

OS AA01

Statement of details of parent law and other
information for an overseas company



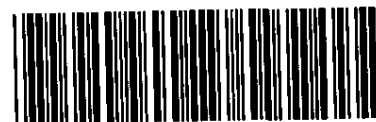
Companies House

101138/20

✓ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law.

✗ What this form is NOT for
You cannot use this form to register
an alteration of manner of company
with accounting requirements.

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COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of
overseas company ①

Bladon Jets Holdings Ltd

UK establishment
number

B R 0 1 6 2 3 2

→ Filling in this form

Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state.

**Part 2 Statement of details of parent law and other
information for an overseas company**

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited.

Legislation ②

Isle of Man

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts.

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ No. Go to Section A3.

☒ Yes. Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3.

③ Please insert the name of the
appropriate accounting organisation
or body.

Name of organisation
or body ③

International Financial Reporting Standards

A3 Accounts

Accounts

Have the accounts been audited? Please tick the appropriate box.

☐ No. Go to Section A5.

☒ Yes. Go to Section A4.

OS AA01

Statement of details of parent law and other information for an overseas company

A4

Audited accounts

Audited accounts

Have the accounts been audited in accordance with a set of generally accepted auditing standards?

Please tick the appropriate box.

☐ No. Go to **Part 3 'Signature'**.

☒ Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.

① Please insert the name of the appropriate accounting organisation or body.

Name of organisation or body ①

International Financial Reporting Standards

A5

Unaudited accounts

Unaudited accounts

Is the company required to have its accounts audited?

Please tick the appropriate box.

☐ No.

☒ Yes.

Part 3

Signature

I am signing this form on behalf of the overseas company.

Signature

Signature

X

Paul Burnett

X

This form may be signed by:
Director, Secretary, Permanent representative.

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Robert Picken**

Company name **Bladon Jets Holdings Ltd**

Address **Westminster House**

Parliament Square

Post town **Castletown**

County/Region

Postcode

I M 9 1 L A

Country **Isle of Man**

DX

Telephone **07624 431860**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

101138/20

Bladon Jets Holdings Ltd

Consolidated financial statements

Year end 30 June 2017

Bladon Jets Holdings Ltd

Company Information

Directors:

Sir J Baker (Chairman)	
Mr P D Barrett	
Mr A Le Van	(Appointed 17 August 2016)
Mr G E Lamb	(Resigned 31 July 2017)
Dr R D Speth	
Mr C D Parish	(Resigned 31 July 2017)
Mr S G Harland	(Appointed 31 July 2017)
Mr K Al Daboos	(Appointed 31 July 2017)
Mr D A J Hester	(Appointed 17 August 2016)

Company number 002592V

Registered office 11 Hope Street
Douglas
Isle of Man
IM1 1AQ

Registered agent Middleton Katz Chartered Secretaries LLC
11 Hope Street
Douglas
Isle of Man
IM1 1AQ

Auditors KPMG Audit LLC
Heritage Court
41 Athol Street
Douglas
Isle of Man
IM99 1HN

Bankers Barclays Bank plc
Victoria Street
Douglas
Isle of Man
IM1 2LE

Bladon Jets Holdings Ltd

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Bladon Jets Holdings Ltd

Directors' report

The Directors present their annual report and consolidated financial statements of Bladon Jets Holdings Ltd (the "Company" or "Bladon Jets") and its subsidiaries (together the "Group") for the year ended 30 June 2017.

Principal Activities and Review of the Business

The principal activity of the Group is the development and commercialisation of micro gas turbines and their component technologies and applications

Product & Market Development

During the financial year, Bladon Jets completed its move into new expanded premises to allow the co-location of R&D and provide the capacity to assemble a higher volume of units on one site.

Progress has been made in preparing the 12kW micro turbine generator (MTG-12) for market, including with input from the customer who has placed a volume sales order for the first production run.

Exhibiting at relevant trade shows has proven considerable customer demand for the product, particularly due to the extended service intervals of the MTG-12 compared to the incumbent 15kVA (12kW) diesel genset product typically used to provide prime or back-up power to telecom towers in remote locations (a substantial global market), resulting in a lower Total Cost of Ownership. There is also demonstrable growing interest in the wider distributed power sector

The Company has been awarded a UK government grant to develop a version of the MTG-12 to run on (bio) gas during the financial year, won a development contract for its air bearing technology in an aerospace application, and has successfully hit all milestones on a commercial contract to deliver an ultra-compact high performance heat exchanger for an automotive application.

Funding & Going Concern

During the financial year, Bladon Jets raised £8.6 million of new equity. Substantial investment was received post year-end from a new strategic investor to fund the transition into manufacture and further product development.

