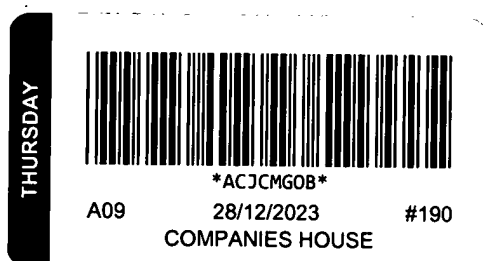


C&C Alpha Group Limited
Financial Statements
31 March 2023



BARNES ROFFE LLP
Chartered Accountants & Statutory Auditor
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX

C&C Alpha Group Limited

Financial Statements

Year ended 31 March 2023

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C&C Alpha Group Limited

Officers and Professional Advisers

The board of directors

C P Thomas
B Choudhrie
D Choudhrie
S Kapur

Registered office

23 Buckingham Gate
London
SW1E 6LB

Auditor

BARNES ROFFE LLP
Chartered Accountants & Statutory Auditor
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX

Bankers

The Royal Bank of Scotland plc
5 Market Place
Leicester
LE1 6DN

C&C Alpha Group Limited

Strategic Report

Year ended 31 March 2023

Introduction

The directors present their strategic report on C&C Alpha Group Limited (Company) for the year ended 31st March 2023.

Business Review

The results for the year are set out in the consolidated statement of comprehensive income and the consolidated statement of financial position of the group as at 31 March 2023 is set out in the consolidated balance sheet. Group revenue for the year was £32.19 million (2022: £29.16 million) and group EBITDA before other operating income (earnings before interest, tax, depreciation and amortisation) is £0.97 million (2022: £2.42 million). The principal activity of the company during the period was that of an investment holding company.

Each of the subsidiaries has its own management team who are responsible for the day to day management and operation of the entities. Weekly conference calls are held with the management team of each of the business units/subsidiaries and all issues are documented and addressed immediately.

Quarterly board meetings of the company are held where the performance and the business strategy for each business units are evaluated and discussed.

The consolidated statement of financial position on pages 14 and 15 shows the group's overall financial position at the end of the year.

The major source of liquidity for the group comes from cash generated from trading activity as well as funding by shareholders.

The net current liabilities for the year was £39.9 million (2022: £31.1 million) which includes Shareholders loans of £47.05 million (2022: £42.45 million). The cash at bank and in hand decreased in the current year by £2.79 million, (2022: increased by £1.65 million) compared to the previous year. For further details on Creditors: amount falling due within one year and amount falling due after more than one year, see notes 19 and 20 of the consolidated statement of financial position.

The company and its subsidiaries (the "Group") engage in diverse business activities including healthcare, restaurants, utilities, real estate and flight training academies.

Healthcare Group

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

Alpha Health Care Limited owns and operates elderly care home business. During the year ended 31 March 2023 this business generated total revenue of £11.1 million (2022: £9.95 million) and adjusted EBITDA (earnings before interest, tax, depreciation and amortisation) of £0.62 million (2022: £0.5 Million). Newlyn Court Limited, generated revenue of £1.8 million from the date of acquisition, Oct 2022 to the end of the financial year.

On the 12th October 2022, the Company acquired a new care home through the share purchase of Henry Newton Care Limited and its wholly owned subsidiary Newlyn Court Limited. The acquisition has been financed by way of cash reserves and a bank loan from Barclays Bank plc. In securing the term loan facility from Barclays, the bank have taken security over the land and property of Alpha Health Care Limited, Henry Newton Care Limited and Newlyn Court Limited as part of this arrangement

Flight training academies

Alpha Aviation Group limited (AAG) provides aviation training through its 100% subsidiaries in the Philippines, and its 60% sub subsidiary AAG Centre For Aviation Training Pvt Ltd in India.

In the year ended 31 March 2023, AAG generated total group revenue of £8.3 million (2022: £7.28 million) and group EBITDA before exceptional items was £1.6 million (2022: £1.36 million).

C&C Alpha Group Limited

Strategic Report *(continued)*

Year ended 31 March 2023

Alpha Aviation Academy (Asia) Limited acquired 60% stake in AAG Centre For Aviation Training Pvt Ltd (ACAT), a company registered in India. ACAT will initially provide recurrent training and is currently constructing a facility to house a full flight simulator.

AAG Philippines owns a number of training devices including training aircrafts, fixed base simulator, A320 full flight simulator, A330/340 full flight simulator etc.

Utilities

Alpha Utilities Holdings Limited through its 100% subsidiary Alpha Utilities FZE owns and operates a 1.5 million gallons per day water desalination plant at Sharjah. An additional 0.25 million gallons per day of specialist water was commissioned in February 2021. In the year ended 31 March 2023, Alpha Utilities generated total group revenue of £6.1 million (2022: £5.3 million). Alpha Utilities (Projects) supplies potable water to a local utility company under a 20-year BOT contract with a guaranteed off-take of 2.2 million gallons per day.

C&C Alpha Group

C&C Alpha Group Limited is an investment holding company and the parent company of the group, incorporated in the UK. In the year ended 31 March 2023, C&C Alpha Group generated total revenue of £1.37 million (2022: £1.76 million).

C&C Estates

C&C Estates Limited is an investment holding company incorporated in the UK, C&C Estates also owns a commercial property and has also invested in a high-end restaurant in London through its subsidiaries in the UK. C&C Estates generated total revenue of £3.5 million (2022: £2.9 million) and EBITDA of £0.45 million (2022: £0.72 million).

Principal risks and uncertainties

The management of the business and the nature of the group's operations 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 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 including insurance and periodic internal assessment by qualified consultants 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. The bank financing is obtained at the subsidiary level instead of the group level to mitigate risk. 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. 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.

C&C Alpha Group Limited

Strategic Report *(continued)*

Year ended 31 March 2023

Interest rate risk

The Group finances its operations through a mixture of shareholders funding 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 earnings, the Company relies on the parent company to fund the day to day working capital requirement of the group. The company obtains annual funding from its parent company and has a commitment in place as 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 debt 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.

ESG risk

The group is actively involved in transition to a more sustainable business model, The directors are aware that an environmental, social, or governance event, or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment arising from an adverse sustainability impact. Therefore the management team at each business unit was made responsible, to ensure compliance with regulatory requirements, to identify and assess sustainability risks and seek to mitigate them, where possible.

Health, safety and environmental issues

The group has a code of conduct which at all times safeguards the safety, security, health and environment of its guests, employees and group's assets, which emphasise customer care through anticipating needs, attention to detail, excellence, style and respect for privacy, along with warmth and concern.

