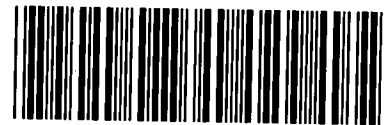


C&C Alpha Group Limited
Financial Statements
31 March 2016

TUESDAY



LD3 *L64M6DYJ* 18/04/2017 #22
COMPANIES HOUSE

SLAVEN JEFFCOTE LLP
Chartered Certified Accountants & statutory auditor
1 Lumley Street
Mayfair
London
W1K 6TT

C&C Alpha Group Limited

Financial Statements

Year ended 31 March 2016

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C&C Alpha Group Limited

Officers and Professional Advisers

The board of directors

C Thomas
B Choudhrie
D Choudhrie
S Kapur

Company secretary

S Pudaruth

Registered office

1 Vincent Square
Victoria
London
SW1P 2PN

Auditor

Slaven Jeffcote LLP
Chartered Certified Accountants & statutory auditor
1 Lumley Street
Mayfair
London
W1K 6TT

C&C Alpha Group Limited

Strategic Report

Year ended 31 March 2016

Introduction

The directors present their strategic report on C&C Alpha Group Limited (Company) for the year ended 31st March 2016.

Business Review

The results for the year are set out in the consolidated profit and loss account and the financial position of the group as at 31 March 2016 is set out in the consolidated balance sheet. Group revenue for the year was £66.6 million (2015:£90.87 million) and group EBITDA before extraordinary items (earnings before interest, tax, depreciation and amortisation) was -£15 million (2015:-£8.03 million) The principal activity of the company during the period was that of a holding company.

Harberry Investment Limited, the ultimate Parent Company waived £3.4 (2015:£72.75 million) payable to them as long term loan due to permanent impairment of underlying investments in the subsidiary companies. This amount is shown as extraordinary income in the Profit and Loss account. Further loans of Nil (2015:£1.93 million) was waived by related companies

The company and its subsidiaries (the "Group") engage in diverse business activities including hospitals, healthcare, hotels, technology, utilities, real estate, flight training academies and consulting services. The group through its subsidiary Quatro Management Inc. has invested in to Megalith Capital management LLC, which owns and manages multi-family properties in United States. The group is also currently growing its mid-market hotel portfolio in India.

Healthcare Group

C&C Alpha Healthcare Group Limited operates specialist secure psychiatric hospitals through subsidiary Alpha Hospitals Limited and operates nursing and residential care homes for the elderly through subsidiary Alpha Health Care Limited.

On 19th August 2015, Alpha Hospital Holdings Limited and its subsidiaries were sold to Cygnet Health Care Limited. The term loan facility and derivatives with Lloyds Bank Group was settled in their entirety on 19th August 2015 from the proceeds of the sale of the Group's share in Alpha Hospital Holdings Limited to Cygnet Health Care Limited.

The remaining business activity owned by C&C Alpha Health Care Group Limited is therefore the elderly care home business operated by Alpha Health Care Limited, a 100% subsidiary of the company. During the year ended 31 March 2016 this business generated total revenue of £7.0 million (2015: £6.5 million) and adjusted EBITDA (earnings before interest, tax, depreciation and amortisation) of £0.35 million (2015-£0.57 Million)

Flight training academies

Alpha Aviation Group limited (AAG) provides aviation training through its 100% subsidiaries in Philippines and United Kingdom and joint venture in UAE with low cost carrier Air Arabia in which AAG owns 49% of the equity.

In the year ended 31 March 2016, AAG generated total group revenue of £12.04 million (2015: £9.02 million) and group EBITDA after exceptional items was £2.33 million (2015:£1.27 million).

Alpha Aviation Academy (Europe) Limited (AAEU) owns a Boeing 737NG Simulator located at UK. AAEU leased the simulator for 5 years under a Lease Purchase Agreement on 29th April 2015.

AAG Philippines acquired a new A330-340 simulator from CAE. The Simulator is expected to be ready for training in April 2017.

London International Hospital

London International Hospital Limited (LIH) tried unsuccessfully to obtain alternative investors for the development of the property formerly known as Ravenscourt Park Hospital, in Ravenscourt, London into a speciality Hospital. on 30 March 2017 the sole shareholder of LIH agreed to place the company under voluntary

C&C Alpha Group Limited

Strategic Report *(continued)*

Year ended 31 March 2016

winding-up and appointed Cork Gully LLP, 52 Brook Street, London, W1K 5DS as liquidator of the company.

On 9 July 2015, loan of £53,870,263 due to C&C Alpha Group Limited the immediate holding company was converted to ordinary class A shares at par value of £1 each for a total of 53,870,263 shares

Utilities

Alpha Utilities Holdings Limited through its 100% subsidiary Alpha Utilities FZE LLC owns and operates a water desalination plant in UAE. The plant is currently undergoing a capacity expansion from 1 million gallons per day to 1.5 million gallons per day. In the year ended 31 March 2016, Alpha Utilities FZE generated total group revenue of £3.6 million (2015: £2.2 million)

Hospitality Group

Shanti Hospitality Group Limited (Shanti), a holding company incorporated in UK owns a number of hotels and restaurants in UK, Switzerland, US, Mauritius and India in high-end, boutique and budget segments. In the year ended 31 March 2016, Shanti generated total revenue of £16.37 million (2015: £15.92 million) and EBITDA of £1.84 million (2015: -£0.49 million). Three of the hotels were operated by Nira Hospitality Limited in which Shanti holds majority stake.

Shanti Hospitality Group Limited owns limited service Hotels in US franchised with RedRoof

Principal risks and uncertainties

The management of the business and the nature of the group's strategy are subject to a number of risks. The directors have set out below the principal risks facing the business. The directors are of the opinion that a thorough risk management process is adopted which involves the formal review of all risks identified below. Where possible, processes are in place to monitor and mitigate such risks.

Regulatory Environment

Some of the businesses that the company invests in to especially healthcare and flight training academies operates in a highly regulated environment and the requirements are increasing year after year to meet minimum standards. Changes in regulation could impact investment requirements in the physical environment in which they operate. Each of these businesses invests in state of the art facilities and robust risk assessment and mitigation processes are in place to deal with regulatory risks.