Based on the new investment post year end, the assessment of the Directors is that the Company has sufficient funds to enable it to continue developing and preparing the product for manufacture and to operate as a going concern, as set out in Note 2.3 to the financial statements.

Bladon Jets Holdings Ltd

Directors' report (continued)

Company Secretary

The secretary of the Company holding office during the year was Middleton Katz Chartered Secretaries LLC.

Results and dividends

The results for the year are set out on page 5.

The consolidated loss for the year drawn from the Group's reserves was £6,874,859 (2016: loss of £4,095,137) No dividend was paid in the current or prior year.

The Company loss for the year drawn from reserves was £1,031,918 (2016: loss of £560,054).

Directors

The following Directors have held office since 1 July 2015 and to date:

Sir J Baker (Chairman)

Mr P D Barrett

Mr G E Lamb (Resigned 31 July 2017)

Dr R D Speth

Mr C D Parrish (Resigned 31 July 2017)

Mr A Le Van (Appointed 17 August 2016)

Mr D A J Hester (Appointed 17 August 2016)

Mr S G Harland (Appointed 31 July 2017)

Mr K Al Daboos (Appointed 31 July 2017)

Auditors

Our Auditors, KPMG Audit LLC, being eligible, have expressed their willingness to continue in office

Statement of disclosure to auditors

- (a) So far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) We have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr D A J Hester
Director

Date 19 October 2017

11 Hope Street
Douglas
Isle of Man
IM1 1AQ

Bladon Jets Holdings Ltd

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable.

The directors are required to prepare financial statements for each financial year. They have elected to prepare the financial statements in accordance with International Financial Reporting Standards, as applicable to an Isle of Man company.

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 parent company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards have been followed, subject to material departures disclosed and explained in the financial statements
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 parent company and enable them to ensure that the financial statements comply with the Isle of Man Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Bladon Jets Holdings Ltd

Independent Auditor's Report to the members of Bladon Jets Holdings Ltd

Opinion

We have audited the financial statements of Bladon Jets Holdings Limited ("the company") for the year ended 30 June 2017 which comprise the Consolidated Statement of Profit and Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and related notes, including the accounting policies in note 3

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 30 June 2017 and of the group's and the parent company's loss for the year then ended.
- have been properly prepared in accordance with International Financial Reporting Standards, as applicable to an Isle of Man company
- have been properly prepared in accordance with the requirements of the Isle of Man 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report; and
- in our opinion the information given in that report for the financial year is consistent with the financial statements.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and 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 they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Bladon Jets Holdings Ltd

The purpose of our audit work and to whom we owe our responsibilities.

This report is made solely to the company's members, as a body, in accordance with Section 80(C) of the Isle of Man 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.



15 November 2017

KPMG Audit LLC
Chartered Accountants
Heritage Court
41 Athol Street
Douglas
Isle of Man IM99 1HN

Bladon Jets Holdings Ltd

Consolidated Statement of Profit and Loss and Other Comprehensive Income for the year ended 30 June 2017

	Note	2017 £	2016 £
Revenue		260,527	369,343
Cost of Sales		-	-
Gross profit		260,527	369,343
Other operating income	4	322,499	81,697
Administrative expenses	5	(8,314,034)	(5,201,381)
Operating loss		(7,731,008)	(4,750,341)
Finance income	6	723	4,715
Finance expenses	6	(185,430)	(72,671)
Net financing expense		(184,707)	(67,956)
Loss before tax		(7,915,715)	(4,818,297)
Taxation	7	1,040,856	723,160
Loss for the year		(6,874,859)	(4,095,137)
Other comprehensive income		-	-
Total comprehensive loss for the year attributable to Owners of the Group		(6,874,859)	(4,095,137)

The notes on pages 10 to 24 form part of these consolidated financial statements.

The Directors consider the results to derive from continuing activities.

Bladon Jets Holdings Ltd

Consolidated Statement of Financial Position

At 30 June 2017

	Note	2017 £	2016 £
Non-current assets			
Property, plant and equipment	8	1,160,625	663,475
Intangible assets	9	54,697	82,046
		<u>1,215,322</u>	<u>745,521</u>
Current assets			
Trade and other receivables	11	313,084	279,239
Cash and cash equivalents	12	2,543,450	1,316,413
		<u>2,856,534</u>	<u>1,595,652</u>
Total assets		<u>4,071,856</u>	<u>2,341,173</u>
Current liabilities			
Other interest-bearing loans and borrowings	13	246,242	257,910
Trade and other payables	14	626,566	632,755
		<u>872,808</u>	<u>890,665</u>
Non-current liabilities			
Other interest-bearing loans and borrowings	13	185,762	205,960
		<u>185,762</u>	<u>205,960</u>
Total liabilities		<u>1,058,570</u>	<u>1,096,625</u>
Net assets		<u>3,013,286</u>	<u>1,244,548</u>
Equity attributable to equity owners of the Group			
Share capital	16	2,192	1,819
Share premium	16	25,472,332	16,829,108
Retained earnings		(22,461,238)	(15,586,379)
Total equity		<u>3,013,286</u>	<u>1,244,548</u>

The notes on pages 10 to 24 form part of these consolidated financial statements.