In pursuance of its objectives for the maintenance of a safe and healthy environment, the group ensures compliance with all relevant health and safety legislations, ensures that all plant, machinery and equipment provided for use at work are safe to operate, provides information, instructions and training as necessary to enable its employees to perform their tasks safely and efficiently and strive for continuous improvement in the performance of its health and safety management system, as well as other action plans.

Section 172(1) of the Companies Act 2006

A director of a company must act in the way he/she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

1. The likely consequences of any decision in the long term
2. The interests of the company's employees
3. The need to foster the company's business relationships with suppliers, customers and others
4. The impact of the company's operations on the community and the environment
5. The desirability of the company maintaining a reputation for high standards of business conduct, and
6. The need to act fairly as between members of the company.

C&C Alpha Group Limited

Strategic Report *(continued)*

Year ended 31 March 2023

The directors of the Company who are also stakeholders in each business held under the group, comply with the requirements of S172(1) of the Companies Act 2006 by participating in the strategic decision making through their respective directorships in each operational business of the group. In addition, regular Board meetings are conducted separate from more frequent operational updates that are adhoc but consistent in nature to ensure the Board are apprised of the latest developments.

Future Developments

The directors are confident about the continuing financial performance of the Group. Investment in the facilities like training aircrafts, other training devices, upgrades to desalination plants etc. will continue as the directors seek to ensure that the facilities and services provided are sustainable in the future years.

This report was approved by the board of directors on21/12/2023..... and signed on behalf of the board by:



B Choudhrie
Director

Registered office:
23 Buckingham Gate
London
SW1E 6LB

C&C Alpha Group Limited

Directors' Report

Year ended 31 March 2023

The directors present their report and the financial statements of the group for the year ended 31 March 2023.

Directors

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

C P Thomas
B Choudhrie
D Choudhrie
S Kapur

Dividends

The directors do not recommend the payment of a dividend (2022- £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.

Events after the end of the reporting period

At the balance sheet date, the investment property was held at the fair value of £16,501,961. In September 2023, a valuation of the Investment property was carried out by BNP Paribas Real Estate. Due to the adverse market conditions, the property was valued at £12,500,000. The book value of the investment property has not been adjusted to that effect at the balance sheet date.

The revaluation loss will be offset against previous revaluation gains and the strength of the balance sheet indicates that the downside revaluation should not impact the Group's ability to continue to trade as a going concern.

Disclosure of information in the strategic report

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

C&C Alpha Group Limited

Directors' Report *(continued)*

Year ended 31 March 2023

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments 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.

C&C Alpha Group conducted its second ESOS assessment in 2020. The Company was then selected by CCTRS for an audit which concluded in quarter 1 2022 with a satisfactory outcome. The recommendations of the ESOS report for potential energy saving were shared with the Board of directors and discussed internally such that any decisions regarding energy were taken in line with these.

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.

C&C Alpha Group Limited

Directors' Report *(continued)*

Year ended 31 March 2023

This report was approved by the board of directors on21/12/2023..... and signed on behalf of the board by:



B Choudhrie
Director

Registered office:
23 Buckingham Gate
London
SW1E 6LB

C&C Alpha Group Limited

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

Year ended 31 March 2023

Opinion

We have audited the financial statements of C&C Alpha Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 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, 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 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 2023 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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.

Material uncertainty related to going concern

We draw attention to note 3 in the financial statements, which indicates that the Group generated an operating loss for the year of £3.6 million, the group net assets decreased by £5.8 million and the group now has net current liabilities of £39.9 million. As stated in note 3, these events or conditions, along with other matters as set forth in note 3, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

C&C Alpha Group Limited

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

Year ended 31 March 2023

Opinion on other matters prescribed by Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements. And the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

C&C Alpha Group Limited

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

Year ended 31 March 2023

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 Auditors' 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 Group financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with law and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussion with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- The specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, are as follows:

- o Companies Act 2006
- o FRS 102
- o Tax legislation

- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing supporting evidence where applicable;
- Laws and regulations were communicated within the audit team at the planning meeting, and during the audit as any further laws and regulation were identified. The audit team remained alert to instances of non-compliance throughout the audit; and
- Where component auditors were used for group companies, we ensured that the laws and regulations were considered as part of their risk assessment procedures and where applicable, instances of non-compliance to be communicated back to us.

We assessed the susceptibility of the group and the parent company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Making enquires of management as to where they consider there was susceptibility to fraud and their knowledge of actual suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- Reviewing the financial statements and testing the disclosures against supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected trends or anomalies;

C&C Alpha Group Limited

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

Year ended 31 March 2023

- Inspecting and testing journal entries to identify unusual or unexpected transactions;
- Assessing whether judgement and assumptions made in determining significant accounting estimates, were indicative of management bias; and
- Investigating the rationale behind significant transactions, or transactions that are unusual or outside the company's usual course of business.

The areas that we identified as being susceptible to misstatement through fraud were:

- Management bias in the estimates and judgements made;
- Management override of controls; and
- Posting of unusual journals or transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Hancock (FCA) (Senior Statutory Auditor)

For and on behalf of
BARNES ROFFE LLP
Chartered Accountants & Statutory Auditor
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX

21st December 2023

C&C Alpha Group Limited

Consolidated Statement of Comprehensive Income

Year ended 31 March 2023

	Note	2023 £	2022 £
Turnover	4	32,194,440	29,168,262
Cost of sales		<u>16,534,948</u>	<u>15,326,081</u>
Gross profit		15,659,492	13,842,181
Administrative expenses		19,573,891	18,310,767
Other operating income	5	<u>304,925</u>	<u>603,401</u>
Operating loss	6	(3,609,474)	(3,865,185)
Income from shares in group undertakings	10	–	1,210,909
Share of profit of associates	16	307,625	166,639
Other interest receivable and similar income	11	26,108	23,807
Interest payable and similar expenses	12	<u>1,667,935</u>	<u>1,168,578</u>
Loss before taxation		(4,943,676)	(3,632,408)
Tax on loss	13	<u>(32,917)</u>	<u>291,464</u>
Loss for the financial year		(4,910,759)	(3,923,872)
Foreign currency retranslation		(1,608,221)	(374,155)
Reclassification from revaluation reserve to profit and loss account		–	178,839
Other comprehensive income for the year		(1,608,221)	(195,316)
Total comprehensive income for the year		(6,538,562)	(4,175,184)
Loss for the financial year attributable to:			
The owners of the parent company		(4,595,088)	(3,862,525)
Non-controlling interests		<u>(315,671)</u>	<u>(61,347)</u>
		(4,910,759)	(3,923,872)
Total comprehensive income for the year attributable to:			
The owners of the parent company		(6,203,309)	(4,057,841)
Non-controlling interests		<u>(335,253)</u>	<u>(117,343)</u>
		(6,538,562)	(4,175,184)

All the activities of the group are from continuing operations.