Financial management risk

The Group uses various financial instruments that include loans, cash and working capital items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments are to raise finance for the Group's future projects and for its day-to-day operations. The Group's policy is to finance its investments through an appropriate mix of long-term debt and equity finance. Day-to-day operations are financed through a combination of cash resources and working capital. The existence of these financial instruments exposes the Group to a number of financial risks, which are described in more detail below. In order to manage the Group's exposure to interest rate risk the Group enters into derivative transactions, including, but not limited to, variable to fixed rate interest rate swaps. All transactions in derivatives are undertaken to manage the risks arising from underlying business activities and no transactions of a speculative nature are undertaken. The main risks arising from the Group's financial instruments are cash flow interest rate risk, credit risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Interest rate risk

The Group finances its operations through a mixture of shareholders funding, retained profits and bank borrowings. The Group's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

Liquidity risk

The Group manages financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest surplus cash safely and profitably. In addition to the bank borrowing and reinvestment of retained

C&C Alpha Group Limited

Strategic Report *(continued)*

Year ended 31 March 2016

earnings, the Company relies on the parent company to fund the day to day working capital requirement of the group. The company obtains annual commitment from its parent company and has commitment in place for the funding required for the next twelve months.

Credit risk

In order to manage credit risk, the Directors set working capital targets including debtor days. Outstanding balances are reviewed by credit controllers on a regular basis, in conjunction with debt aging, and the Group operates a robust collection procedure.

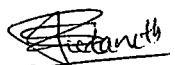
Price risk

The group is exposed to supplier price risk as a result of its operations through C&C Alpha Group Limited and its subsidiaries, however, given the size of the company's operations, the costs of managing exposure to commodity price risk exceed any potential benefits. The directors will revisit the appropriateness of this policy should the group's operations change size or nature. The group has no exposure to equity securities price risk as it holds no listed or other equity investments.

This report was approved by the board of directors on 18/04/2017 and signed on behalf of the board by:



B Choudhrie
Director



S Pudaruth
Company Secretary

Registered office:
1 Vincent Square
Victoria
London
SW1P 2PN

C&C Alpha Group Limited

Directors' Report

Year ended 31 March 2016

The directors present their report and the financial statements of the group for the year ended 31 March 2016.

Directors

The directors who served the company during the year were as follows:

C Thomas
B Choudhrie
D Choudhrie
S Kapur

Dividends

The directors did not recommend the payment of a dividend (2015- £Nil)

Employment of disabled persons

The group's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities, for each disabled person. Arrangements are made wherever possible for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Employee involvement

The group's policy is to consult and discuss with employees in meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Disclosure of information in the strategic report

Disclosure of the financial risk and future developments has been included in the strategic report.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the company and the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

C&C Alpha Group Limited

Directors' Report *(continued)*

Year ended 31 March 2016

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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

This report was approved by the board of directors on 18/04/2017 and signed on behalf of the board by:



B Choudhrie
Director



S Pudaruth
Company Secretary

Registered office:
1 Vincent Square
Victoria
London
SW1P 2PN

C&C Alpha Group Limited

Independent Auditor's Report to the Shareholders of C&C Alpha Group Limited

Year ended 31 March 2016

We have audited the financial statements of C&C Alpha Group Limited for the year ended 31 March 2016 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2016 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

C&C Alpha Group Limited

Independent Auditor's Report to the Shareholders of C&C Alpha Group Limited *(continued)*

Year ended 31 March 2016

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Nicholas John Paling (FCCA) (Senior Statutory Auditor)

For and on behalf of
Slaven Jeffcote LLP
Chartered Certified Accountants & statutory auditor

18 April 2017

1 Lumley Street
Mayfair
London
W1K 6TT

C&C Alpha Group Limited
Consolidated Statement of Comprehensive Income
Year ended 31 March 2016

		2016			2015		
	Note	Continuing operations £	Discont'd operations £	Total £	Continuing operations £	Discont'd operations £	Total £
Turnover	3	46,777,451	19,832,476	66,609,927	43,141,178	47,733,001	90,874,179
Cost of sales		22,273,571	18,022,328	40,295,899	14,551,761	35,395,160	49,946,921
Gross profit		24,503,880	1,810,148	26,314,028	28,589,417	12,337,841	40,927,258
Administrative expenses		90,347,797	1,034,475	91,382,272	47,493,635	13,643,918	61,137,553
Other operating income	4	10,516,317	858,268	11,374,585	74,716,109	–	74,716,109
Operating (loss)/profit	5	(55,327,600)	1,633,941	(53,693,659)	55,811,891	(1,306,077)	54,505,814
Income from interests in associates	9	617,350	–	617,350	3,886,188	–	3,886,188
Share of profit of joint ventures	16	1,700,004	–	1,700,004	–	–	–
Other interest receivable and similar income		249,937	–	249,937	1,557,293	–	1,557,293
Amounts written back to investments	10	–	–	–	110,224	–	110,224
Interest payable and similar charges	11	1,901,012	966,478	2,867,490	3,192,446	1,702,045	4,894,491
(Loss)/profit on ordinary activities before taxation		(54,661,321)	667,463	(53,993,858)	57,952,702	(3,008,122)	54,944,580
Tax on (loss)/profit on ordinary activities	12	723,455	–	723,455	181,411	42,118	223,529
(Loss)/profit for the financial year		(55,384,776)	667,463	(54,717,313)	57,771,291	(3,050,240)	54,721,051

The consolidated statement of comprehensive income
continues on the following page.

The notes on pages 18 to 39 form part of these financial statements.

C&C Alpha Group Limited
Consolidated Statement of Comprehensive Income *(continued)*
Year ended 31 March 2016

	Note	Continuing operations £	2016 Discont'd operations £	Total £	Continuing operations £	2015 Discont'd operations £	Total £
Revaluation of tangible assets				–			9,751,823
Foreign currency retranslation				(1,279,270)			–
Reclassification from revaluation reserve to profit and loss account				113,091			–
Other movements on minority interest				3,370,041			–
Other comprehensive income for the year				1,977,680			9,751,823
Total comprehensive income for the year				(52,739,633)			62,736,378
Loss for the financial year attributable to:							
The owners of the parent company				(54,348,368)			55,511,725
Minority interests				(368,945)			(790,674)
				(54,717,313)			54,721,051
Total comprehensive income for the year attributable to:							
The owners of the parent company				(55,720,046)			65,263,548
Minority interests				2,980,413			(2,527,170)
				(52,739,633)			62,736,378

The notes on pages 18 to 39 form part of these financial statements.