These financial statements were approved by the Board of Directors on 19 October 2017 and were signed on its behalf by:



Sir John Baker
Chairman



Paul D Barrett
Director

Bladon Jets Holdings Ltd

Consolidated Statement of Changes in Equity

At 30 June 2017

	Note	Share capital £	Share premium £	Retained earnings £	Total equity £
Balance at 1 July 2015		1,563	12,790,864	(11,491,242)	1,301,185
Total comprehensive loss for the year					
Profit or Loss for the year		-	-	(4,095,137)	(4,095,137)
Total comprehensive loss for the year		-	-	(4,095,137)	(4,095,137)
Transactions with owners, recorded directly in equity					
Issue of shares	16	256	4,038,244	-	4,038,500
Total contributions by and distributions to owners		256	4,038,244	-	4,038,500
Balance at 30 June 2016		1,819	16,829,108	(15,586,379)	1,244,548
Total comprehensive loss for the year					
Profit or Loss for the year		-	-	(6,874,859)	(6,874,859)
Total comprehensive loss for the year		-	-	(6,874,859)	(6,874,859)
Transactions with owners, recorded directly in equity					
Issue of shares	16	373	8,643,224	-	8,643,597
Total contributions by and distributions to owners		373	8,643,224	-	8,643,597
Balance at 30 June 2017		2,192	25,472,332	(22,461,238)	3,013,286

The notes on pages 10 to 24 form part of these consolidated financial statements.

Bladon Jets Holdings Ltd

Consolidated Statement of Cash Flows for year ended 30 June 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Loss for the year		(6,874,859)	(4,095,137)
Adjustments for			
Depreciation and amortisation	8	258,818	248,797
Revaluation of property, plant and equipment	8	202,992	(151,692)
Loss on disposal of property, plant and equipment	8	28,156	-
Net financial costs	6	38,592	72,671
		<u>(6,346,301)</u>	<u>(3,925,361)</u>
Changes in;			
(Increase)/decrease in trade and other receivables	11	(33,845)	61,060
Increase/(decrease) in trade and other payables	14	(6,189)	303,702
		<u>(6,386,335)</u>	<u>(3,560,599)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		14,446	287
Acquisition of property, plant and equipment	8	(974,213)	(40,737)
Purchase of intangible assets	9	-	(82,046)
		<u>(959,767)</u>	<u>(122,496)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Proceeds from the issue of share capital		8,643,597	4,038,500
Repayment of borrowings	13	(70,458)	(1,276,957)
		<u>8,573,139</u>	<u>2,761,543</u>
Net cash from financing activities			
Net increase/(decrease) in cash and cash equivalents		1,227,037	(921,552)
Cash and cash equivalents at beginning of year	12	1,316,413	2,237,965
		<u>1,316,413</u>	<u>2,237,965</u>
Cash and cash equivalents at end of year	12	<u>2,543,450</u>	<u>1,316,413</u>

The notes on pages 10 to 24 form part of these consolidated financial statements.

Bladon Jets Holdings Ltd

Notes

(forming part of the financial statements for the year ended 30 June 2017)

1 Reporting entity

Bladon Jets Holdings Ltd (the “Company” or “Bladon Jets”) is a company incorporated and domiciled in the Isle of Man in accordance with the Isle of Man Companies Act 2006. The group financial statements consolidate those of the Company and its subsidiaries (together referred to as the “Group”). The Company’s registered office is at 11 Hope Street, Douglas, Isle of Man, IM1 1AQ

2 Basis of Preparation

2.1 Statement of Compliance

The group financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU (“IFRSs”).

2.2 Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis.

2.3 Going Concern

The Directors’ have considered the financial position of the company and believe it is appropriate to continue to account for Bladon Jets on a Going Concern basis. Following the completion of a significant post year end fund raise (see note 21), Bladon Jets has good visibility of cash from existing cash reserves, contracts, and government grants and these are sufficient to meet all liabilities as they fall due. Any new commercial contract wins or government grant awards from those currently being pursued would be additional upside. The Directors are confident that the company has adequate resources to enable it to continue in operational existence and support its subsidiary companies for the foreseeable future and at least 12 months from the date of signing these financial statements and consequently they have continued to adopt the going concern basis for preparing the financial statements.

