets	(597,141)	(769,657)
Sale of investment properties	-	8,941,383
Interest received	88,774	350,917
Net cash generated from investing activities	(508,367)	8,522,643

HUNDRED PERCENT HOLDINGS LIMITED

(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
Cash flows from financing activities		
Repayment of loans	-	(9,591,737)
Repayment of director's loans	(1,255,693)	-
Repayment of bank loans	(187,746)	-
Proceeds from new loans	-	3,500,000
Interest paid	(190,521)	(715,338)
Net cash used in financing activities	(1,633,960)	(6,807,075)
Net increase in cash and cash equivalents	18,116	59,248
Cash and cash equivalents at beginning of year	250,568	191,320
Cash and cash equivalents at the end of year	268,684	250,568
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	268,684	250,568
	268,684	250,568

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Hundred Percent Holdings Limited is a limited liability company incorporated in England and Wales. Its registered head office is located at Prodrive Headquarters, Chalker Way, Banbury, Oxfordshire, OX16 4XD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Pound Sterling (GBP), which is the Group's functional currency. All financial information presented in GBP is rounded-off to the nearest pound, except when otherwise stated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

Parent Company disclosure exemptions

In preparing the separate financial statements of the parent Company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent Company as their remuneration is included in the totals for the Company as a whole.

The following principal accounting policies have been applied:

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the merger and purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 1 January 2016.

During the year ended 31 December 2017, the company acquired 100% of Hundred Percent Group Limited by way of issue of new shares. The Company accounts for group reorganisations under the principles of merger accounting, such as the acquisition of Hundred Percent Group during the year. Under merger accounting, it is assumed that the Group previously owned the subsidiaries acquired in the consolidated accounts.

2.3 Going concern

The directors consider that the going concern basis for the preparation of the Group's financial statements to be appropriate. A director, Mr D Richards, has given assurance that he will continue to support the group and will not seek repayment of money due to him until such time as the group has resources to settle them.

2.4 Associates

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The consolidated statement of comprehensive income includes the Group's share of the operating results, interest, pre tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the consolidated statement of financial position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition. Where the associated undertaking has net liabilities no further losses are accounted for by the Group, as the Group has no obligation to contribute to these losses.

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.6 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

2.7 Tangible fixed assets

Other than freehold properties, tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2% per annum
Plant and machinery	-	15% per annum
Motor vehicles	-	25% per annum
Fixtures and fittings	-	15% per annum
Computer equipment	-	33% per annum
Aircraft	-	15% per annum
Marine assets	-	6% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of comprehensive income.

2.8 Revaluation of tangible fixed assets

Individual freehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Consolidated statement of comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Consolidated statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.13 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.17 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.18 Interest income

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

2.19 Borrowing costs

All borrowing costs are recognised in the Consolidated statement of comprehensive income in the year in which they are incurred.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.21 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.22 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date, and the amounts reported for revenues and expenses throughout the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have the most significant effect on amounts recognised in the consolidated financial statements.

Impairment of intangible assets

In assessing impairment, management estimates the recoverable amount of each asset based on expected discounted future cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Valuation of investment property

Management use a third party valuer to develop the estimates and assumptions used to calculate the fair value of the property.

Deferred tax assets

Deferred tax assets are recognised to the extent that the directors believe they will reverse in the foreseeable future, as set out in note 12.

4. Turnover

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Provision of hotel services	2,956,161	2,760,359
Provision of aircraft rental services	104,529	108,625
Provision of management and consultancy services	503,642	504,805
	<u>3,564,332</u>	<u>3,373,789</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2017 £	2016 £
Other operating expense	(42,893)	(56,901)
Loss on disposal of tangible assets	-	(243,460)
	<u>(42,893)</u>	<u>(300,361)</u>

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

6. Operating loss

The operating loss is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	507,096	801,367
Impairment of intangible fixed assets	-	105,000
Amortisation of intangible assets	-	70,000
Defined contribution pension cost	7,475	3,640
	<u>7,475</u>	<u>3,640</u>

7. Auditor's remuneration

	2017 £	2016 £
Fees payable to the Group's auditor and its associates for the audit of the Group's and subsidiaries' annual financial statements	27,600	25,950
	<u>27,600</u>	<u>25,950</u>

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2017 £	Group 2016 £
Wages and salaries	1,578,506	1,330,142
Social security costs	115,286	88,997
Cost of defined contribution scheme	7,475	3,640
	<u>1,701,267</u>	<u>1,422,779</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Average	78	68

The Company has no employees other than the directors, who did not receive any remuneration (2016 - £Nil)