The notes on pages 22 to 48 form part of these financial statements.

C&C Alpha Group Limited

Consolidated Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets excluding negative goodwill		5,782	8,328
Negative goodwill		<u>(794,596)</u>	<u>—</u>
Intangible assets	14	(788,814)	8,328
Tangible assets	15	60,217,298	57,698,407
Investments	16	<u>5,299,846</u>	<u>4,987,021</u>
		64,728,330	62,693,756
Current assets			
Stocks	17	1,467,375	1,521,700
Debtors	18	16,610,536	15,116,874
Cash at bank and in hand		<u>10,150,481</u>	<u>12,939,011</u>
		28,228,392	29,577,585
Creditors: amounts falling due within one year	19	<u>68,130,564</u>	<u>60,725,914</u>
Net current liabilities		39,902,172	31,148,329
Total assets less current liabilities		24,826,158	31,545,427
Creditors: amounts falling due after more than one year	20	23,799,571	25,038,442
Provisions	22	<u>1,786,785</u>	<u>1,401,760</u>
Net (liabilities)/assets excluding defined benefit pension plan liability		(760,198)	5,105,225
Defined benefit pension plan liability	24	<u>(335,346)</u>	<u>(396,843)</u>
Net (liabilities)/assets including defined benefit pension plan liability		<u>(1,095,544)</u>	<u>4,708,382</u>
Capital and reserves			
Called up share capital	27	65,000,732	65,000,732
Share premium account	28	13,784,468	13,784,468
Revaluation reserve	28	5,940,193	5,940,193
Foreign currency translation reserve	28	(193,519)	1,414,702
Profit and loss account	28	<u>(87,069,944)</u>	<u>(82,474,856)</u>
Equity attributable to the owners of the parent company		(2,538,070)	3,665,239
Non-controlling interests		<u>1,442,526</u>	<u>1,043,143</u>
		<u>(1,095,544)</u>	<u>4,708,382</u>

The consolidated statement of financial position
continues on the following page.

The notes on pages 22 to 48 form part of these financial statements.

C&C Alpha Group Limited

Consolidated Statement of Financial Position *(continued)*

31 March 2023

These financial statements were approved by the board of directors and authorised for issue on21/12/2023....., and are signed on behalf of the board by:



B Choudhrie
Director

Company registration number: 04590298

The notes on pages 22 to 48 form part of these financial statements.

C&C Alpha Group Limited
Company Statement of Financial Position
31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	438,115	549,325
Investments	16	41,156,377	41,852,196
		<u>41,594,492</u>	<u>42,401,521</u>
Current assets			
Debtors	18	8,885,548	8,494,466
Cash at bank and in hand		393,886	216,276
		<u>9,279,434</u>	<u>8,710,742</u>
Creditors: amounts falling due within one year	19	<u>54,699,981</u>	<u>50,284,904</u>
Net current liabilities		<u>45,420,547</u>	<u>41,574,162</u>
Total assets less current liabilities		<u>(3,826,055)</u>	<u>827,359</u>
Net (liabilities)/assets		<u>(3,826,055)</u>	<u>827,359</u>
Capital and reserves			
Called up share capital	27	65,000,732	65,000,732
Share premium account	28	13,784,468	13,784,468
Profit and loss account	28	(82,611,255)	(77,957,841)
Shareholders (deficit)/funds		<u>(3,826,055)</u>	<u>827,359</u>

The loss for the financial year of the parent company was £4,653,414 (2022: £477,307 profit).

These financial statements were approved by the board of directors and authorised for issue on ...21/12/2023....., and are signed on behalf of the board by:



B Choudhrie
Director

Company registration number: 04590298

The notes on pages 22 to 48 form part of these financial statements.

C&C Alpha Group Limited
Consolidated Statement of Changes in Equity
Year ended 31 March 2023

	Called up share capital £	Share premium account £	Revaluation reserve £	Foreign currency translation reserve £	Profit and loss account £	Equity attributable to the owners of the parent company £	Non-controll ing interests £	Total £
At 1 April 2021	65,000,732	13,784,468	5,940,193	1,788,857	(78,791,170)	7,723,080	343,961	8,067,041
Loss for the year					(3,862,525)	(3,862,525)	(117,343)	(3,979,868)
Other comprehensive income for the year:								
Foreign currency retranslation	-	-	-	(374,155)	-	(374,155)	-	(374,155)
Reclassification from Foreign currency translation reserve to profit and loss account	-	-	-	-	178,839	178,839	-	178,839
Total comprehensive income for the year	-	-	-	(374,155)	(3,683,686)	(4,057,841)	(117,343)	(4,175,184)
Issue of shares	-	-	-	-	-	-	816,525	816,525
Total investments by and distributions to owners	-	-	-	-	-	-	816,525	816,525
At 31 March 2022 (as previously reported)	65,000,732	13,784,468	5,940,193	1,414,702	(82,474,856)	3,665,239	1,043,144	4,708,383
Prior period adjustments	-	-	-	-	-	-	329,511	329,511
At 31 March 2022 (restated)	<u>65,000,732</u>	<u>13,784,468</u>	<u>5,940,193</u>	<u>1,414,702</u>	<u>(82,474,856)</u>	<u>3,665,239</u>	<u>1,372,655</u>	<u>5,037,894</u>

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

The notes on pages 22 to 48 form part of these financial statements.

C&C Alpha Group Limited
Consolidated Statement of Changes in Equity *(continued)*
Year ended 31 March 2023

	Called up share capital £	Share premium account £	Revaluation reserve £	Foreign currency translation reserve £	Profit and loss account £	Equity attributable to the owners of the parent company £	Non-controll ing interests £	Total £
Loss for the year					(4,595,088)	(4,595,088)	(335,253)	(4,930,341)
Other comprehensive income for the year:								
Foreign currency retranslation	—	—	—	(1,608,221)	—	(1,608,221)	—	(1,608,221)
Total comprehensive income for the year	—	—	—	(1,608,221)	(4,595,088)	(6,203,309)	(335,253)	(6,538,562)
Issue of shares	—	—	—	—	—	—	405,124	405,124
Total investments by and distributions to owners	—	—	—	—	—	—	405,124	405,124
At 31 March 2023	<u>65,000,732</u>	<u>13,784,468</u>	<u>5,940,193</u>	<u>(193,519)</u>	<u>(87,069,944)</u>	<u>(2,538,070)</u>	<u>1,442,526</u>	<u>(1,095,544)</u>

The notes on pages 22 to 48 form part of these financial statements.