3 Significant accounting policies

3.1 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

3.2 Foreign currency

The financial statements are presented in sterling, which is also the Group’s functional currency. Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

3.3 Estimations and uncertainty

In applying the Group’s accounting policies, the Directors are required to make judgements and estimates that affect the financial statements. The most significant areas of estimation are considered to be the treatment of research and development costs as either a capitalised asset or an expense (see note 3.12) and the evaluation of fair value of specialised workshop equipment, a class of property, plant and equipment (see note 3.10).

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

3 Significant accounting policies (continued)

3.4 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables and loans and borrowings

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

3.5 Intangible assets and goodwill

Research and development

Expenditure on research activities is recognised in the income statement as an expense as incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group intends, has the technical ability and has sufficient resources to complete development, future economic benefits are probable and if the Group can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve a plan or design for the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

Other intangible assets

Non-current assets which incorporate both tangible and intangible elements are assessed to determine whether they should be classed as an intangible asset or as property, plant and equipment. The treatment is determined by an assessment of which element is more significant.

Two Gamma Units of the Micro Generator prototypes have been capitalised on the basis of the costs incurred to acquire and bring the units to prototype position. The units were capitalised as at 30 June 2016 and are amortised forward over their estimated useful lives of three years. Amortisation is charged to revenue costs in the statement of profit and loss on a straight line basis.

3.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

3.7 Impairment excluding inventories

Financial assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

3 Significant accounting policies (continued)

3.7 Impairment excluding inventories (continued)

Financial assets (including receivables) (continued)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount.

3.8 Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

3.9 Revenue

Turnover represents amounts receivable from the sale of goods, and provision of services, and is recorded net of VAT and trade discounts.

All turnover generated in the year represents amounts receivable on bespoke highly technical project assignments for customers in the motor industry in the United Kingdom. Revenue is recognised when the Group completes the sale.

3.10 Change in accounting policy

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All specialised workshop equipment has been categorised as level 3 in the fair value hierarchy. The inputs used in the valuation of these assets are based on values provided under the financing agreements with Close Brothers Asset Finance. The Directors have adopted this valuation for the fair value of the assets.

3.11 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and impairment. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows.

Leasehold improvements	20% straight line basis
Workshop equipment	20% and 50% straight line basis
Office furniture and equipment	50% straight line basis
Computer equipment	50% straight line basis
Specialised workshop equipment	Held at fair value (see 3.10)

Certain workshop equipment was previously depreciated at 50% on a straight line basis. The change to 20% for certain assets as at 1 July 2015 was made to reflect the Directors belief that an increased useful economic life exists for these assets.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. At the end of each accounting period, all fixed assets are reviewed for indicators of impairment. When impairments are identified, the write-down is recognised within profit and loss. Gains and losses on disposal of a fixed asset item are recognised within profit and loss.

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

3 Significant accounting policies (continued)

3.12 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the Directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the group is expected to benefit.

3.13 Government grants

Grants are recognised on receipt and are credited to deferred revenue. Grants towards capital expenditure are released to the income statement over the expected useful life of the assets. Grants towards revenue expenditure are released to the income statement as the related expenditure is incurred.

3.14 Expenses

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Financing income and expenses

Financing expenses comprise interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method and the unwinding of the discount on provisions. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Financing income comprises interest receivable on funds invested, dividend income, and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

3.15 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years. Tax rebates received are included within the taxation balance in the period they are received.

3.16 Accounting policies

The following Adopted IFRSs have been issued but have not been applied by the Group in these consolidated financial statements. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

Standards not yet effective, but available for early adoption	Effective Date (accounting periods commencing on or after)
IFRS 15 Revenue from Contracts with Customers	1 January 2018
IFRS 9 Financial Instruments	1 January 2018
IFRS 16 Leases	1 January 2019

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

3 Significant accounting policies (continued)

3.17 Retirement benefits

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

3.18 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 stocks or fixed assets.

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

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

4 Other operating income

	2017 £	2016 £
Regional Growth Fund grant released	3,557	-
Advanced Propulsion Centre	-	41,877
Advance Manufacturing Supply Chain Initiative (AMSCI)	101,450	-
Innovate UK (COAST)	29,613	-
Innovate UK (HERMIT)	187,879	39,820
	<u>322,499</u>	<u>81,697</u>

Income grants received in the year or comparative period are as follows.