C&C Alpha Group Limited

Consolidated Statement of Financial Position

31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	14	4,389,888	21,667,424
Tangible assets	15	117,745,500	230,387,366
Investments	16	6,325,027	7,824,297
		<u>128,460,415</u>	<u>259,879,087</u>
Current assets			
Stocks	17	643,272	821,245
Debtors	18	17,531,370	15,536,546
Cash at bank and in hand		14,555,760	11,881,065
		<u>32,730,402</u>	<u>28,238,856</u>
Creditors: amounts falling due within one year	19	<u>191,469,425</u>	<u>112,276,375</u>
Net current liabilities		<u>158,739,023</u>	<u>84,037,519</u>
Total assets less current liabilities		<u>(30,278,608)</u>	<u>175,841,568</u>
Creditors: amounts falling due after more than one year	20	18,023,528	166,581,482
Provisions	23	1,414,506	778,951
Net (liabilities)/assets		<u>(49,716,642)</u>	<u>8,481,135</u>
Capital and reserves			
Called up share capital	26	64,600,732	64,600,732
Share premium account	27	13,784,468	13,784,468
Other reserve	27	76,718,425	74,709,307
Foreign currency translation reserve	27	96,654	1,054,361
Profit and loss account	27	(206,466,201)	(146,826,341)
Equity attributable to the owners of the parent company		<u>(51,265,922)</u>	<u>7,322,527</u>
Minority interests		<u>1,549,280</u>	<u>1,158,608</u>
		<u>(49,716,642)</u>	<u>8,481,135</u>

These financial statements were approved by the board of directors and authorised for issue on 18/04/2017 and are signed on behalf of the board by:



B Choudhrie
Director

Company registration number: 4590298

The notes on pages 18 to 39 form part of these financial statements.

C&C Alpha Group Limited
Company Statement of Financial Position
31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	15	87,714	132,192
Investments	16	194,926,088	179,868,774
		<u>195,013,802</u>	<u>180,000,966</u>
Current assets			
Debtors	18	3,986,448	3,969,515
Cash at bank and in hand		1,308,807	338,315
		<u>5,295,255</u>	<u>4,307,830</u>
Creditors: amounts falling due within one year	19	<u>168,232,469</u>	<u>11,593,215</u>
Net current liabilities		<u>162,937,214</u>	<u>7,285,385</u>
Total assets less current liabilities		<u>32,076,588</u>	<u>172,715,581</u>
Creditors: amounts falling due after more than one year	20	–	119,849,987
Net assets		<u>32,076,588</u>	<u>52,865,594</u>
Capital and reserves			
Called up share capital	26	64,600,732	64,600,732
Share premium account	27	13,784,468	13,784,468
Profit and loss account	27	(46,308,612)	(25,519,606)
Shareholders funds		<u>32,076,588</u>	<u>52,865,594</u>

These financial statements were approved by the board of directors and authorised for issue on 18/04/2017, and are signed on behalf of the board by:



B Choudhrie
Director

Company registration number: 4590298

C&C Alpha Group Limited
Consolidated Statement of Changes in Equity
Year ended 31 March 2016

		Called up share capital	Share premium account	Other reserve	Foreign currency translation reserve	Profit and loss account	Equity attributable to the owners of the parent company	Minority interests	Total
	Note	£	£	£	£	£	£	£	£
At 1 April 2014		64,600,732	13,784,468	63,621,973	1,054,361	(201,002,555)	(57,941,021)	3,685,778	(54,255,243)
Profit for the year						55,511,725	55,511,725	(2,527,170)	52,984,555
Other comprehensive income for the year:									
Revaluation of tangible assets	15	–	–	9,751,823	–	–	9,751,823	–	9,751,823
Reclassification from revaluation reserve to profit and loss account		–	–	1,335,511	–	(1,335,511)	–	–	–
Total comprehensive income for the year		–	–	11,087,334	–	54,176,214	65,263,548	(2,527,170)	62,736,378
At 31 March 2015 (as previously reported)		64,600,732	13,784,468	74,709,307	1,054,361	(146,833,341)	7,315,527	1,158,608	8,474,135
Effects of changes in accounting policies		–	–	–	113,091	–	113,091	–	113,091
Prior period adjustments		–	–	–	–	(2,974,494)	(2,974,494)	–	(2,974,494)
At 31 March 2015 (restated)		<u>64,600,732</u>	<u>13,784,468</u>	<u>74,709,307</u>	<u>1,167,452</u>	<u>(149,807,835)</u>	<u>4,454,124</u>	<u>1,158,608</u>	<u>5,612,732</u>

The consolidated statement of changes in equity
continues on the following page.

The notes on pages 18 to 39 form part of these financial statements.

C&C Alpha Group Limited
Consolidated Statement of Changes in Equity *(continued)*
Year ended 31 March 2016

	Note	Called up share capital £	Share premium account £	Other reserve £	Foreign currency translation reserve £	Profit and loss account £	Equity attributable to the owners of the parent company £	Minority interests £	Total £
Loss for the year						(54,348,368)	(54,348,368)	(368,945)	(54,717,313)
Other comprehensive income for the year:									
Foreign currency retranslation		-	-	-	(1,070,798)	-	(1,070,798)	(208,472)	(1,279,270)
Reclassification from revaluation reserve to profit and loss account		-	-	2,009,118	-	(2,122,209)	(113,091)	-	(113,091)
Other movements on minority interest		-	-	-	-	(187,789)	(187,789)	3,557,830	3,370,041
Total comprehensive income for the year		-	-	2,009,118	(1,070,798)	(56,658,366)	(55,720,046)	2,980,413	(52,739,633)
Disposal of subsidiary with minority interest		-	-	-	-	-	-	(2,589,741)	(2,589,741)
Total investments by and distributions to owners		-	-	-	-	-	-	(2,589,741)	(2,589,741)
At 31 March 2016		<u>64,600,732</u>	<u>13,784,468</u>	<u>76,718,425</u>	<u>96,654</u>	<u>(206,466,201)</u>	<u>(51,265,922)</u>	<u>1,549,280</u>	<u>(49,716,642)</u>

The notes on pages 18 to 39 form part of these financial statements.

C&C Alpha Group Limited
Company Statement of Changes in Equity
Year ended 31 March 2016

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 April 2014	64,600,732	13,784,468	(38,606,148)	39,779,052
Profit for the year			13,086,542	13,086,542
Total comprehensive income for the year	<u>–</u>	<u>–</u>	<u>13,086,542</u>	<u>13,086,542</u>
At 31 March 2015	64,600,732	13,784,468	(25,519,607)	52,865,593
Loss for the year			(20,789,005)	(20,789,005)
Total comprehensive income for the year	<u>–</u>	<u>–</u>	<u>(20,789,005)</u>	<u>(20,789,005)</u>
At 31 March 2016	<u>64,600,732</u>	<u>13,784,468</u>	<u>(46,308,612)</u>	<u>32,076,588</u>

The notes on pages 18 to 39 form part of these financial statements.