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

9. Dividend income

	2017 £	2016 £
Dividend income	(8,985,254)	-

10. Interest receivable

	2017 £	2016 £
Other interest receivable	88,774	350,917

11. Interest payable and similar charges

	2017 £	2016 £
Other loan interest payable	190,521	715,338

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

12. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	-	18,320
Adjustments in respect of previous periods	(92,095)	-
	<u>(92,095)</u>	<u>18,320</u>
Total current tax	<u>(92,095)</u>	<u>18,320</u>
Deferred tax		
Origination and reversal of timing differences	(40,795)	(81,819)
Adjustment in respect of prior periods	(16,112)	349,753
Changes to tax rates	4,762	-
	<u>(52,145)</u>	<u>267,934</u>
Total deferred tax	<u>(52,145)</u>	<u>267,934</u>
Taxation on (loss)/profit on ordinary activities	<u>(144,240)</u>	<u>286,254</u>

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - *higher than*) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit/(loss) on ordinary activities before tax	8,098,161	(1,693,119)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	1,558,896	(338,624)
Effects of:		
Expenses not deductible for tax purposes	52,171	147,115
Income not taxable	(1,729,402)	-
Utilisation of tax losses	78,225	-
Changes to tax rates	4,762	-
Adjustments to tax charge in respect of prior periods	(108,892)	349,753
Changes in provisions leading to an increase in the tax charge	-	99,961
Unrelieved tax losses carried forward	-	28,049
Total tax (credit)/charge for the year	(144,240)	286,254

Factors that may affect future tax charges

The main rate of corporation tax is reduced to 19% from 1 April 2017 and to 18% from 1 April 2020 (a change which was substantively enacted as of 21 July 2015 as part of Finance Bill 2015). Deferred tax has been measured at the average tax rates that are expected to apply in periods in which the timing differences are expected to reverse.

The Group has estimated tax losses carried forward of £2,713,239 (2016: £688,000), which may be recoverable against future taxable profits. A deferred tax asset has not been recognised in respect of these losses due to the uncertainty of future profits.

13. Dividends

	2017 £	2016 £
Dividend in specie	5,324,780	-
	5,324,780	-

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

14. Exceptional items

	2017 £	2016 £
Impairment of goodwill	-	(105,000)

15. Intangible assets

Group

	Goodwill £
Cost	
At 1 January 2017	350,000
At 31 December 2017	350,000
Amortisation	
At 1 January 2017	350,000
At 31 December 2017	350,000
Net book value	
At 31 December 2017	-
At 31 December 2016	-

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

16. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Marine assets £	Computer equipment £	Aircraft £	Total £
Cost or valuation								
At 1 January 2017	9,989,088	16,755	31,731	1,251,447	255,347	11,252	2,000,000	13,555,620
Additions	479,111	33,250	8,171	76,609	-	-	-	597,141
At 31 December 2017	10,468,199	50,005	39,902	1,328,056	255,347	11,252	2,000,000	14,152,761
Depreciation								
At 1 January 2017	1,274,929	15,588	6,840	712,797	117,259	8,623	281,096	2,417,132
Charge for the year	166,341	3,671	8,074	192,316	15,321	1,373	120,000	507,096
At 31 December 2017	1,441,270	19,259	14,914	905,113	132,580	9,996	401,096	2,924,228
Net book value								
At 31 December 2017	9,026,929	30,746	24,988	422,943	122,767	1,256	1,598,904	11,228,533
At 31 December 2016	8,714,159	1,167	24,891	538,650	138,088	2,629	1,718,904	11,138,488

HUNDRED PERCENT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

16. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2017 £	2016 £
Freehold property	<u>9,026,929</u>	<u>8,714,159</u>

Cost or valuation at 31 December 2017 is as follows:

	Land and buildings £
At cost	9,547,428
At valuation:	
October 2016 on open market valuation basis	<u>920,771</u>
	<u>10,468,199</u>

In 2016, Idle Rocks Hotel and St. Mawes Hotel have been revalued by Gerald Eve, a firm of international property consultants based in the UK.

The rest of the freehold properties were also revalued in the year by Downling Dodd, an independent firm of Chartered Surveyors.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2017 £	2016 £
Group		
Cost	9,547,428	9,068,317
Accumulated depreciation	(1,385,766)	(1,385,766)
Net book value	<u>8,161,662</u>	<u>7,682,551</u>

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

17. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Hundred Percent Management Limited*	Ordinary	100 %	Provision of management and consultancy services
Hundred Percent Aviation Limited*	Ordinary	100 %	Rental of aircrafts
Hundred Percent Group Limited*	Ordinary	100 %	Holding Company
Hundred Percent Cornwall Limited*	Ordinary	100 %	Provision of hotel services
Hundred Percent Hella Limited*	Ordinary	100 %	Rental of freehold properties

* indirectly held

HUNDRED PERCENT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

17. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £
Cost	
Additions	5,941,544
At 31 December 2017	<u>5,941,544</u>
Net book value	
At 31 December 2017	<u>5,941,544</u>
At 31 December 2016	<u>-</u>

18. Stocks

	Group 2017 £	Group 2016 £
Raw materials and consumables	<u>25,558</u>	<u>31,735</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stocks recognised in cost of sales during the year as an expense was £204,237 (£197,317).