C&C Alpha Group Limited
Company Statement of Changes in Equity
Year ended 31 March 2023

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 April 2021	65,000,732	13,784,468	(78,435,148)	350,052
Profit for the year			477,307	477,307
Total comprehensive income for the year	—	—	477,307	477,307
At 31 March 2022	65,000,732	13,784,468	(77,957,841)	827,359
Loss for the year			(4,653,414)	(4,653,414)
Total comprehensive income for the year	—	—	(4,653,414)	(4,653,414)
At 31 March 2023	<u>65,000,732</u>	<u>13,784,468</u>	<u>(82,611,255)</u>	<u>(3,826,055)</u>

The notes on pages 22 to 48 form part of these financial statements.

C&C Alpha Group Limited
Consolidated Statement of Cash Flows
Year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Loss for the financial year	(4,910,759)	(3,923,872)
<i>Adjustments for:</i>		
Depreciation of tangible assets	4,915,903	4,846,129
Amortisation of intangible assets	(42,289)	69,005
Government grant income	–	(502,811)
Income from shares in group undertakings	–	(1,210,909)
Share of profit of associates	(307,625)	(166,639)
Other interest receivable and similar income	(26,108)	(23,807)
Interest payable and similar expenses	1,667,935	1,168,578
Gains on disposal of intangible assets	–	(833,028)
Defined benefit pension plan employer contributions	148,738	–
Tax on (loss)/profit	(32,917)	291,464
Accrued expenses	633,103	285,120
Other operating cash flow adjustment	(4,708,181)	(307,458)
<i>Changes in:</i>		
Stocks	54,325	(74,825)
Trade and other debtors	(1,508,346)	(852,513)
Trade and other creditors	1,081,923	(2,130,013)
Cash generated from operations	(3,034,298)	(3,365,579)
Interest paid	(1,667,935)	(1,168,578)
Interest received	26,108	23,807
Tax paid	(49,264)	(19,024)
Net cash used in operating activities	<u>(4,725,389)</u>	<u>(4,529,374)</u>
Cash flows from investing activities		
Purchase of tangible assets	(3,089,908)	(2,252,359)
Proceeds from sale of tangible assets	234,114	6,527
Purchase of intangible assets	(43,453)	(26,108)
Proceeds from sale of intangible assets	–	833,028
Acquisition of interests in associates and joint ventures	(452)	(2,159)
Proceeds from sale of interests in associates and joint ventures	–	1,454,045
Dividends received	–	1,210,909
Net cash (used in)/from investing activities	<u>(2,899,699)</u>	<u>1,223,883</u>

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

The notes on pages 22 to 48 form part of these financial statements.

C&C Alpha Group Limited

Consolidated Statement of Cash Flows *(continued)*

Year ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from financing activities			
Proceeds from issue of ordinary shares		405,124	816,525
Proceeds from borrowings		(197,572)	(2,674,188)
Proceeds from loans from group undertakings		4,593,477	5,481,478
Government grant income		–	502,811
Payments of finance lease liabilities		35,529	832,175
Net cash from financing activities		<u>4,836,558</u>	<u>4,958,801</u>
 Net (decrease)/increase in cash and cash equivalents		 (2,788,530)	 1,653,310
Cash and cash equivalents at beginning of year		12,939,011	11,285,701
Cash and cash equivalents at end of year		<u>10,150,481</u>	<u>12,939,011</u>

The notes on pages 22 to 48 form part of these financial statements.

C&C Alpha Group Limited

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 23 Buckingham Gate, London, SW1E 6LB.

2. 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'.

3. 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.

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 in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in profit or loss in the period in which they arise.

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 statements, 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.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Going concern

The directors have assessed the group's ability to continue to adopt the going concern basis of accounting. Notwithstanding that the group generated an operating loss for the year of £3.6 million, the group net assets decreased by £5.8 million and the group now has net current liabilities of £39.9 million, its ability to continue as a going concern is dependent upon the continued support of the Shareholders, the directors are of the opinion it is appropriate to prepare the financial statements on a going concern basis.

The director's opinion is based on improving results across the group over the previous years, which is expected to continue into future years. Future forecasts, that have been adjusted to reflect the plausible adverse economic effects of increase in costs of living and energy prices, reducing labour and other costs, postponement of capital expenditure, taking advantage of job support schemes, government grants and deferment of loan interest and loan repayments. The directors are of the opinion that funding requirements will reduce in the coming year and that support will continue to be provided by the Shareholders for at least another 12 months from the date of signing these financial statements.

Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements. The financial statements do not include any adjustments if the going concern basis is no longer appropriate.

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.

Equal opportunities policy

The Group is committed to achieving a working environment which provides equality of opportunity and freedom from unlawful discrimination through its Equal Opportunities Policy. This Policy aims to remove unfair and discriminatory practices within the Group and encourages contribution from its workforce to maintain a healthy, diverse community workplace. The Group believes that all employees and clients are entitled to be treated with respect and dignity and in light of same it updates its employment practices and contractual relationships regularly in line with latest legislations.

Consolidation

The financial statements consolidate the financial statements of the Group and all of its subsidiary undertakings drawn up to 31 March each year. The results of subsidiaries acquired or disposed during the year are included from or to the date that control passes. Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with section 35 of FRS 102, section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transaction.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Non-controlling 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.

Cash & cash equivalents

Cash is defined as cash on hand and demand and deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- **Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

- **Impairment of Debtors**

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of the debtors and historical experience.

- **Impairment of Freehold Property**

The Group has considered the need for recognising any potential impairment in regards to freehold property. When assessing impairment of such balances, management consider factors including the current economic climate as presented by the unprecedented circumstances due to the Covid-19 pandemic. The company has considered the relevant factors and have decided that no impairment needs to be recognised in the current year.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Goodwill/ negative goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. When net amount of the identifiable assets, liabilities and contingent liabilities are higher than the cost of the acquisition a negative goodwill is recognised.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax. In the Utilities sector revenue from the sale of goods is recognised when persuasive evidence exist usually in the form of an executed sales agreement, that significant risks and rewards of the ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably.

In the Aviation sector training fees are recognized over the period of instruction. Training fees collected from the students are allocated based on the applicable training period and the amounts that pertain to the following year are deferred and presented under "deferred income" account under liability section of financial statements.