C&C Alpha Group Limited
Consolidated Statement of Cash Flows
Year ended 31 March 2016

	2016 £	2015 £
Cash flows from operating activities		
(Loss)/profit for the financial year	(54,717,313)	54,721,051
<i>Adjustments for:</i>		
Depreciation of tangible assets	7,186,918	10,086,345
Impairment of tangible assets	15,620,424	–
Amortisation of intangible assets	2,069,019	1,624,379
Impairment of intangible assets	15,210,562	–
Amounts written back to investments	–	110,224
Fair value adjustment of investment property	(5,928,077)	–
Income from interests in associates	(617,350)	(3,886,188)
Share of profit of joint ventures	(1,700,004)	–
Other interest receivable and similar income	(249,937)	(1,557,293)
Interest payable and similar charges	2,867,490	4,894,491
Loss on disposal of tangible assets	49,594	–
Loss/(gains) on disposal of other investments	9,872,091	(1,983,237)
Tax on (loss)/profit on ordinary activities	723,455	223,529
Accrued expenses	11,580,811	1,324,674
<i>Changes in:</i>		
Stocks	177,973	9,151
Trade and other debtors	(1,473,025)	9,796,842
Trade and other creditors	(147,407,556)	(72,248,079)
Cash generated from operations	(146,734,925)	3,115,889
Interest paid	(2,867,490)	(4,894,491)
Interest received	(271,862)	1,558,358
Tax received/(paid)	68,746	(35,591)
Net cash used in operating activities	(149,805,531)	(255,835)
Cash flows from investing activities		
Purchase of tangible assets	(7,851,555)	(3,294,293)
Proceeds from sale of tangible assets	103,918,337	1,786,223
Purchase of intangible assets	–	(51,136)
Cash advances and loans granted	(38,362)	(426,112)
Cash receipts from the repayment of advances and loans	7,230,131	–
Proceeds from sale of subsidiaries	(3,307,620)	–
Acquisition of interests in associates and joint ventures	(139,082)	–
Proceeds from sale of interests in associates and joint ventures	194,186	–
Purchases of other investments	(263,634)	(127,488)
Proceeds from sale of other investments	(9,811,460)	1,983,237
Dividends received	617,350	3,886,188
Other investing cash flow adjustment	226,223	901,594
Foreign currency translation adjustment	(1,070,799)	–
Other non controlling interest cash flow adjustment	(3,557,830)	–
Net cash from investing activities	86,145,885	4,658,213

The consolidated statement of cash flows
continues on the following page.

The notes on pages 18 to 39 form part of these financial statements.

C&C Alpha Group Limited

Consolidated Statement of Cash Flows *(continued)*

Year ended 31 March 2016

	Note	2016 £	2015 £
Cash flows from financing activities			
Proceeds from borrowings		(65,468,643)	(4,601,988)
Proceeds from loans from group undertakings		131,802,613	–
Payments of finance lease liabilities		281	(4,686)
Net cash from/(used in) financing activities		<u>66,334,251</u>	<u>(4,606,674)</u>
 Net increase/(decrease) in cash and cash equivalents		 2,674,605	 (204,296)
Cash and cash equivalents at beginning of year		<u>11,881,065</u>	<u>12,085,361</u>
Cash and cash equivalents at end of year		<u>14,555,670</u>	<u>11,881,065</u>

The notes on pages 18 to 39 form part of these financial statements.

C&C Alpha Group Limited

Notes to the Financial Statements

Year ended 31 March 2016

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The directors have assessed the company's ability to continue to adopt the going concern basis of accounting. The directors of the company are of the opinion that the company's subsidiaries will continue to generate sufficient cash flows in the future to repay the monies advanced to them and the company will also have the support of its parent undertaking for at least another 12 month from the date of signing the accounts and therefore make it appropriate to prepare the financial statement on a going concern basis.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 34.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The financial statements consolidate the financial statements of C&C Alpha Group Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

2. Accounting policies *(continued)*

Minority interests

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

The proportions of profit or loss and changes in equity allocated to the owners of the parent and to the minority interests are determined on the basis of existing ownership interests and do not reflect the possible exercise or conversion of options or convertible instruments.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - Over 5 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

2. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 2% straight line
Leasehold improvement	- 10% straight line
Short leasehold property	- 10% straight line
Plant and Machinery	- 20% reducing balance
Fixtures & Fittings	- 10%-33% Straight line
Motor vehicles	- 25% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate.

Investments in joint ventures

Investments in joint ventures are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the joint venture.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

2. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Assets held under finance leases and hire purchase contracts as lessor are recognised in the statement of financial position as receivables at the value of the net investment in the lease. Any initial direct costs are included in the receivable.

Lease income is recognised so as to reflect a constant periodic rate of return on the net investment in the lease.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

2. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

2. Accounting policies *(continued)*

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheet at the rates ruling at the balance sheet date. Exchange differences arising on translation of opening net assets and results of overseas are reported in other comprehensive income and accumulated i equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in profit or loss in the period in which they arise except for: exchange differences on transactions entered into the hedge certain foreign currency risk (see above)

exchange differences arising on gain or losses on non-monetary items which are recognised in other comprehensive income and;

in the case of consolidated financial statement ,exchange difference on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation) which are recognised in other comprehensive income and reported under equity.

Investment properties

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss. If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

3. Turnover

Turnover arises from:

	2016	2015
	£	£
Rendering of services	<u>66,609,927</u>	<u>90,874,179</u>

The turnover is attributable to the one principal activity of the group. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2016	2015
	£	£
United Kingdom	32,978,656	63,309,915
Overseas	<u>33,631,271</u>	<u>27,564,264</u>
	<u>66,609,927</u>	<u>90,874,179</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

4. Other operating income

	2016	2015
	£	£
Other operating income	<u>11,374,585</u>	<u>74,716,109</u>

Other operating income includes waiver of loan of £3,407,117 (2015- £72,755,741) payable to Harberry Investments Limited due to impairment of underlying investments in Margot Holdings Limited and Bunny Chow Limited . In 2015 it was due to impairment of underlying investments in London International Hospital Limited, Alpha Aviation Academy (Europe) Limited, Moti Mahal Delux Limited, H Hotels Global Limited, Alpha Health Sciences (Mauritius) Limited, Alpha Health Consultancy and Management Limited and C&C Alpha International Trading LLC, carrying value if these investment are adjusted to their fair value at the balance sheet date. Other operating income also includes revaluation of investment property known as One Vincent Square for £5,928,077 (2015- Nil).