Advanced Propulsion Centre	Project to review hydrostatic and hydrodynamic approaches to the production the next generation of air bearings for use in high speed rotational devices such as turbo chargers and jet engines.
AMSCI	This project aims to develop a proving factory to support companies as they move the design and development phase into design for manufacture and initial pilot and low volume builds.
Regional Growth Fund	Project to provide assistance to undertake specialist research required to develop micro gas turbine and automotive range extender products.
Innovate UK (COAST)	Critical Oil and Air Systems Technologies (COAST). A Rolls Royce led project which seeks to develop and novel method of providing air to the cabin of a passenger aircraft using single stage energy conversion which will incorporate oil-free air bearings technology.
Innovate UK (HERMIT)	High Efficiency Recuperator for stationery power Micro Turbine (HERMIT). The project aims to develop a novel recuperator through the application of production additive manufacturing techniques, specifically high productivity selective laser melting.

There are conditions where Bladon Jets (UK) Limited, a subsidiary company, could be required to repay grant monies. However, the grant claims are subject to regular reviews and audits which confirm that Bladon Jets (UK) Limited is complying with its obligations and meeting its milestone targets and project deliverables. The Directors of Bladon Jets (UK) Limited do not foresee any circumstances where those condition clauses would be invoked and therefore no provision or contingent liability is required to be disclosed.

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

5 Administrative and other operating expenses

Included in profit/loss are the following charges / (credits)

	2017 £	2016 £
Director's remuneration	550,407	542,000
Auditor's remuneration		
- Audit services	20,700	18,167
Depreciation	307,090	248,797
Revaluation of property, plant and equipment	202,992	(151,692)
Loss on disposal of tangible assets	28,156	-
Operating lease rentals	252,445	73,824
Research and development expenditure	2,283,772	2,727,638
Loss on currency exchange	4,709	1,812
	<u>550,407</u>	<u>542,000</u>

6 Finance income and expense

	2017 £	2016 £
Finance income		
Bank interest received	723	4,715
	<u>723</u>	<u>4,715</u>
Finance expense		
Hire purchase interest and charges	4,544	-
Capital asset finance interest	34,048	50,109
3% unsecured convertible loan interest	-	22,562
Legal settlement costs	146,838	-
	<u>185,430</u>	<u>72,671</u>
Total finance expense	185,430	72,671

7 Taxation

The standard rate of Isle of Man income tax is zero percent for the current and preceding periods. As a result there is no liability to income tax.

No UK corporation tax is payable due to the availability of taxable losses. Taxable losses of approximately £6.8 million are available for offset against future profits.

The Group received £1,040,856 (2016: £723,160) in the year relating to Research and Development tax relief claimed from HM Revenue and Customs in respect of the groups research and development activities in the financial year ended 30 June 2016.

Estimated Research and Development tax relief for 2016/2017 is expected to be £1,000,000 (2015/2016: £750,000). The final submission will be made shortly after the accounts are formally adopted and the income receipt will be accounted for in the year ended 30 June 2018.

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

8 Property, plant and equipment

Property, plant and equipment comprises £565,276 of assets held at depreciated cost (2016 £120,518) and £595,349 of assets held at fair value (2016 £542,957)

	Leasehold improvement £	Workshop equipment £	Office furniture and equipment £	Computer equipment and software £	Total £
Cost					
Balance at 1 July 2015	230,171	1,455,084	15,537	313,248	2,014,040
Transfers to PPE held at fair value	-	(1,228,612)	-	-	(1,228,612)
Additions	12,869	10,039	-	17,829	40,737
Disposals	-	-	-	(985)	(985)
Transfers	(29,214)	45,275	28,873	(44,934)	-
Balance at 30 June 2016	213,826	281,786	44,410	285,158	825,180
Balance at 1 July 2016	213,826	281,786	44,410	285,158	825,180
Additions	349,633	268,501	11,362	81,667	711,163
Disposals	(215,121)	(73,954)	(29,495)	(23,456)	(342,026)
Balance at 30 June 2017	348,338	476,333	26,277	343,369	1,194,317
Depreciation and impairment					
Balance at 1 July 2015	121,465	944,629	13,175	214,641	1,293,910
Transfers to PPE held at fair value	-	(837,347)	-	-	(837,347)
Depreciation charge for the year	49,876	93,018	12,035	93,868	248,797
Disposals	-	-	-	(698)	(698)
Transfers	(15,703)	40,170	17,853	(42,320)	-
Balance at 30 June 2016	155,638	240,470	43,063	265,491	704,662
Balance at 1 July 2016	155,638	240,470	43,063	265,491	704,662
Depreciation charge for the year	64,416	117,995	5,215	43,843	231,469
Disposals	(180,980)	(74,132)	(29,496)	(22,482)	(307,090)
Balance at 30 June 2017	39,074	284,333	18,782	286,852	629,041
Net book value					
At 30 June 2016	58,188	41,316	1,347	19,667	120,518
At 30 June 2017	309,264	192,000	7,495	56,517	565,276

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

8 Property, plant and equipment (continued)

	Specialised workshop equipment £	Total £
Fair value		
Balance at 1 July 2016	542,957	542,957
Additions	263,050	263,050
Depreciation	(202,992)	(202,992)
Disposals	(7,666)	(7,666)
Balance at 30 June 2017	595,349	595,349

Security

At 30 June 2017 workshop equipment with a fair value of £595,349 (2016 £542,957) was pledged as security for the capital asset finance loan received from and hire purchase agreement with Close Brothers Asset Finance.