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

19. Debtors

	Group 2017 £	Group 2016 £	Company 2017 £
Due after more than one year			
Amounts owed by associated undertakings	-	8,500,835	-
	Group 2017 £	Group 2016 £	Company 2017 £
Due within one year			
Trade debtors	9,126	8,827	-
Other debtors	73,023	90,121	-
Prepayments and accrued income	106,098	75,149	-
Tax recoverable	10,496	-	-
	198,743	174,097	-

20. Cash and cash equivalents

	Group 2017 £	Group 2016 £	Company 2017 £
Cash at bank and in hand	268,684	250,568	-

HUNDRED PERCENT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

21. Creditors: Amounts falling due within one year

	Group 2017 £	Group 2016 £	Company 2017 £
Director's loans (note 22)	2,215	1,257,908	-
Other loans (note 22)	678,671	255,378	-
Trade creditors	292,700	373,909	-
Amounts owed to a related party (note 27)	1,629,175	11,363,353	-
Corporation tax	-	27	-
Other taxation and social security	60,276	30,542	-
Other creditors	88,300	162,435	-
Accruals and deferred income	148,076	84,503	-
	2,899,413	13,528,055	-

Directors' loans includes payable to D Richards which bears no interest and is repayable on demand.

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

	Group 2017 £	Group 2016 £	Company 2017 £
Other loans (note 22)	3,945,690	4,556,729	-

At 31 December 2017, other loans comprise:

- £3,449,694 (2016: £3,499,694) being a bank loan which is repayable in full on the third anniversary of drawdown, and attracts interest at 3.17% over LIBOR and is secured by a first charge over freehold property.
- Asset loans which are secured against the group's helicopter and marine assets amounting to £1,174,667 (2016: £1,312,413). The helicopter loan incurs interest at a rate of 3.95% above LIBOR while the marine loan incurs interest at a rate of 2.75% above LIBOR.

HUNDRED PERCENT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

23. Loans

	Group 2017 £	Group 2016 £	Company 2017 £
Amounts falling due within one year			
Other loans	678,671	255,378	-
Director's loans	2,215	1,257,908	-
	<u>680,886</u>	<u>1,513,286</u>	<u>-</u>
Amounts falling due 1-2 years			
Other loans	3,945,690	4,556,729	-
	<u>3,945,690</u>	<u>4,556,729</u>	<u>-</u>
	<u>4,626,576</u>	<u>6,070,015</u>	<u>-</u>

24. Financial instruments

	Group 2017 £	Group 2016 £
Financial assets		
Cash at bank and in hand	268,684	250,568
Financial assets that are debt instruments measured at amortised cost	82,149	8,599,783
	<u>350,833</u>	<u>8,850,351</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(6,784,827)</u>	<u>(18,054,215)</u>

Financial assets that are debt instruments measured at amortised cost comprise of trade and other debtors and amount owed by associated undertakings.

Financial liabilities measured at amortised cost comprise of trade and other creditors, director's loans, other loans, amounts owed to parent undertakings and accruals.

HUNDRED PERCENT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

25. Deferred taxation

Group

	2017	2016
	£	£
At beginning of year	(582,088)	(111,680)
Charged to profit or loss	52,145	(184,154)
Charged to other comprehensive income	-	(286,254)
At end of year	<u>(529,943)</u>	<u>(582,088)</u>

The provision for deferred taxation is made up as follows:

	Group	Group
	2017	2016
	£	£
Accelerated capital allowances	(529,943)	(720,068)
Tax losses carried forward	-	137,980
	<u>(529,943)</u>	<u>(582,088)</u>

HUNDRED PERCENT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

26. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
17,443 Ordinary shares of £1 each	17,443	-
7,475 Ordinary B shares of £1 each	7,475	-
	<u>24,918</u>	<u>-</u>

The Ordinary shares have attached to them full voting, dividend and capital distribution rights.

The B Ordinary shares have attached to them dividends of excess cash/assets not required in the trade and a right to a return of nominal capital value..

27. Reserves

Revaluation reserve

This account includes gain from revaluation of freehold property in the year.

Merger reserve

The merger reserve is a non-distributable reserve created by the exercise of s612 merger relief for the amount in excess of the nominal value of shares issued for acquisitions.

Profit and loss account

This account includes all current and prior period retained profits and losses.

28. Pension commitments

The Group pays into defined contribution pension schemes. The assets of the schemes are held separately from those of the Group in an independently administered funds. The pension cost charge represents contributions payable by the Group to the fund and amounted to £7,475 (2016: £3,640). Contributions totaling £nil (2016: £nil) were payable to the fund at the reporting date.

29. Related party transactions

There are no other balances or transactions with related parties other than as disclosed in notes 19 and 21.

During the year, the group charged a related party, Prodrive Holdings Limited, management fees amounting to £500,000 (2016: £500,000).

HUNDRED PERCENT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

30. Post balance sheet events

Since the year-end, there is no post balance sheet events that require adjustments nor disclosures to the current year's consolidated financial statements.

31. Controlling party

The ultimate controlling party is David Richards.