In 2015 the other operating income of £1,925,274 was related to write off of the loan £1,834,000 due to Zella Ventures Limited by Moti Mahal Delux Limited and loan of £91,274 due to Crystal Investment & Services Limited by C&C Business Solutions Limited.

5. Operating profit

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Amortisation of intangible assets	2,069,019	1,631,379
Depreciation of tangible assets	7,186,918	10,079,345
Total impairment losses recognised in:		
Administrative expenses	30,830,987	–
Loss on disposal of tangible assets	49,594	–
Loss/(gains) on disposal of other investments	9,872,091	(1,983,237)
Foreign exchange differences	233,063	939,526
Defined contribution plans expense	<u>404,483</u>	<u>919,120</u>

6. Auditor's remuneration

	2016	2015
	£	£
Fees payable for the audit of the financial statements	<u>23,000</u>	<u>21,000</u>
Fees payable to the company's auditor and its associates for other services:		
Audit of the financial statements of associates	141,671	200,680
Taxation compliance services	<u>16,150</u>	<u>16,150</u>
	<u>157,821</u>	<u>216,830</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

7. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2016 No.	2015 No.
Production staff	981	998
Administrative staff	1,346	1,643
Management staff	3	3
	<u>2,330</u>	<u>2,644</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016 £	2015 £
Wages and salaries	26,661,878	44,050,293
Social security costs	1,888,149	3,268,805
Other pension costs	404,483	919,120
	<u>28,954,510</u>	<u>48,238,218</u>

8. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2016 £	2015 £
Remuneration	<u>4,727,804</u>	<u>2,330,770</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2016 No.	2015 No.
Defined contribution plans	<u>3</u>	<u>3</u>

Remuneration of the highest paid director in respect of qualifying services:

	2016 £	2015 £
Aggregate remuneration	<u>1,902,600</u>	<u>861,250</u>

9. Income from interests in associates

	2016 £	2015 £
Income from interests in associates	<u>617,350</u>	<u>3,886,188</u>

10. Amounts written back to investments

	2016 £	2015 £
Impairment of other fixed asset investments	<u>-</u>	<u>110,224</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

11. Interest payable and similar charges

	2016	2015
	£	£
Interest on banks loans and overdrafts	2,848,875	4,836,339
Other interest payable and similar charges	18,615	58,152
	<u>2,867,490</u>	<u>4,894,491</u>

12. Tax on (loss)/profit on ordinary activities

Major components of tax expense

	2016	2015
	£	£
Current tax:		
UK current tax expense	58,843	28,637
Deferred tax:		
Origination and reversal of timing differences	664,612	194,892
Tax on (loss)/profit on ordinary activities	<u>723,455</u>	<u>223,529</u>

Reconciliation of tax expense

The tax assessed on the loss on ordinary activities for the year is higher than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 21%).

	2016	2015
	£	£
(Loss)/profit on ordinary activities before taxation	(53,993,858)	54,944,580
(Loss)/profit on ordinary activities by rate of tax	(10,798,772)	11,536,892
Adjustment to tax charge in respect of prior periods	–	(21,362)
Effect of expenses not deductible for tax purposes	4,181,280	2,327,396
Effect of capital allowances and depreciation	–	210,676
Effect of revenue exempt from tax	(2,831,189)	–
Utilisation of tax losses	–	(13,830,073)
Tax losses carried forward	8,986,541	–
Increase in deferred tax on investment property	1,185,595	–
Tax on (loss)/profit on ordinary activities	<u>723,455</u>	<u>223,529</u>

13. Loss for the year of the parent company

The loss for the financial year of the parent company was £20,789,005 (2015: £13,086,542 profit).

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

14. Intangible assets

Group	Goodwill £
Cost	
At 1 April 2015	38,041,166
Acquisitions through business combinations	9,045
At 31 March 2016	38,050,211
Amortisation	
At 1 April 2015	16,380,742
Charge for the year	2,069,019
Impairment losses	15,210,562
At 31 March 2016	33,660,323
Carrying amount	
At 31 March 2016	4,389,888
At 31 March 2015	21,660,424

The company has no intangible assets.

15. Tangible assets

Group	Land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Capital Work-in-Pro- gress £	Total £
Cost						
At 1 Apr 2015	230,076,077	18,876,542	30,388,891	750,752	1,823,383	281,915,645
Additions	5,435,392	88,351	1,221,768	17,796	1,088,248	7,851,555
Disposals	(106,555,190)	(3,922,199)	(5,535,497)	(180,123)	–	(116,193,009)
Revaluations	5,928,077	–	–	–	–	5,928,077
Transfers	10,995	–	(10,995)	–	–	–
Other movements	–	–	(1,364,705)	–	–	(1,364,705)
At 31 Mar 2016	134,895,351	15,042,694	24,699,462	588,425	2,911,631	178,137,563
Depreciation						
At 1 Apr 2015	24,356,766	8,463,796	18,250,790	456,927	–	51,528,279
Charge for the year	3,729,568	1,470,447	1,894,967	91,936	–	7,186,918
Disposals	(6,805,712)	(2,019,099)	(3,241,465)	(158,802)	–	(12,225,078)
Impairment losses	15,514,308	5,116	101,000	–	–	15,620,424
Other movements	–	–	(1,718,480)	–	–	(1,718,480)
At 31 Mar 2016	36,794,930	7,920,260	15,286,812	390,061	–	60,392,063
Carrying amount						
At 31 Mar 2016	98,100,421	7,122,434	9,412,650	198,364	2,911,631	117,745,500
At 31 Mar 2015	205,719,311	10,412,746	12,138,101	293,825	1,823,383	230,387,366

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

15. Tangible assets *(continued)*

Company	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 April 2015	37,090	148,957	543,015	729,062
Additions	–	1,015	4,771	5,786
At 31 March 2016	<u>37,090</u>	<u>149,972</u>	<u>547,786</u>	<u>734,848</u>
Depreciation				
At 1 April 2015	26,241	95,306	475,323	596,870
Charge for the year	3,709	14,466	32,089	50,264
At 31 March 2016	<u>29,950</u>	<u>109,772</u>	<u>507,412</u>	<u>647,134</u>
Carrying amount				
At 31 March 2016	<u>7,140</u>	<u>40,200</u>	<u>40,374</u>	<u>87,714</u>
At 31 March 2015	<u>10,849</u>	<u>53,651</u>	<u>67,692</u>	<u>132,192</u>

