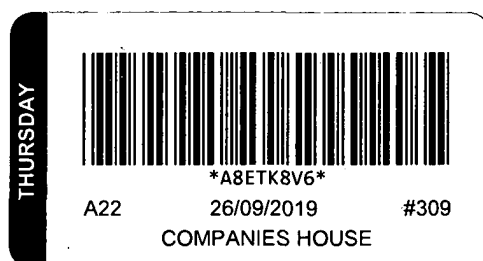

HUNDRED PERCENT MANAGEMENT LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



HUNDRED PERCENT MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	D P Richards K Richards
Company secretary	R Eden
Registered number	04626810
Registered office	Prodrive Headquarters Chalker Way Banbury Oxfordshire OX16 4XD
Independent auditor	Grant Thornton UK LLP The Colmore Building 20 Colmore Circus Birmingham West Midlands B4 6AT

HUNDRED PERCENT MANAGEMENT LIMITED

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HUNDRED PERCENT MANAGEMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Principal activity

The company's principal activity is the provision of management and consultancy services.

Directors

The directors who served during the year were:

D P Richards
K Richards

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom 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 company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Disclosure of information to auditors

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company'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's auditor is aware of that information.

HUNDRED PERCENT MANAGEMENT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Auditor

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

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 23 SEPTEMBER 2019 and signed on its behalf.


D P Richards
Director



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

Opinion

We have audited the financial statements of Hundred Percent Management Limited for the year ended 31 December 2018, which comprise the Statement of comprehensive income, the Statement of financial position and the related notes, 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 Standards, 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 company's affairs as at 31 December 2018 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.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company 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.

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 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.



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

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.

Opinions 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.



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

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement on page 1, 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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. This description forms part of our Auditor's report.

Use of our report

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.



David P White
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditors, Chartered Accountants
Birmingham
Date: 24/10/19

HUNDRED PERCENT MANAGEMENT LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
Turnover	3	584,742	503,642
Cost of sales		(580,103)	(527,213)
Gross profit/(loss)		4,639	(23,571)
Administrative expenses		(78,828)	(91,106)
Operating loss	4	(74,189)	(114,677)
Other income - waiver on intercompany loans		1,065,166	-
Interest receivable and similar income	7	-	88,767
Interest payable and expenses	8	(1,072)	(1,114)
Profit/(loss) before tax		989,905	(27,024)
Tax on profit/(loss)	9	(77)	38,931
Profit for the financial year		989,828	11,907

All amounts relate to continuing operations

There was no other comprehensive income for 2018 (2017: £Nil).

The notes on pages 8 to 16 form part of these financial statements.

HUNDRED PERCENT MANAGEMENT LIMITED
REGISTERED NUMBER:04626810

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	10	1,588	3,008
		<u>1,588</u>	<u>3,008</u>
Current assets			
Debtors: amounts falling due within one year	11	41,021	47,108
Cash at bank and in hand		64,230	150,186
		<u>105,251</u>	<u>197,294</u>
Creditors: amounts falling due within one year	12	(97,538)	(1,180,828)
Net current assets/(liabilities)		<u>7,713</u>	<u>(983,534)</u>
Total assets less current liabilities		<u>9,301</u>	<u>(980,526)</u>
Net assets/(liabilities)		<u>9,301</u>	<u>(980,526)</u>
Capital and reserves			
Called up share capital	13	1	1
Profit and loss account	14	9,300	(980,527)
		<u>9,301</u>	<u>(980,526)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

23 September 2019.

D P Richards
 Director

The notes on pages 8 to 16 form part of these financial statements.

HUNDRED PERCENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Hundred Percent Management Limited is a private company limited by shares and incorporated in England and Wales. Registered number 04626810. 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 Section 1A of 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 company's functional currency. All financial information presented in GBP is rounded-off to the nearest pound, except when otherwise stated.

The following principal accounting policies have been applied:

2.2 Going concern

The directors consider that the going concern basis for the preparation of the company's financial statements continue to be appropriate. The company is dependant on financial support from its parent undertaking. They have received assurance from the parent undertaking and David Richards that they will continue to support the company and will not make repayment of monies due to them unless all third party liabilities have been met.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company 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:

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 company 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.

HUNDRED PERCENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.4 Tangible fixed assets

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.

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:

Fixtures and fittings	-	15% per annum
Office equipment	-	15% per annum
Computer equipment	-	33% 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 Statement of comprehensive income.

2.5 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.

2.6 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.

