Company Registration No. 03089421 (England and Wales)

MENTOR INVESTMENT GROUP PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

MENTOR INVESTMENT GROUP PLC

COMPANY INFORMATION

Directors	Mr G P Knight Mrs J M Hartley
Secretary	Mrs J M Hartley
Company number	03089421
Registered office	Lynwood House 373-375 Station Road Harrow, Middlesex HA1 2AW
Auditor	RDP Newmans LLP Lynwood House 373-375 Station Road Harrow, Middlesex HA1 2AW
Business address	Money Club House Slough Road Datchet Berkshire SL3 9AU
Bankers	National Westminster Bank Plc 22 King's Mall Hammersmith London W6 0QD

MENTOR INVESTMENT GROUP PLC

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MENTOR INVESTMENT GROUP PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present the strategic report for the year ended 31 December 2017.

Fair review of the business
The company's turnover has increased by 99.39% during the year. The gross profit margins have risen from 25.18% to 43.08% due to an increase in management charges due from subsidiaries. Despite an increase in administrative expenses the net profit before tax and dividends has almost doubled from the prior year.

Principal risks and uncertainties
The principal risks and uncertainties facing Mentor Investment Group Plc are:

Financial instruments
The company's principal financial instruments comprise bank loans, overdraft and trade payables. The main purpose of these financial instruments is to raise finance for the company's operations. The company has various other financial assets such as trade receivables and cash which arise directly from its operations.

The main risks arising from the company's financial instruments are liquidity risk and interest risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Liquidity risk
Liquidity risk arises in relation to the company's management of working capital and the risk that the company will encounter difficulties in meeting financial obligations as and when they fall due. To minimise this risk, the liquidity position and ongoing working capital requirements are regularly reviewed by the directors.

Interest risk
The company is subject to interest risks. This is mitigated by continually monitoring the rates available to the company.

Key performance indicators
The directors are of the opinion that there are no relevant key performance indicators. However, the performance of the subsidiary companies are constantly reviewed to ensure they are at an acceptable level.

By order of the board

....
Mrs J M Hartley
Secretary
25\7\18........

MENTOR INVESTMENT GROUP PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

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

Principal activities
The principal activities of the company continued to be that of an investment company.

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

Mr G P Knight
Mrs J M Hartley

Results and dividends
The results for the year are set out on page 7.

During the year a dividend of £56,580 (2016: £56,580) was paid to the shareholders.

Auditor
The auditors, RDP Newmans LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board

....
Mrs J M Hartley
Secretary
Date: 25.7.18........

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2017

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MENTOR INVESTMENT GROUP PLC

Qualified opinion - limitation of scope

We have audited the financial statements of Mentor Investment Group Plc (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the 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 Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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 qualified opinion

At the time of signing the audit report of Mentor Investment Group PLC, the financial statements for Mentor Investment Group Directors Retirement Benefit Scheme had not been prepared. We therefore have not been provided sufficient audit evidence to be able to verify the quantum of the balance owed to the Mentor Investment Group Directors Retirement Benefit Scheme as shown in the balance sheet amounting to £481,263. Furthermore we have not been provided sufficient audit evidence to verify whether this loan from the retirement benefit scheme was authorised by the scheme trustees. Consequently we are unable to determine whether the creditor is a) authorised by the scheme trustees and b) misstated in the financial statements.

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 UK, including the FRC'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.

Emphasis of matter

In forming our opinion on the financial statements we have considered the adequacy of the disclosures made in note 1.2 of the financial statements concerning the dependency upon the company's subsidiary undertakings, their affiliates, the directors' retirement benefit scheme, the directors and the shareholders themselves to enable the company to continue as a going concern. In view of the significance of this dependency we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Conclusions relating to going concern

Except for the matters described in the Emphasis of Matter paragraph 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual 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 our audit:

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

Matters on which we are required to report by exception

In respect solely of the limitation on our work relating to the creditor balance owed to Mentor Investment Group Directors Retirement Benefit Scheme, described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit;
- we were unable to determine whether adequate accounting records had been maintained; and
- we were unable to determine whether the loan from the Mentor Investment Group Directors Retirement Benefit Scheme was authorised by the scheme trustees

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 Strategic Report and the Directors' Report.

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

- 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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MENTOR INVESTMENT GROUP PLC

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: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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.

Mahesh Sachdev FCA (Senior Statutory Auditor)
for and on behalf of RDP Newmans LLP

...30\7\18......