16. Investments

Group	Joint ventures £	Loans to participating interests £	Other investments other than loans £	Total £
Share of net assets/cost				
At 1 April 2015	1,628,530	7,650,085	782,477	10,061,092
Additions	139,082	38,362	263,634	441,078
Disposals	(194,186)	(3,328,269)	(60,631)	(3,583,086)
Revaluations	–	1,751	–	1,751
Share of profit or loss	1,700,005			1,700,005
At 31 March 2016	<u>3,273,431</u>	<u>4,361,929</u>	<u>985,480</u>	<u>8,620,840</u>
Impairment				
At 1 April 2015	1,099,375	542,842	594,578	2,236,795
Impairment losses	59,018	–	–	59,018
At 31 March 2016	<u>1,158,393</u>	<u>542,842</u>	<u>594,578</u>	<u>2,295,813</u>
Carrying amount				
At 31 March 2016	<u>2,115,038</u>	<u>3,819,087</u>	<u>390,902</u>	<u>6,325,027</u>
At 31 March 2015	<u>529,155</u>	<u>7,107,243</u>	<u>187,899</u>	<u>7,824,297</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

16. Investments *(continued)*

Company	Shares in group undertakings £	Loans to group undertakings £	Shares in participating interests £	Loans to participating interests £	Total £
Cost					
At 1 Apr 2015	32,085,286	204,680,169	1,453,024	127,469	238,345,948
Additions	2,930,358	32,763,489	–	6,782	35,700,629
Revaluations	–	192,392	–	1,750	194,142
Transfers	5,173,401	(5,173,401)	–	–	–
Other movements	–	(7,231,882)	–	–	(7,231,882)
At 31 Mar 2016	40,189,045	225,230,767	1,453,024	136,001	267,008,837
Impairment					
At 1 Apr 2015	252,056	57,169,127	987,791	68,201	58,477,175
Impairment losses	5,174,400	8,431,174	–	–	13,605,574
At 31 Mar 2016	5,426,456	65,600,301	987,791	68,201	72,082,749
Carrying amount					
At 31 Mar 2016	34,762,589	159,630,466	465,233	67,800	194,926,088
At 31 Mar 2015	31,833,230	147,511,042	465,233	59,268	179,868,773

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

16. Investments *(continued)*

	Country of incorporation	Holding	Proportion of voting rights	Nature of business
Subsidiary undertakings				
Held directly by the company:				
C&C Alpha Healthcare Group Limited	England	Ordinary shares	100%	Holding\Investment company
London International Hospitals Limited	England	Ordinary shares	100%	Hospitals and Mental Healthcare
Alpha Aviation Group Limited	England	Ordinary shares	100%	Holding\Investment company
Alpha Group Holdings Limited	England	Ordinary shares	100%	Dormant\Non-trading
C&C Business Solutions Limited	England	Ordinary shares	100%	Consultancy and business development
C&C Estates Limited	England	Ordinary shares	100%	Holding\Investment company
Shanti Hospitality Group Limited	England	Ordinary shares	100%	Holding\Investment company
C&C Hitech Holdings Limited	England	Ordinary shares	100%	Holding\Investment company
C&C Sons Limited	England	Ordinary shares	100%	Dormant\Non-trading
C&C Alpha Group (Mauritius) Limited	Mauritius	Ordinary shares	100%	Holding\Investment company
Alpha Utilities Holdings Limited	England	Ordinary shares	100%	Holding\Investment company
Alpha Health Consultancy & Management Ltd	England	Ordinary shares	100%	Consultancy and business development
Alpha Real Estate Developers EAD	Bulgaria	Ordinary shares	100%	Consultancy and business development
C&C Alpha Health Consultancy & Management Limited	England	Ordinary shares	100%	Consultancy and business development
C&C Alpha SE Asia Inc	Philippines	Ordinary shares	100%	Consultancy and business development
Alpha Health Sciences (Mauritius) Ltd	Mauritius	Ordinary shares	100%	Consultancy and business development
Shanti Hospitality Hotel Corporation	Philippines	Ordinary shares	100%	Hotels and Hospitality
Shanti Hospitality Holdings Philippines Corporation	Philippines	Ordinary shares	40%	Consultancy and business development
Shanti Hospitality Real Estate Corporation	Philippines	Ordinary shares	40%	Consultancy and business development
Mayflower Hospital Limited	England	Ordinary shares	100%	Dormant\Non-trading
Quatro Management Inc	USA	Ordinary shares	100%	Holding\Investment company
Megalith Realty Limited	England	Ordinary shares	100%	Consultancy and business development

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

16. Investments *(continued)*

Held indirectly by the company:

Falcon Lodge Limited				Holding\Investment company
	England	Ordinary shares	100%	
Ralton Care Homes Limited	England	Ordinary shares	100%	Dormant\Non-trading
Alpha Care Homes Limited	England	Ordinary shares	100%	Dormant\Non-trading
Alpha Aviation Academy (Europe) Limited	England	Ordinary shares	100%	Commercial Aircraft Flight Training
Alpha Aviation Group (Philippines)	Philippines	Ordinary shares	100%	Commercial Aircraft Flight Training
Alpha Aviation Academy (UAE) LLC	UAE	Ordinary shares	49%	Commercial Aircraft Flight Training
C&C Estates International	Russia	Ordinary shares	100%	Holding\Investment company
Margot Holdings Limited	England	Ordinary shares	100%	Hotels and Hospitality Holding\Investment company
One Vincent Square Limited	England	Ordinary shares	100%	
Sudo Import Russia	Russia	Ordinary shares	93%	Holding\Investment company
C&C Estate Commercial Brokers LLC	UAE	Ordinary shares	49%	Holding\Investment company
Shanti Hospitality (Mauritius) Limited	Mauritius	Ordinary shares	90%	Hotels and Hospitality
SPA (Maurice) Limited	Mauritius	Ordinary shares	97%	Hotels and Hospitality
Nira Hospitality Limited	England	Ordinary shares	75%	Hotels and Hospitality
Nidra Holdings Limited	Mauritius	Ordinary shares	100%	Hotels and Hospitality
Amritara Holdings Limited	Mauritius	Ordinary shares	100%	Hotels and Hospitality
Shanti Prime Hotels Limited	Mauritius	Ordinary shares	100%	Hotels and Hospitality
Shanti Hotel Ventures Limited	Mauritius	Ordinary shares	100%	Hotels and Hospitality
H Hotels Global Limited	England	Ordinary shares	75%	Hotels and Hospitality
Alpine Hospitality (Switzerland) AG	Switzerland	Ordinary shares	100%	Hotels and Hospitality
Shanti Hospitality (US) Inc	USA	Ordinary shares	100%	Hotels and Hospitality
Shanti Hospitality II (US) Inc	USA	Ordinary shares	100%	Hotels and Hospitality
Shanti Hospitality (UK) Limited	England	Ordinary shares	100%	Hotels and Hospitality
Shanti Hotels (US) Inc	USA	Ordinary shares	100%	Hotels and Hospitality
Shanti CC Holding LLC DE	USA	Ordinary shares	95%	Hotels and Hospitality
Shanti CC Hartford LLC CT	USA	Ordinary shares	95%	Hotels and Hospitality
Shanti CC Clearwater LLC (FL)	USA	Ordinary shares	95%	Hotels and Hospitality