HUNDRED PERCENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.7 Financial instruments

The company only enters into basic financial instrument 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 the 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 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 company 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.

2.8 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.

2.9 Finance costs

Finance costs are charged to the 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 MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.10 Pensions

Defined contribution pension plan

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

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

2.11 Interest income

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

2.12 Taxation

Tax is recognised in the 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 operates and generates income.

3. Turnover

The whole of the turnover is attributable to the provision of management and consultancy services.

All turnover arose within the United Kingdom.

4. Operating loss

The operating loss is stated after charging:

	2018 £	2017 £
Defined contribution pension cost	5,029	3,346
Exchange differences	17	-
	<u> </u>	<u> </u>

5. Auditor's remuneration

Fees payable to the company's auditor for the audit of the company's annual financial statements totalled £27,150 (2017 - 27,600).

HUNDRED PERCENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

6. Employees

The average monthly number of employees, including directors, during the year was 8 (2017: 8).

7. Interest receivable

	2018 £	2017 £
Other interest receivable	-	88,767

8. Interest payable and similar expenses

	2018 £	2017 £
Other loan interest payable	1,072	1,114

9. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	-	(38,931)
Adjustments in respect of previous periods	77	-
Total current tax	77	(38,931)

HUNDRED PERCENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017: lower than) the standard rate of corporation tax in the UK of 19.0% (2017: 19.25%). The differences are explained below:

	2018 £	2017 £
Profit/(loss) on ordinary activities before tax	<u>989,905</u>	<u>(27,024)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 19.25%)	188,082	(5,201)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	8,032	-
Adjustment from prior period	77	(38,931)
Income not taxable	(202,382)	(8,459)
Group reliefs	5,924	-
Losses carried forward	344	13,660
Total tax charge for the year	<u>77</u>	<u>(38,931)</u>

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted in September 2016.

The company has losses of £231,351 (2017: £255,110) carried forward. No deferred tax asset has been recognised on these losses as this is not expected to be utilised in the foreseeable future.

HUNDRED PERCENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. Tangible fixed assets

	Computer equipment £	Fixtures, fittings and computers £	Equipment and tools £	Total £
Cost				
At 1 January 2018	11,252	4,435	1,667	17,354
Additions for the year	390	-	-	390
At 31 December 2018	<u>11,642</u>	<u>4,435</u>	<u>1,667</u>	<u>17,744</u>
Depreciation				
At 1 January 2018	9,996	3,600	750	14,346
Depreciation for the year	895	665	250	1,810
At 31 December 2018	<u>10,891</u>	<u>4,265</u>	<u>1,000</u>	<u>16,156</u>
Net book value				
At 31 December 2018	<u>751</u>	<u>170</u>	<u>667</u>	<u>1,588</u>
At 31 December 2017	<u>1,256</u>	<u>835</u>	<u>917</u>	<u>3,008</u>

11. Debtors: Due within one year

	2018 £	2017 £
Trade debtors	-	1,512
Other debtors	33,295	17,714
Prepayments and accrued income	7,726	27,805
Tax recoverable	-	77
	<u>41,021</u>	<u>47,108</u>

HUNDRED PERCENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

12. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	11,303	92,699
Amounts owed to group undertakings	-	1,036,412
Other taxation and social security	3,801	5,731
Accruals and deferred income	82,434	45,986
	<u>97,538</u>	<u>1,180,828</u>

Included in trade creditors are amounts owed of £Nil (2017: £513) payable to D P Richards, a director and ultimate controlling party.

13. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
1 Ordinary Share of £1	<u>1</u>	<u>1</u>

14. Reserves

Profit and loss account

Includes all current and prior year retained profits and losses.

15. Pension commitments

The company pays into defined contributions pension schemes. The assets of the schemes are held separately from those of the company in an independently administered funds. The pension cost charge represents contributions payable by the company to the fund and amounted to £5,029 (2017: £3,346). Contributions totaling £Nil (2017: £Nil) were payable to the fund at the reporting date.

16. Related party transactions

During the year the company charged Prodrive Holdings Limited, a related party by virtue of it being an associated undertaking of the Hundred Percent Group, management fees £525,000 (2017: £500,000).

There were no other transactions requiring disclosure under Section 1A of Financial Reporting Standard 102.

HUNDRED PERCENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

17. Controlling party

The company is a wholly owned subsidiary of Hundred Percent Group Limited, a company registered in England and Wales.

The ultimate controlling party is D P Richards.

18. Post balance sheet event

Since the year end, there are no significant events that require adjustments nor disclosures to the financial statements.