Chartered Accountants
Statutory Auditor

Lynwood House
373-375 Station Road
Harrow, Middlesex
HA1 2AW

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
Turnover	3	287,804	144,345
Administrative expenses		(163,828)	(107,995)
Operating profit	4	123,976	36,350
Interest payable and similar expenses	8	(16,179)	(8,325)
Amounts written off investments	9	-	26,000
Profit before taxation		107,797	54,025
Tax on profit	10	(18,941)	(5,466)
Profit for the financial year		88,856	48,559

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

MENTOR INVESTMENT GROUP PLC

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	12		18,120		20,133
Investment properties	13		1,017,546		500,000
Investments	14		337,975		87,975
			1,373,641		608,108
Current assets					
Debtors	17	454,114		254,338	
Cash at bank and in hand		129,570		230,243	
		583,684		484,581	
Creditors: amounts falling due within one year	18	(898,825)		(709,150)	
Net current liabilities			(315,141)		(224,569)
Total assets less current liabilities			1,058,500		383,539
Creditors: amounts falling due after more than one year	19		(662,042)		(18,827)
Provisions for liabilities	21		(2,491)		(3,021)
Net assets			393,967		361,691
Capital and reserves					
Called up share capital	24		250,000		250,000
Revaluation reserve			108,237		108,237
Profit and loss reserves	25		35,730		3,454
Total equity			393,967		361,691

The financial statements were approved by the board of directors and authorised for issue on ..25\7\18... and are signed on its behalf by:

....
Mr G P Knight
Director

....
Mrs J M Hartley
Director

Company Registration No. 03089421

MENTOR INVESTMENT GROUP PLC

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Share capital	Revaluation reserve	Profit and loss reserves	Total
		£	£	£	£
Balance at 1 January 2016		250,000	108,237	11,475	369,712
Year ended 31 December 2016:					
Profit and total comprehensive income for the year		-	-	48,559	48,559
Dividends	11	-	-	(56,580)	(56,580)
Balance at 31 December 2016		250,000	108,237	3,454	361,691
Year ended 31 December 2017:					
Profit and total comprehensive income for the year		-	-	88,856	88,856
Dividends	11	-	-	(56,580)	(56,580)
Balance at 31 December 2017		250,000	108,237	35,730	393,967

MENTOR INVESTMENT GROUP PLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	29		(47,471)		110,469
Interest paid			(16,179)		(8,325)
Income taxes paid			(7,971)		(47,012)
Net cash (outflow)/inflow from operating activities			(71,621)		55,132
Investing activities					
Purchase of investment property		(517,546)		-	
Purchase of shares in subsidiaries		(250,000)		-	
Other investments and loans made		(124,111)		(250,765)	
Proceeds from other investments and loans		6,055		-	
Net cash used in investing activities			(885,602)		(250,765)
Financing activities					
Proceeds from borrowings		269,044		194,673	
Repayment of borrowings		17,546		-	
Proceeds of new bank loans		700,000		-	
Repayment of bank loans		(73,460)		(39,720)	
Dividends paid		(56,580)		(56,580)	
Net cash generated from financing activities			856,550		98,373
Net decrease in cash and cash equivalents			(100,673)		(97,260)
Cash and cash equivalents at beginning of year			230,243		327,503
Cash and cash equivalents at end of year			129,570		230,243

1 Accounting policies

Company information

Mentor Investment Group Plc is a private company limited by shares incorporated in England and Wales. The registered office is Lynwood House, 373-375 Station Road, Harrow, Middlesex, HA1 2AW. The trading address is Money Club House, Slough Road, Datchet, Berkshire, SL3 9AU.

1.1 *Accounting convention*

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

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

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

1.2 Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

The validity of this assumption depends on the continuing support of the company's fellow group undertakings, their affiliates, the directors' retirement benefit scheme, the directors and the shareholders themselves.

The directors are of the opinion that these fellow group undertakings and their affiliates have the financial resources and will continue to provide such necessary financial support as may be required. In addition the directors will continue to personally support the company should this be required.

If the company were unable to continue in existence for the foreseeable future, adjustments would be necessary to reduce the balance sheet values of the assets to their recoverable amounts, to reclassify fixed assets and long term liabilities as current assets and current liabilities respectively, and to provide further liabilities which might arise.

1.3 Turnover

Turnover represents amounts receivable for services net of VAT.

Management fees receivable are recognised in the period to which they relate and when they can be measured with reasonable certainty.

Rent receivable is recognised in the period to which the rent relates.