In the Hospitality sector revenue represents income derived from hotel activities and is shown net of discount and Value Added Tax and is recognised when the services are provided.

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 it is probable the expenses recognised will be recovered.

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.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Operating leases

Rental under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

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:

Development costs	-	Over 5 years
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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.

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 improvements	-	10% straight line
Short leasehold property	-	10% straight line
Plant and Machinery	-	20% reducing balance
Fixtures & Fittings & Equipment	-	10%-33% Straight line
Motor vehicles	-	25% straight line

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Investment property

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.

Investments

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

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.

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. Where considered necessary provision is also made for any slow moving recognised items.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

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 2023

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity 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.

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 benefit plans

The company recognises a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit asset or liability arising from employee service are recognised in profit or loss as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in profit or loss in the period in which they occur.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Net interest is recognised in profit or loss.

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.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Business combinations

Business combinations are accounted for using the purchase method.

The cost of a business combination is measured as the aggregate of the fair values, at the acquisition date, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

Where control is achieved in stages, the cost of the business combination is the aggregate of the fair values of the assets given, liabilities incurred or assumed, and equity instruments issued at the date of each transaction in the series.

Where the business combination requires an adjustment to the cost contingent on future events, the estimated amount of that adjustment is included in the cost of the combination at the acquisition date providing it is probable and can be measured reliably. Where it is not recognised at the acquisition date but subsequently becomes probable and can be measured reliably, the additional consideration is treated as an adjustment to the cost of the combination. If such expected future events do not occur, or the estimate needs to be revised, the cost of the business combination is adjusted accordingly. The unwinding of any discounting is recognised as a finance cost in profit or loss in the period it arises.

4. Turnover

Turnover arises from:

	2023	2022
	£	£
Rendering of services	<u>32,194,440</u>	<u>29,168,262</u>

The turnover is derived from classes of businesses and geographical markets that substantially differ from each other. An analysis of each is given below:

Geographical markets

	2023	2022
	£	£
United Kingdom	17,766,779	16,558,829
Philippines	7,505,742	7,281,150
United Arab Emirates	6,100,642	5,328,283
India	821,277	–
	<u>32,194,440</u>	<u>29,168,262</u>

Business classes

	2023	2022
	£	£
Healthcare	12,976,846	9,950,583
Aviation	8,327,019	7,281,150
Real estate	3,549,482	2,984,129
Others	7,341,093	8,952,400
	<u>32,194,440</u>	<u>29,168,262</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

5. Other operating income

	2023	2022
	£	£
Government grant income	–	502,811
Other operating income	304,925	100,590
	<u>304,925</u>	<u>603,401</u>

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2023	2022
	£	£
Amortisation of intangible assets	(42,289)	69,005
Depreciation of tangible assets	4,915,903	4,846,129
Gains on disposal of intangible assets	–	(833,028)
Impairment of trade debtors	–	205,814
Operating lease rentals	716,131	902,130
Foreign exchange differences	<u>2,071,861</u>	<u>1,554,799</u>

7. Auditor's remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	<u>19,425</u>	<u>18,500</u>
Fees payable to the company's auditor and its associates for other services:		
Audit of the financial statements of associates	31,555	58,530
Taxation advisory services	<u>10,700</u>	<u>12,700</u>
	<u>42,255</u>	<u>71,230</u>

8. Staff costs

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

	2023	2022
	No.	No.
Production staff	311	313
Administrative staff	178	182
Management staff	<u>2</u>	<u>2</u>
	<u>491</u>	<u>497</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

8. Staff costs *(continued)*

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

	2023	2022
	£	£
Wages and salaries	12,370,730	11,462,104
Social security costs	2,334,557	690,211
Other pension costs	151,506	206,603
	<u>14,856,793</u>	<u>12,358,918</u>

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2023	2022
	£	£
Remuneration	1,302,163	1,115,818
Company contributions to defined contribution pension plans	2,400	2,400
	<u>1,304,563</u>	<u>1,118,218</u>

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

	2023	2022
	No.	No.
Defined contribution plans	<u>1</u>	<u>1</u>

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

	2023	2022
	£	£
Aggregate remuneration	1,299,763	1,111,818
Company contributions to defined contribution pension plans	2,400	2,400
	<u>1,302,163</u>	<u>1,114,218</u>

10. Income from shares in group undertakings

	2023	2022
	£	£
Income from group undertakings	<u>—</u>	<u>1,210,909</u>

11. Other interest receivable and similar income

	2023	2022
	£	£
Interest on loans and receivables	357	7
Interest on cash and cash equivalents	22,640	23,800
Interest on bank deposits	3,111	—
	<u>26,108</u>	<u>23,807</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

12. Interest payable and similar expenses

	2023 £	2022 £
Interest on banks loans and overdrafts	1,328,508	761,608
Net finance costs in respect of defined benefit pension plans	(9,420)	(145,471)
Other interest payable and similar charges	348,847	552,441
	<u>1,667,935</u>	<u>1,168,578</u>

13. Tax on (loss)/profit

Major components of tax income

	2023 £	2022 £
Current tax:		
UK current tax income	83,267	19,024
Deferred tax:		
Origination and reversal of timing differences	(116,184)	272,440
Tax on (loss)/profit	<u>(32,917)</u>	<u>291,464</u>

Reconciliation of tax (income)/expense

The tax assessed on the loss on ordinary activities for the year is higher than (2022: higher than) the standard rate of corporation tax in the UK of 19% (2022: 19%).

	2023 £	2022 £
Loss on ordinary activities before taxation	(4,943,676)	(3,632,408)
Loss on ordinary activities by rate of tax	(939,298)	(690,157)
Effect of revenue exempt from tax	(10,091)	(852,195)
Utilisation of tax losses	1,032,656	1,581,420
Increase in deferred tax on investment property	(116,184)	252,396
Tax on (loss)/profit	<u>(32,917)</u>	<u>291,464</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

14. Intangible assets

Group	Goodwill £	Development costs £	Total £
Cost			
At 1 April 2022	–	133,377	133,377
Additions	–	43,453	43,453
Acquisitions through business combinations	(882,884)	–	(882,884)
At 31 March 2023	(882,884)	176,830	(706,054)
Amortisation			
At 1 April 2022	–	125,049	125,049
Charge for the year	(88,288)	45,999	(42,289)
At 31 March 2023	(88,288)	171,048	82,760
Carrying amount			
At 31 March 2023	(794,596)	5,782	(788,814)
At 31 March 2022	–	8,328	8,328

The company has no intangible assets.