Included within specialised workshop equipment is an asset purchased under a hire agreement in the year with a net book value of 30 June 2017 of £249,898. Depreciation charged on this asset amounted to £13,153.

9 Intangible assets

	Gamma Units £	Total £
Cost		
Balance at 1 July 2016	82,046	82,046
Amortisation	(27,349)	(27,349)
Balance at 30 June 2017	54,697	54,697

Two Gamma Units were capitalised at 30 June 2016 having been completed just prior to the month end. Amortisation of the units commenced during the year ended 30 June 2017

10 Investments in subsidiaries

The Company has the following investments in subsidiaries, both of which are consolidated in these financial statements:

	Country of incorporation	Registered number	Class of shares held	Ownership	
				2017	2016
Bladon Jets Limited	Isle of Man	Development of micro turbine technology	Ordinary	100%	100%
Bladon Jets (UK) Limited	United Kingdom	Development of micro gas turbine	Ordinary	100%	100%

11 Trade and other receivables

	2017 £	2016 £
Trade receivables	18,000	131,083
Grants receivable	156,353	39,820
Value added tax	43,016	17,015
Other debtors	-	5,000
Prepayments	95,705	86,321
	313,084	279,239

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

12 Cash and cash equivalents

	2017 £	2016 £
Cash held at bank	<u>2,543,450</u>	<u>1,316,413</u>

13 Other interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate and foreign currency risk, see note 17.

	2017 £	2016 £
Non-current liabilities		
Regional Growth Fund Grant	49,103	-
Obligations under hire purchase agreements	136,659	-
Capital asset finance loans	-	205,960
	<u>185,762</u>	<u>205,960</u>
Current liabilities		
Current portion of capital asset finance loans	205,960	197,910
Loan from Director	-	60,000
Obligations under hire purchase agreements	40,282	-
	<u>246,242</u>	<u>257,910</u>

Terms and debt repayment schedule

	Nominal interest rate	Year of maturity	Carrying amount 2017 £	Carrying amount 2016 £
Close Brothers Hire Purchase Agreement	26.2%	2022	176,941	-
Close Brothers Asset Finance Capital Asset loan 1	10.81%	2018	107,632	204,281
Close Brothers Asset Finance Capital Asset loan 2	10.81%	2018	43,542	90,888
Close Brothers Asset Finance Capital Asset loan 3	10.81%	2018	54,786	108,701

The loan from P D Barrett, as Director, was unsecured, bore interest at 0% and was repaid in the year.

The Regional Growth Fund Grant was received in respect of the asset held under a hire purchase agreement. This grant is non-interest bearing and is released to the profit and loss account over the five year term of the hire purchase agreement.

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

14 Trade and other payables

Group	2017 £	2016 £
Current		
Trade payables	296,296	372,487
Non-trade payables and accrued expenses	330,270	260,268
	<u>626,566</u>	<u>632,755</u>

15 Employee benefits

Share-based payments

Option schemes that have been entered into in prior years and are still in force at year end are detailed below:

	Bladon Jets Holdings Ltd Unapproved Share Option Schemes	Bladon Jets Holdings Ltd Enterprise Management Incentive Schemes	Bladon Jets Holdings Ltd Corporate Finance Share Option Plan
Dates of grant	November 2008 March 2010 September 2012 November 2016	September 2012 June 2015 November 2016 June 2017*	October 2013 March 2015
Number granted	1,586,808	2,264,861	621,261
Number of employees	18	55	2
Average exercise price of shares	£1.05	£1.14	£1.50

*June 2017 allocations are awaiting a valuation agreement with HMRC.

During the year ended 30 June 2017, option allocations totalled 4,472,930 (2016: 3,167,136), an increase of 1,305,794, net of new awards and cancellations due to Bad Leaver provisions contained within Scheme Rules. No options were exercised.

The estimated fair value of each share option granted in terms of the above share option schemes is £Nil as the exercise price is currently in excess of the current estimated net assets per share. As such, no expense has been recorded in relation to the granting of these options.