1.4 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	10% reducing balance

1 Accounting policies **(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

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

1.7 Impairment of fixed assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.9 Financial instruments

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

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

Basic financial assets

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

Other financial assets

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

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Derecognition of financial assets

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

Classification of financial liabilities

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

1 Accounting policies **(Continued)**

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

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

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

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

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

1.11 Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax
Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies **(Continued)**

1.12 Employee benefits

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

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

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

1.13 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees and directors. Contributions payable are charged to the profit and loss account in the year they are payable.

1.14 Group Accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings comprise a small-sized group. The company has not prepared group accounts as it has taken advantage of the exemptions provided from the adoption of SI 2015/980 applicable to non-traded public companies.

2 Judgements and key sources of estimation uncertainty

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

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

3 Turnover and other revenue

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

	2017	2016
	£	£
Turnover analysed by class of business		
Rent receivable	27,804	18,345
Management income	260,000	126,000
	287,804	144,345

	2017	2016
	£	£
Turnover analysed by geographical market		
United Kingdom	287,804	144,345

4 Operating profit

Operating profit for the year is stated after charging:	2017 £	2016 £
Depreciation of owned tangible fixed assets	2,013	2,237

5 Auditor's remuneration

Fees payable to the company's auditor and associates:	2017 £	2016 £
For audit services		
Audit of the financial statements of the company	5,500	5,000
For other services		
Taxation compliance services	2,000	2,000
All other non-audit services	3,250	3,000
	5,250	5,000

6 Employees

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

	2017 Number	2016 Number
Management staff	3	3

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	56,419	62,266
Social security costs	7,639	7,034
Pension costs	44,700	44,700
	108,758	114,000

7 Directors' remuneration

	2017	2016
	£	£
Remuneration for qualifying services	35,376	41,253
Company pension contributions to defined contribution schemes	14,700	14,700
	50,076	55,953

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2016 - 2).

8 Interest payable and similar expenses

	2017	2016
	£	£
Other finance costs:		
Other interest	16,179	8,325

9 Impairment on fixed asset investments written back

	2017	2016
	£	£
Other gains and losses	-	26,000

10 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	19,471	5,887
Deferred tax		
Origination and reversal of timing differences	(530)	(421)
Total tax charge	18,941	5,466

10 Taxation (Continued)

The charge for the year can be reconciled to the statement of comprehensive income as follows:

	2017 £	2016 £
Profit before taxation	107,797	54,025
Expected tax charge based on the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	20,751	10,805
Group relief	(1,662)	-
Effect of revaluations of investments	-	(5,200)
Other non-reversing timing differences	(530)	(421)
Depreciation add back	388	447
Capital allowances	(147)	(186)
Other tax adjustments	141	21
Taxation charge for the year	18,941	5,466

11 Dividends

	2017 £	2016 £
Interim paid	56,580	56,580

12 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 January 2017 and 31 December 2017	28,325
Depreciation and impairment	
At 1 January 2017	8,192
Depreciation charged in the year	2,013
At 31 December 2017	10,205
Carrying amount	
At 31 December 2017	18,120
At 31 December 2016	20,133

13 Investment property

	2017
	£
Fair value	
At 1 January 2017	500,000
Additions through external acquisition	517,546
At 31 December 2017	1,017,546

Investment property comprises of Money Club House, Slough Road, Datchet, SL3 9AU. The fair value of the investment properties have been arrived at on the basis of a valuation carried out at 31 December 2017 by the directors.

The directors having suitable market knowledge considered the above valuation to be a fair reflection of the investment properties at 31 December 2017.

14 Fixed asset investments

	Notes	2017 £	2016 £
Investments in subsidiaries	15	337,975	87,975

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2017	87,975
Additions	250,000
At 31 December 2017	337,975
Carrying amount	
At 31 December 2017	337,975
At 31 December 2016	87,975

15 Subsidiaries

Details of the company's subsidiaries at 31 December 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
The Money Club Direct Limited	England and Wales	Personal shopping service	Ordinary A	90.00	-
The Money Club Direct Limited	England and Wales	Personal shopping service	Ordinary B	100.00	-
Mentor Financial Limited	England and Wales	Insurance brokers	Ordinary A	75.00	-
Mentor Financial Limited	England and Wales	Insurance brokers	Ordinary B	100.00	-
Mentor Financial Partners Limited	England and Wales	Non-trading	Ordinary A	100.00	-

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
The Money Club Direct Limited	20,899	71,864
Mentor Financial Limited	(9,231)	128,988
Mentor Financial Partners Limited	22,861	-

Whilst Mentor Financial Partners Limited is a non-trading company, there was movement in the Profit & Loss in the year due to a write back of intercompany balances.