On the 12th Oct 2022, C&C Alpha Healthcare Group Limited acquired new care home through the share purchase of Henry Newton Care Limited and its wholly owned subsidiary Newlyn Court Limited, at the date of acquisition the aggregated fair value of the net assets of these companies exceeded the purchase price. This resulted in a negative goodwill of £822,884 on business combination.

C&C Alpha Group Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2023

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 2022	33,935,513	19,218,484	37,449,178	565,737	811,219	91,980,131
Additions	1,790,499	52,591	1,097,865	138,180	10,773	3,089,908
Disposals	(26,783)	(198,296)	(111,540)	(77,415)	(162,662)	(576,696)
Acquisitions through business combinations	4,528,168	–	50,832	–	–	4,579,000
Transfers	659,330	–	–	–	(659,330)	–
At 31 Mar 2023	40,886,727	19,072,779	38,486,335	626,502	–	99,072,343
Depreciation						
At 1 Apr 2022	8,935,126	8,864,701	16,037,802	444,095	–	34,281,724
Charge for the year	501,608	1,840,065	2,540,308	33,922	–	4,915,903
Disposals	–	(181,849)	(111,540)	(49,193)	–	(342,582)
At 31 Mar 2023	9,436,734	10,522,917	18,466,570	428,824	–	38,855,045
Carrying amount						
At 31 Mar 2023	31,449,993	8,549,862	20,019,765	197,678	–	60,217,298
At 31 Mar 2022	25,000,387	10,353,783	21,411,376	121,642	811,219	57,698,407

Company	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 April 2022	917,868	438,194	658,161	2,014,223
Additions	–	17,341	10,147	27,488
At 31 March 2023	917,868	455,535	668,308	2,041,711
Depreciation				
At 1 April 2022	455,734	357,323	651,841	1,464,898
Charge for the year	91,787	43,165	3,746	138,698
At 31 March 2023	547,521	400,488	655,587	1,603,596
Carrying amount				
At 31 March 2023	370,347	55,047	12,721	438,115
At 31 March 2022	462,134	80,871	6,320	549,325

Included within Land and buildings above is investment property as follows:

	Group £	Company £
At 1 April 2022 and 31 March 2023	16,501,961	–
At 1 April 2022	16,501,961	–

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

15. Tangible assets *(continued)*

Land & building includes an investment property at fair value of £16.5 million, at the balance sheet date, the investment property was held at the fair value of £16,501,961. In September 2023, a valuation of the Investment property was carried out by BNP Paribas Real Estate. Due to the adverse market conditions, the property was valued at £12,500,000. The book value of the investment property has not been adjusted to that effect at the balance sheet date.

The revaluation loss will be offset against previous revaluation gains and the strength of the balance sheet indicates that the downside revaluation should not impact the Group's ability to continue to trade as a going concern.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

15. Tangible assets *(continued)*

Land & building includes an investment property at fair value of £16.5 million. The directors, who are experienced in the property market, assessed the market value of the property at the balance sheet date, by reference to a valuation carried out by BNP Paribas Real Estate property at October 2019, prices and rental yields in the area and determined that there had been no material changes in the value.

On September 9, 2019, Alpha Aviation Group (Philippines) Inc entered into a Purchase Agreement with ALSIM Simulators for the acquisition of one unit of AL172 MKII Flight Training Device for a total purchase price of \$0.29 million. The purchase of simulator was financed through internally generated funds.

On August 10, 2018, Alpha Aviation Group (Philippines) Inc. entered into a purchase agreement with L-3 Commercial Training Solutions Limited for the acquisition of one unit of A320 full flight simulator for a total purchase price of \$8.80 million.

On August 2, 2018 Alpha Aviation Group (Philippines) Inc. awarded the Construction of a three-storey Simulator building extension to A.D. Pineda Construction worth \$1.10 million with an agreed completion period of two hundred (200) working days reckoned from August 5, 2019, the receipt of notice to proceed by the contractor. The construction has been completed, included under land a building.

On 4 June 2016 Alpha Aviation Group (Philippines) Inc. entered into a Sales and Purchase agreement with CAE CFT B.V. for the acquisition of A330/340 level D FFS for a total purchase price of \$12.3 million, with the option to purchase spare parts at \$0.55 million. The purchase price was payable in six instalments based on key milestones. The A330/340 components are delivered on a staggered basis upon 90% payment of purchase price. The Simulator was partly financed through a facility agreement with a financial institution.

On 16 May 2017, Alpha Aviation Group (Philippines) Inc, had entered into a sale/leaseback transaction with BDOLFI in relation to its newly acquired A330/340 Level D Full Flight simulator with a total cost of \$12.38 million. Part of the proceeds from the sale and leaseback transaction was used to settle the credit facility availed as of March 31, 2017. The lease is for a period of 5 years with the option to extend for another 5 years. In 2018, the Group reclassified the A330/340 FFS from "Assets under construction" to "Simulator machines and tools" amounting to \$12.46 million.

In 2023, Alpha Aviation Group (Philippines) Inc, sold some of its transportation equipment and 2 US aircrafts with net book value amounted to \$0.27 million. As at 31 March 2023 and 2022, the Group recorded a net gain on disposal amounted to \$0.01 million and \$nil in the consolidated statement of comprehensive income.

On 15 November 2018 Alpha Utilities Project FZE entered into a loan agreement with YES Bank Ltd India for a total loan of \$10 million for financing the construction of desalination plant in Kalba. Alpha Utilities Project FZE utilised \$8.78 million of the loan facility against the \$10 million approved. Repayment of loan started on February 2021 in 32 structured quarterly instalments.

Though the loan facility from YES Bank Ltd, was settled during the financial year, the following securities were not released:

- Personal guarantee of Mr S Kapur in favour of Abu Dhabi Commercial Bank, acting in the capacity as a service agent of the lender.
- 30% of the shares of the company as well as 30% of the shares of the sister concern (Alpha Utilities FZE) held by Alpha Utilities Holdings Limited is pledged in favour of Abu Dhabi Commercial Bank via share pledge agreement dated 21 February 2019, Abu Dhabi Commercial Bank is acting as service agent of the lender, YES Bank Ltd. Also negative lien over balance 70% shares of both companies.
- Plant and machinery and other assets of the sister concern (Alpha Utilities FZE) are located at its

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

15. Tangible assets *(continued)*

premises in Hamriyah Free Zone in favour of Abu Dhabi Commercial Bank, acting in capacity as a service agent of the lender via registered mortgage agreement dated 21 February 2019.