C&C Alpha Group Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2016

16. Investments (continued)

SPA on the Shores Limited	Mauritius	Ordinary shares	100%	Hotels and Hospitality
Shanti Hospitality PVT Limited	India	Ordinary shares	93%	Hotels and Hospitality
Ruchi Hospitality Pvt Ltd	India	Ordinary shares	100%	Hotels and Hospitality
Nidra Hospitality Pvt Limited	India	Ordinary shares	32%	Hotels and Hospitality
Nidra Hospitality Gujarat Pvt Limited	India	Ordinary shares	100%	Hotels and Hospitality
Anantara Hotel & Resorts Pvt Limited	India	Ordinary shares	79%	Hotels and Hospitality
C&C Hotel Venture Pvt Limited	India	Ordinary shares	81%	Hotels and Hospitality
Urubamba Private Limited	England	Ordinary shares	100%	Hotels and Hospitality
Restaurant Kama Limited	England	Ordinary shares	100%	Hotels and Hospitality
Bunny Chow Limited	England	Ordinary shares	100%	Hotels and Hospitality
Spa Hospitality Limited	Mauritius	Ordinary shares	100%	Hotels and Hospitality
Nidra Hospitality (Amritsar) Pvt Limited	India	Ordinary shares	67%	Hotels and Hospitality
Street Dots Limited	England	Ordinary shares	50%	Hotels and Hospitality
MMPB Group LLC	USA	Ordinary shares	50%	Hotels and Hospitality
Alpha Utilities FZE	UAE	Ordinary shares	100%	Holding\Investment company
C&C Alpha Group India Pvt Limited	India	Ordinary shares	100%	Holding\Investment company
Alpha Health Care Limited	England	Ordinary shares	100%	Residential and care Homes
Alpha Community Services Limited	England	Ordinary shares	100%	Holding\Investment company
Dehradoon Hospitality PVT Limited	India	Ordinary shares	100%	Hotels and Hospitality
C&C Prime Hotel PVT Limited	India	Ordinary shares	90%	Hotels and Hospitality
C&C Hospitality (Kerala) PVT Limited	India	Ordinary shares	100%	Hotels and Hospitality
C&C Hospitality PVT Limited	India	Ordinary shares	100%	Hotels and Hospitality
Alpha Healthsciences PVT Limited	India	Ordinary shares	99%	Consultancy and business development
Anantara Hospitality PVT Limited	India	Ordinary shares	91%	Consultancy and business development
AMST Holdings Gmbh	Austria	Ordinary shares	25%	Holding\Investment company
AMST Systemtechnik Gmbh	Austria	Ordinary shares	100%	Consultancy and business development

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

16. Investments *(continued)*

Investments in associates and joint ventures

Joint venture income also includes income of £813,956 for the prior year.

17. Stocks

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Raw materials and consumables	<u>643,272</u>	<u>821,245</u>	<u>—</u>	<u>—</u>

18. Debtors

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	2,551,692	2,811,816	380,957	155,466
Assets held under finance leases and hire purchase contracts	2,626,937	—	—	—
Prepayments and accrued income	2,361,499	2,183,087	918,916	982,236
Other debtors	9,991,242	10,541,643	2,686,575	2,831,813
	<u>17,531,370</u>	<u>15,536,546</u>	<u>3,986,448</u>	<u>3,969,515</u>

Included in other debtors there is an amount of £2,137,853 (2015 -£2,424,957) due more than one year.

19. Creditors: amounts falling due within one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts	8,836,225	65,646,928	—	—
Payments received on account	—	(86,227)	—	—
Trade creditors	8,506,998	10,894,433	1,473,507	1,464,059
Amounts owed to group undertakings	131,802,614	—	160,041,931	—
Accruals and deferred income	22,976,465	9,913,197	1,262,172	188,978
Corporation tax	152,079	24,490	—	—
Social security and other taxes	183,029	973,022	149,993	154,368
Obligations under finance leases and hire purchase contracts	—	2,243	—	—
Director loan accounts	3,496,144	—	3,496,144	—
Other creditors	15,515,871	24,908,289	1,808,722	9,785,810
	<u>191,469,425</u>	<u>112,276,375</u>	<u>168,232,469</u>	<u>11,593,215</u>

Bank loans and overdrafts are secured by various fixed and floating charges on the assets of the company and its subsidiaries.

C&C Alpha Group Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2016

20. Creditors: amounts falling due after more than one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts	18,021,004	26,678,944	–	–
Amounts owed to group undertakings	–	–	–	11,639,781
Obligations under finance leases and hire purchase contracts	2,524	–	–	–
Director loan accounts	–	3,496,144	–	3,496,144
Other creditors	–	136,406,394	–	104,714,062
	<u>18,023,528</u>	<u>166,581,482</u>	<u>–</u>	<u>119,849,987</u>

Bank loans and overdrafts are secured by various fixed and floating charges on the assets of the company and its subsidiaries. The bank loans and overdrafts are repayable in less than 5 years.

21. Finance leases and hire purchase contracts

As lessee

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Not later than 1 year	–	2,243	–	–
Later than 1 year and not later than 5 years	2,524	–	–	–
	<u>2,524</u>	<u>2,243</u>	<u>–</u>	<u>–</u>

As lessor

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Gross investment in finance leases	3,072,382	–	–	–
Less : unearned finance income	(445,445)	–	–	–
Present value of minimum lease payments	<u>2,626,937</u>	<u>–</u>	<u>–</u>	<u>–</u>

Group and company

The gross investment in finance leases and present value of minimum lease payments receivable are aged as follows at the year end:

	Gross investment		Present value of minimum lease payments	
	2016	2015	2016	2015
	£	£	£	£
Not later than 1 year	614,436	–	585,177	–
Later than 1 year and not later than 5 years	2,457,946	–	2,041,760	–
	<u>3,072,382</u>	<u>–</u>	<u>2,626,937</u>	<u>–</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

22. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Included in provisions (note 23)	<u>1,414,506</u>	<u>778,951</u>	<u>—</u>	<u>—</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Accelerated capital allowances	228,891	778,951	—	—
Revaluation of investment property	<u>1,185,615</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>1,414,506</u>	<u>778,951</u>	<u>—</u>	<u>—</u>

23. Provisions

Group	Deferred tax (note 22) £
At 1 April 2015	778,951
Additions	664,612
Other movements	<u>(29,057)</u>
At 31 March 2016	<u>1,414,506</u>

The company does not have any provisions.

24. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £404,483 (2015: £919,120).

25. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>154,865,790</u>	<u>280,286,646</u>
Financial liabilities		
Financial liabilities measured at fair value through profit or loss	<u>(210,907,459)</u>	<u>(279,636,808)</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

26. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>64,600,732</u>	<u>64,600,732</u>	<u>64,600,732</u>	<u>64,600,732</u>

The Company has one class of ordinary shares which carry voting rights but have no rights to fixed income.

27. Reserves

Other reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in the income statement.

Profit and loss account - This reserve records retained earnings and accumulated losses.

Share Premium- This reserve records the premium received on share capital already in issue.

28. Disposals

Alpha Hospital Holdings Limited and its subsidiaries were sold to Cygnet Health Care Limited on 19th August 2015. The term loan facility and derivatives with Lloyds Bank Group was settled in their entirety from the proceeds of the sale of the Group's share in Alpha Hospital Holdings Limited to Cygnet Health Care Limited.

The net loss on disposal of £10,114,042 included in consolidated statement of comprehensive Income.

29. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Not later than 1 year	75,000	3,573	—	—
Later than 1 year and not later than 5 years	300,000	134,567	—	—
Later than 5 years	562,500	5,446,857	—	—
	<u>937,500</u>	<u>5,584,997</u>	<u>—</u>	<u>—</u>

30. Pension commitments

The group operates defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £229,778 (2015-£468,408)

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

31. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company and its subsidiary undertakings:

	Advances/ (credits) to the directors		Amounts repaid		Balance outstanding	
	2016	2015	2016	2015	2016	2015
	£	£	£	£	£	£
B Choudhrie	(2,993,539)	(2,993,539)	–	–	(2,993,539)	(2,993,539)
D Choudhrie	(502,605)	(502,605)	–	–	(502,605)	(502,605)
	<u>(3,496,144)</u>	<u>(3,496,144)</u>	<u>–</u>	<u>–</u>	<u>(3,496,144)</u>	<u>(3,496,144)</u>

These loans are interest free and repayable on demand.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

32. Related party transactions

Company

The company has taken advantage of the exemption from reporting related party transactions between C&C Alpha Group Limited and 100% subsidiaries of C&C Alpha Group companies, conferred by Financial Reporting Standard 102 Section 33, on the grounds that the company prepares consolidated financial statements.

B Choudhrie is also a director of Enfranchise 421 Limited, Alpha Orchards Inc and Noversa Limited.

At the balance sheet date C&C Alpha Group Limited owed Nil (2015- £6,741,736) to Noversa Limited. Enfranchise 421 Limited owed £313 (2015-£12) to C&C Alpha Group Limited. At the balance sheet date C&C Business Solutions owed Nil (2015- £265,125) to Noversa Limited.

At the balance sheet date Alpha Utilities FZE owed £149,940 (2015- £149,940) to Noversa Limited.

B Choudhrie is beneficial owner of Amritara Holdings PTE Limited, Shanti Prime Hotel PTE Limited, Nidra Holdings PTE Limited, C&C Alpha Group PTE Limited, Shanti Hotel Ventures PTE Limited, Kimba Ventures Limited. At the balance sheet date C&C Alpha Group Limited owed £27,309 (2015-£26,530) to Amritara Holdings PTE Limited, £1,646,540 (2015-£1,599,591) to Nidra Holdings PTE Limited and £37,833 (2015- £36,682) to Shanti Hotel Ventures PTE Limited. Lion Southeast Asia PTE Limited (Formerly C&C Alpha Group PTE Limited) owed £13,214 (2015-£12,837) and Shanti Prime Hotel PTE Limited owed £13,910 (2015- £13,513) to C&C Alpha Group Limited. At the balance sheet date C&C Alpha Group Limited owed Nil (2015-£4,000,000) to Kimba Ventures Limited.

S Kapur is also beneficial owner of Flint Limited, Al Jawaz Holdings Limited, Crystal Investment and Services Limited and Zella Ventures Limited, at the balance sheet date C&C Alpha Group Limited owed Nil (2015-3,999,985) to Crystal Investment and Services Limited.

C&C Business Solutions owed Nil (2015-11,466) to Flint Limited.

Included in creditors, amount falling due within one year a sum of £563,361 (2015- £545,565) due to Shanti Hospitality Holdings Corporation and £912,505 (2014- £883,680) due to Shanti Real Estate Corporation, both companies are incorporated in Philippines and C&C Alpha Group Limited has participating interest on them.

Included in the carrying value of investment is an amount of £469,847 (2015-£462,968) due from Shanti Hospitality Holdings Philippines Limited a company registered in Philippines in which C&C Alpha Group Limited owns 40% of Share Capital, also included in the carrying value of investments is an amount of £63,187 (2015-£61,532) due from Shanti Hospitality Real Estate Corporation a company registered in Philippines.

During the year interest of £967,130 (2015-£1,662,375) was recharged from the C&C Alpha Healthcare Group Limited to companies within the Alpha Hospital Holdings Limited group (which is not a wholly owned subsidiary). Nil (2015- £32,828,851) was outstanding from Alpha Hospitals Limited due to C&C Alpha Healthcare Group Limited at the year end.

At the balance sheet date C&C Alpha Group Limited owed £131,802,594 (2015-£129,237,095) to Harberry Investments Limited. During the year Harberry Investments Limited waived loan of £3,407,118 (2015-£72,755,741) advanced to C&C Alpha Group Limited, due to impairment and write off of Investments in the books of C&C Alpha Group Limited in 2016.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

33. Controlling party

The ultimate parent company is Harberry Investments Limited, a company registered in the British Virgin Isles. It owns 99.03% of the issued share capital.

34. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The group and the company transitioned to FRS 102 on 1 April 2014.

No transitional adjustments were required in equity or profit or loss for the year.

35. Post balance sheet events

On the 30 March 2017 sole shareholder of London International Hospital Limited, C&C Alpha Group Limited passed special resolution to place the company under voluntary winding-up and appointed Cork Gully LLP, 52 Brook Street, London, W1K 5DS as liquidator of the company, hence the remaining investment of £5.8 million in London International Hospital Limited has been written off in C&C Alpha Group Limited books.