16 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	372,240	254,184
Carrying amount of financial liabilities		
Measured at amortised cost	1,404,670	681,839

17 Debtors

Amounts falling due within one year:	2017 £	2016 £
Trade debtors	3,419	3,419
Corporation tax recoverable	81,499	-
Other debtors	368,821	250,765
Prepayments and accrued income	375	154
	454,114	254,338

18 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	20	25,103	41,778
Other borrowings	20	481,263	194,673
Trade creditors		-	184,416
Amounts due to group undertakings		155,892	232,145
Corporation tax		106,968	13,969
Other taxation and social security		49,229	32,169
Other creditors		65,134	-
Accruals and deferred income		15,236	10,000
		898,825	709,150

19 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	20	662,042	18,827

20 Loans and overdrafts

	2017 £	2016 £
Bank loans	687,145	60,605
Other loans	481,263	194,673
	1,168,408	255,278
Payable within one year	506,366	236,451
Payable after one year	662,042	18,827

20 Loans and overdrafts **(Continued)**

Bank loans and overdrafts amounting to £687,145 (2016: £60,605) have been secured by way of charge over Money Club House, Slough in favour of National Westminster Bank Plc.

The company and its subsidiaries have a set off arrangement in place in favour of National Westminster Bank Plc.

There is an unlimited inter-company group guarantee in place in favour of National Westminster Bank Plc.

21 Provisions for liabilities

	Notes	2017 £	2016 £
Deferred tax liabilities	22	2,491	3,021

22 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Balances:	Liabilities 2017 £	Liabilities 2016 £
Accelerated capital allowances	2,491	3,021

The deferred tax liability set out above relates to accelerated capital allowances that are expected to mature within the same period.

23 Retirement benefit schemes

Defined contribution schemes	2017 £	2016 £
Charge to profit or loss in respect of defined contribution schemes	44,700	44,700

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

24 Share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
250,000 Ordinary shares of £1 each	250,000	250,000
	250,000	250,000

25 Profit and loss reserves

Profit and loss reserves represents all current and prior period retained profits and losses.

26 Related party transactions

Remuneration of key management personnel
The remuneration of key management personnel is as follows.

	2017	2016
	£	£
Aggregate compensation	124,123	136,195

26 Related party transactions **(Continued)**

Included within creditors is an amount due to subsidiary undertakings of £155,892 (2016: nil) relating to The Money Club Direct Limited, a subsidiary of Mentor Investment Group PLC.

Included within creditors is an amount due to subsidiary undertakings of £nil (2016: £164,956) relating to Mentor Financial Limited, a subsidiary of Mentor Investment Group PLC.

Included within amounts due to subsidiary undertakings is an amount of £nil (2016: £67,189) relating to Mentor Financial Partners Limited, a wholly owned subsidiary of Mentor Investment Group PLC.

During the year management charges of £260,000 (2016: £126,000) were receivable from The Money Club Direct Limited.

During the year rental income of £27,804 (2016: £18,345) was receivable from The Money Club Direct Limited.

Included within other creditors falling due in less than one year is an amount of £481,263 (2016: £194,672) due to Mentor Investment Group Directors Retirement Benefit Scheme, a pension fund in which the directors and employees of Mentor Investment Group PLC are the trustees. During the year interest of nil (2016: £5,223) was payable by Mentor Investment Group PLC with respect to this loan. Included within directors pension costs is an amount of £14,700 (2016: £14,700) paid to the pension fund.

27 Directors' transactions

Included within other debtors are amounts of £341,692 (2016: £250,765) and £27,129 (2016: nil) due from Mr G P Knight and Mrs J M Hartley respectively.

These amounts are interest free and both directors have confirmed their respective loans will be repaid in full within 9 months of the balance sheet date.

28 Controlling party

The company is controlled by Mr G P Knight, a director, by virtue of his 75% shareholding.

29 Cash generated from operations

	2017	2016
	£	£
Profit for the year after tax	88,856	48,559
Adjustments for:		
Taxation charged	18,941	5,466
Finance costs	16,179	8,325
Depreciation and impairment of tangible fixed assets	2,013	2,236
Amounts written off investments	-	(26,000)
Movements in working capital:		
(Increase)/decrease in debtors	(221)	29,831
(Decrease)/increase in creditors	(173,239)	42,052
Cash (absorbed by)/generated from operations	(47,471)	110,469