16. Investments

Group		Interests in associates £	Other investments. other than loans £	Total £	
Share of net assets/cost					
At 1 April 2022		5,886,522	606,894	6,493,416	
Additions		452	–	452	
Revaluations		4,877	–	4,877	
Share of profit or loss		307,625		307,625	
At 31 March 2023		<u>6,199,476</u>	<u>606,894</u>	<u>6,806,370</u>	
Impairment					
At 1 April 2022		901,238	605,157	1,506,395	
Impairment losses		–	129	129	
At 31 March 2023		<u>901,238</u>	<u>605,286</u>	<u>1,506,524</u>	
Carrying amount					
At 31 March 2023		<u>5,298,238</u>	<u>1,608</u>	<u>5,299,846</u>	
At 31 March 2022		<u>4,985,284</u>	<u>1,737</u>	<u>4,987,021</u>	
Company					
	Shares in group undertakings £	Loans to group undertakings £	Shares in participating interests £	Loans to participating interests £	Total £
Cost					
At 1 April 2022	42,225,306	102,051,257	1,453,024	142,321	145,871,908
Additions	–	203,113	–	–	203,113
Revaluations	–	(806,013)	–	4,877	(801,136)
Other movements	–	58,340	–	–	58,340
At 31 March 2023	<u>42,225,306</u>	<u>101,506,697</u>	<u>1,453,024</u>	<u>147,198</u>	<u>145,332,225</u>
Impairment					
At 1 April 2022	25,325,044	77,638,676	987,791	68,201	104,019,712
Impairment losses	2	156,134	–	–	156,136
At 31 March 2023	<u>25,325,046</u>	<u>77,794,810</u>	<u>987,791</u>	<u>68,201</u>	<u>104,175,848</u>
Carrying amount					
At 31 March 2023	<u>16,900,260</u>	<u>23,711,887</u>	<u>465,233</u>	<u>78,997</u>	<u>41,156,377</u>
At 31 March 2022	16,900,262	24,412,581	465,233	74,120	41,852,196

C&C Alpha Group Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2023

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	95%	Holding\Investment company
Alpha Aviation Group Limited	England	Ordinary shares	100%	Holding\Investment company
C&C Estates Limited	England	Ordinary shares	100%	Holding\Investment company
C&C Hitech Holdings Limited	England	Ordinary shares	100%	Holding\Investment company
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 Real Estate Developers EAD	Bulgaria	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
Quatro Management Inc	USA	Ordinary shares	100%	Holding\Investment company
Megalith Realty Limited	England	Ordinary shares	100%	Consultancy and business development
Held indirectly by the company:				
Alpha Aviation Academy (Asia) Limited (formerly known as 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
AAG International Centre for Aviation Training Corporation	Philippines	Ordinary shares	64%	Commercial Aircraft Flight Training
Alpha Aviation Group (AAG) Holdings Inc	Philippines	Ordinary shares	40%	Commercial Aircraft Flight Training
AAG Centre for Aviation Training Private Limited	India	Ordinary shares	72%	Commercial Aircraft Flight Training
Margot Holdings Limited	England	Ordinary shares	58%	Hotels and Hospitality
One Vincent Square Limited	England	Ordinary shares	100%	Holding\Investment company
Alpha Utilities FZE	UAE	Ordinary shares	100%	Holding\Investment company
Alpha Utilities Project FZE	UAE	Ordinary shares	100%	Holding\Investment company

C&C Alpha Group Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2023

16. Investments (continued)

Alpha Health Care Ltd	England	Ordinary shares	100%	Residential and care Homes
Newlyn Court Ltd	England	Ordinary shares	100%	Residential and care Homes
Henry Newton Care Ltd	England	Ordinary shares	100%	Residential and care Homes

Associates undertakings

Held directly by the company:

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

Held indirectly by the company:

AMST Holdings GmbH	Austria	Ordinary shares	25%	Holding\Investment company
AMST Systemtechnik GmbH	Austria	Ordinary shares	100%	Consultancy and business development
Margot Restaurants Limited	England	Ordinary shares	60%	Consultancy and business development
Provectus Aerospace Group B.V.	Netherlands	Ordinary shares	33%	Holding\Investment company
MCM LLC	USA	Ordinary shares	50%	Holding\Investment company

The details of Registered office address and principle place of business for all subsidiaries, associates and joint ventures can be obtained on request from C&C Alpha Group Limited registered office:

23 Buckingham Gate
London
SW1E 6LB

17. Stocks

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Raw materials and consumables	<u>1,467,375</u>	<u>1,521,700</u>	<u>—</u>	<u>—</u>

18. Debtors

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	3,426,585	2,863,120	198,760	48,148
Amounts owed by group undertakings	—	—	291,804	250,259
Prepayments and accrued income	2,009,410	1,718,523	349,772	147,463
Other debtors	11,174,541	10,535,231	8,045,212	8,048,596
	<u>16,610,536</u>	<u>15,116,874</u>	<u>8,885,548</u>	<u>8,494,466</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

19. Creditors: amounts falling due within one year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Bank loans and overdrafts	2,129,347	990,179	–	–
Trade creditors	2,242,323	1,958,052	984,827	386,610
Shareholders Loan	47,052,348	42,458,871	47,052,348	42,458,872
Accruals and deferred income	6,738,140	5,892,125	30,689	429,431
Corporation tax	34,003	–	–	–
Social security and other taxes	289,236	249,034	115,396	129,386
Obligations under finance leases and hire purchase contracts	87,393	149,733	–	–
Director loan accounts	3,496,056	3,496,056	3,496,056	3,496,056
Other creditors	6,061,718	5,531,864	3,020,665	3,384,549
	<u>68,130,564</u>	<u>60,725,914</u>	<u>54,699,981</u>	<u>50,284,904</u>

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

On 8 May 2018, AAG Philippines was granted a \$9.44 million credit line facility to partially finance and bridge the acquisition of a brand new A320 flight simulator and construction of a simulator warehouse building. The loan facility bears interest at LIBOR+3% revised every quarter and interest is payable every 30 days.

On 28 May 2019 the BPI short term loan was converted to long term loan with BPI Century Tokyo Leasing (BPICTL).

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Bank loans and overdrafts	21,906,572	23,243,312	–	–
Obligations under finance leases and hire purchase contracts	1,892,999	1,795,130	–	–
	<u>23,799,571</u>	<u>25,038,442</u>	<u>–</u>	<u>–</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

20. Creditors: amounts falling due after more than one year *(continued)*

Bank loans and overdrafts are secured by various fixed and floating charges on the assets of the company and its subsidiaries with a value of £59,520,174 (2022: £51,526,015). The terms of the loans restricts the Group from making significant acquisition or disposals without the consent of the lender.