Principal terms and conditions:

The number of share options available for allocation is governed by shareholder approvals as contained in the Articles of Association of the Company. Allocations are subject to the recommendation of the Company Remuneration Committee. All options have a 10 year life from date of grant. Post year end, following a shareholder approval, 780,000 existing share options governed by the Unapproved Share Option Scheme 2008 have been extended by a further 10 years, and another 960,000 existing options transferred from the Unapproved Share Option Scheme 2008 into an Enterprise Management Incentive Scheme. The options governed by the Enterprise Management Incentive Schemes are exercisable on sale or listing or immediately prior to expiry.

Defined contribution scheme

Bladon Jets (UK) Limited operates a defined contributions pension scheme for all qualified employees. The assets of the scheme are held separately from those of the company in an independently administered fund

The charge to the profit and loss in respect of defined contribution schemes was £6,414 (2016: £nil).

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

16 Capital and reserves

Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
21,923,617 Ordinary shares of £0.0001 each	<u>2,192</u>	<u>1,819</u>

During 2017 the company issued a further 4,321,805 (2016: 2,550,816) £0.0001 shares at a total premium of £8,643,224 (2016: £4,038,244). During the year 591,208 £0.0001 shares were cancelled.

17 Financial instruments

17.1 Fair value of financial instruments

The carrying value of short-term financial assets and financial liabilities (cash, debtors and creditors) approximate their fair value. The carrying value of the convertible loan note instrument is also considered to approximate fair value.

The fair values of all financial assets and financial liabilities by class, together with their carrying amounts shown in the consolidated statement of financial position, are as follows:

	Carrying amount 2017 £	Fair value 2017 £	Carrying amount 2016 £	Fair value 2016 £
Financial assets measured at amortised cost				
Cash and cash equivalents (note 12)	2,543,450	2,543,450	1,316,413	1,316,413
Trade and other receivables (note 11)	<u>217,379</u>	<u>217,379</u>	<u>192,918</u>	<u>192,918</u>
Total financial assets	<u>2,760,829</u>	<u>2,760,829</u>	<u>1,509,331</u>	<u>1,509,331</u>
Financial liabilities measured at amortised cost				
Due to Director (note 13)	-	-	60,000	60,000
Other interest-bearing loans and borrowings (note 13)	382,901	382,901	403,870	403,870
Trade and other payables (note 14)	<u>401,900</u>	<u>401,900</u>	<u>452,958</u>	<u>452,958</u>
Total financial liabilities	<u>784,801</u>	<u>784,801</u>	<u>916,828</u>	<u>916,828</u>

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

17 Financial instruments (continued)

17.1 Fair value of financial instruments (continued)

Financial risk management

The Group's operations expose it to a variety of financial risks including credit risk, currency risk, interest rate risk and liquidity risk. The Group's overall risk management policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the Group's financial performance and net assets.

The principal financial risks of the Group and how the Group manages these risks are discussed below.

17.2 Credit risk

The Group's principal credit risks are attributable to its cash and cash equivalents and trade and other receivables.

Trade receivables are presented in the statement of financial position net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis using credit checks.

At the reporting date there were no significant concentrations of third party credit risk, with exposure limited to one customer. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, in the statement of financial position. The Group does not require collateral in respect of financial assets.

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

The Group manages its exposure to credit risk by only placing its financial assets with reputable financial institutions with strong credit ratings.

The carrying amount of financial assets represents the maximum credit exposure. Therefore, the maximum exposure to credit risk at 30 June 2017 was £2,760,829 (2016 £1,509,331) being the total of the carrying amount of cash and cash equivalents, trade and other receivables.

In accordance with IFRS 7 'Financial Instruments: Disclosures', the following disclosures have been made regarding the trade receivable balances.

	Carrying amount £	Not overdue on the reporting dates £	Less than 90 days £	Between 90 to 180 days £
Trade receivables as at 30 June 2017	18,000	18,000	-	-
Trade receivables as at 30 June 2016	131,083	131,083	-	-

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

17 Financial instruments (continued)

17.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet its obligations. The Group aims to maintain appropriate liquidity through the daily monitoring of its actual and projected cash position.

The following are the contractual maturities of financial liabilities, including estimated interest payments (all cash flows are undiscounted).

2017	Carrying amount £	1 year or less £	1 to < 2 years £	2 to < 5 years £	5 years and over £
Non-derivative financial liabilities					
Obligations under hire purchase agreements	176,941	40,282	40,282	96,377	-
Capital finance loans	205,960	205,960	-	-	-
Trading and other payables	401,900	401,900	-	-	-
Regional Growth Fund Grant	49,301	14,029	14,029	21,243	-
		<u>662,171</u>	<u>54,311</u>	<u>117,620</u>	<u>-</u>
2016					
	Carrying amount £	1 year or less £	1 to < 2 years £	2 to < 5 years £	5 years and over £
Non-derivative financial liabilities					
Capital finance loans	403,870	197,910	205,960	-	-
Trading and other payables	452,958	452,958	-	-	-
Due to Directors	60,000	-	-	-	60,000
		<u>650,868</u>	<u>205,960</u>	<u>-</u>	<u>60,000</u>

17.4 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments

The Group incurs foreign currency risk on purchases that are denominated in currency other than sterling. However, the Group's exposure to currencies other than sterling is not considered to be material.

Market risk – interest rate risk

At the statement of financial position date the interest rate profile of the Group's interest-bearing financial instruments was.

	Group 2017 £	Group 2016 £
Variable rate financial instruments		
Financial assets	2,543,450	1,316,413
Fixed rate financial instruments		
Financial liabilities	(382,901)	(403,870)
	<u>2,160,549</u>	<u>912,543</u>

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

17 Financial instruments (continued)

17.4 Market risk (continued)

This analysis assumes that all other variables, in particular foreign currency rates, remain constant and considers the effect of financial instruments with variable interest rates, financial instruments at fair value through profit or loss or available for sale with fixed interest rates and the fixed rate element of interest rate swaps.

Any change in base point interest rates will have no effect on the statement of financial position as all financial liabilities have fixed interest terms or there is no interest rate exposure.

18 Operating leases

Non-cancellable operating lease rentals are payable as follows.

	2017 £	2016 £
Less than one year	164,160	207,602
Between one and five years	6,600	207,602
	<u>170,760</u>	<u>415,204</u>

The group leases three premises, one in the Isle of Man, one in Coventry, United Kingdom and one at Ellesmere, Shropshire, United Kingdom. All the leases have various terms and renewal terms.

During the year £252,445 (2016 £73,824) was recognised as a rental expense by the Group.

19 Commitments

Capital commitments

Group

At the statement of financial position date, the Group had not entered into contracts to purchase plant, computer equipment and software (2016: commitments of £nil).

20 Related parties

The Directors do not consider there to be a single ultimate controlling party.

Related party transactions – company

	Receivables outstanding		Payables outstanding	
	2017	2016	2017	2016
	£	£	£	£
Bladon Jets Limited, direct subsidiary	143,511	248,553		-
Bladon Jets (UK) Limited, direct subsidiary	19,615,945	12,679,380		-
	<u>19,759,456</u>	<u>12,927,933</u>	<u></u>	<u>-</u>

Bladon Jets Holdings Ltd

Notes (continued)

(forming part of the financial statements for the year ended 30 June 2017)

20 Related parties (continued)

The Company entered into the following transactions with related parties:

	2017 £	2016 £
Bladon Jets Limited (subsidiary)		
Expenses paid by Bladon Jets Holdings Ltd	21,071	2,812
Loans received from Bladon Jets Limited	199,927	113,988
Loans to Bladon Jets Limited	73,814	384,501
Bladon Jets (UK) Limited (subsidiary)		
Management charges to Bladon Jets (UK) Limited	193,895	184,532
Expenses paid by Bladon Jets Holdings Ltd	5,447	5,000
Rent	7,563	3,875
Loans made	7,699,927	3,780,000
Loan repayments received	908,787	674,227
Management charges from Bladon Jets (UK) Limited	61,480	60,166

In addition, the Company paid Directors salaries and fees of £244,167 (2016 £225,000). There were no balances outstanding at year end (2016 £nil).

Certain Directors have been granted a total of 540,000 share options at a price of £0.50 in terms of the Bladon Jets Holdings Ltd Unapproved Share Option Scheme 2008, and 97,625 share options at a price of £1.11 in terms of the Bladon Jets Holdings Ltd Scheme 2012. No share options were exercised in the current or preceding year.

As at 30 June 2017 Directors of the Company and their spouses held a total of 1,919,500 £0.0001 shares (2016 1,900,000 £0.0001 shares).

The Group loan from P D Barrett totalling £60,000 (2016 £60,000) was repaid in the year.

Rent paid to Christopher Bladon, a shareholder, in the year to 30 June 2017 amounted to £2,400 (2016 £2,400). This was paid in respect of the premises at Ellesmere, Shropshire, United Kingdom.

As at 30 June 2017, the Directors of Group Companies have been granted share options as detailed below:

Exercise Price	Award
£0.50	860,000
£1.11	233,325
£1.50	369,000
£2.00	250,600
Total	1,712,925
<i>Average Exercise Price</i>	<i>£1.28</i>

As at 30 June 2017, Directors of Group Companies had an interest in a total of 2,126,166 £0.0001 shares (2016 1,900,000 £0.0001 shares).

21 Subsequent events

The Group received an investment of £30 million on 31 July 2017.

To the knowledge of the Directors, there were no additional significant subsequent events requiring disclosure.