The total value of the loans secured by the assets of the Group are £24 million (2022: £22 million).

On 8 November 2016, One Vincent Square Limited received a secured loan of £10,692,500 from Deutsche Bank (Suisse) S.A. The bank loan was for a period of 5 years from 8 November 2016. The directors of the company B Choudhrie and D Choudhrie provided Deutsche Bank (Suisse) S.A. with personal guarantees as an additional security.

The loan from Deutsche Bank (Suisse) S.A has been extended for further 5 years until January 2027, Interest is charged on the loan at 2.71% over three months SONIA.

AAG Philippines acquired full flight Airbus 330/340 simulator from CAE CFT B.V. for \$12.3 million. The simulator was certified as ready for training by Civil Aviation Authority of Philippines in April 2017. The purchase of simulator was partly financed through an US dollar Bridge financing facility of \$9.25 million by BDO Leasing and Finance. AAG Philippines entered in to a sale and lease back arrangement with BDO Leasing and Finance to repay the bridging loan on the date the Simulator is certified as ready for training by the Civil Aviation Authority of the Philippines. The sale and lease back arrangements are for 5 years with an option to extend it for another 5 years. As security for the lease, AAG Philippines assigned receivable from the simulator usage agreement with Philippine Airlines.

On March 16, 2023, BDOLFI extended the term of the loan, from November 16, 2023 to November 16, 2026, with quarterly payment amounting to \$0.43 million. All outstanding amounts thereafter shall be paid upon the end expiry of the term. The change in contractual cash flows effective starting March 16, 2023 was assessed by the Group as a substantial modification which resulted into derecognition of the old loan and recognition of new financial liability. Loss on loan restructuring recognized in the statement of comprehensive income as at March 31, 2023 and 2022 amounted to \$0.14 million and nil, respectively.

As of 31 March 2023, loans payable to BDOLFI amounted to \$6.26 million (2022: \$7.20 million).

On the 12th October 2022 the C&C Alpha Healthcare Group Limited, acquired a new care home through the share purchase of Henry Newton Care Limited and its wholly owned subsidiary Newlyn Court Limited. The acquisition has been financed by way of cash reserves and a bank loan of £2.5 million from Barclays Bank plc. The loan is for three years, under the terms of the loan, interest is charged at 2.5% over BOE BASE, payable monthly. In securing the term loan facility from Barclays, the bank have taken security over the land and property of Alpha Health Care Limited, Henry Newton Care Limited and Newlyn Court Limited as part of this arrangement.

On 15 November 2018, Alpha Utilities Project FZE entered into a loan agreement with YES Bank Ltd India for a total loan of \$10 million for financing the construction of desalination plant in Kalba. Alpha Utilities Project FZE utilised \$8.78 million of the loan facility against the \$10 million approved. Repayment of loan started from February 2021 in 32 quarterly instalments.

Though the loan facility from YES Bank Ltd. was settled during the year, the following securities were not released:

- Personal guarantee of Mr S Kapur in favour of Abu Dhabi Commercial Bank, acting in the capacity as a service agent of the lender.
- 30% of the shares of the company as well as 30% of the shares of the sister concern (Alpha Utilities FZE) held by Alpha Utilities Holdings Limited is pledged in favour of Abu Dhabi Commercial Bank via share pledge agreement dated 21 February 2019, Abu Dhabi Commercial Bank is acting as service agent of the lender, YES Bank Ltd. Also negative lien over balance 70% shares of both companies.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

20. Creditors: amounts falling due after more than one year *(continued)*

- Plant and machinery and other assets of the sister concern (Alpha Utilities FZE) located at its premises in Hamriyah Free Zone in favour of Abu Dhabi Commercial Bank, acting in capacity as a service agent of the lender via registered mortgage agreement dated 21 February 2019.

The bank loans are for a period of 5 years or less with an option to renew.

21. Finance leases and hire purchase contracts

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Not later than 1 year	87,393	149,733	–	–
Later than 1 year and not later than 5 years	1,892,999	1,795,130	–	–
	<u>1,980,392</u>	<u>1,944,863</u>	<u>–</u>	<u>–</u>

22. Provisions

Group	Deferred tax (note 23) £
At 1 April 2022	1,401,760
Additions	385,025
At 31 March 2023	<u>1,786,785</u>

The company does not have any provisions.

23. Deferred tax

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Included in provisions (note 22)	<u>1,786,785</u>	<u>1,401,760</u>	<u>–</u>	<u>–</u>

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Accelerated capital allowances	(36,854)	76,282	–	–
Fair value adjustment of investment property	<u>1,823,639</u>	<u>1,325,478</u>	<u>–</u>	<u>–</u>
	<u>1,786,785</u>	<u>1,401,760</u>	<u>–</u>	<u>–</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

24. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £151,506 (2022: £206,603).

Defined benefit plans

Alpha Aviation Group (Philippines) Inc a sub-subsidiary of C&C Alpha Group Limited, maintains a non contributory defined benefit plan covering all full-time employees.

The cost of defined retirement benefit plan, as well as the present value of the retirement benefits obligation were determined using actuarial valuations as of March 31, 2023 and 2022.

The statement of financial position net defined benefit liability is determined as follows:

	2023	2022
	£	£
Present value of defined benefit obligations	(557,875)	(479,694)
Fair value of plan assets	222,529	82,851
	<u>(335,346)</u>	<u>(396,843)</u>

Changes in the present value of the defined benefit obligations are as follows:

	2023
	£
At 1 April 2022	479,694
Current service cost	82,421
Benefits paid	(5,323)
Other change in liabilities	18,607
Remeasurements:	
Actuarial gains and losses	(17,524)
At 31 March 2023	<u>557,875</u>

Changes in the fair value of plan assets are as follows:

	2023
	£
At 1 April 2022	82,851
Interest income	8,750
Contributions by employer	148,738
Gains and losses on settlements and curtailments	(13,015)
Other change in assets	(4,795)
At 31 March 2023	<u>222,529</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

25. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Recognised in other operating income:				
Government grants recognised directly in income	<u>-</u>	<u>502,811</u>	<u>-</u>	<u>36,268</u>

26. Financial instruments

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

Financial assets that are debt instruments measured at amortised cost

	Group	
	2023	2022
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>20,169,747</u>	<u>13,398,351</u>

Financial liabilities measured at amortised cost

	Group	
	2023	2022
	£	£
Financial liabilities measured at amortised cost	<u>103,988,142</u>	<u>79,473,465</u>

27. Called up share capital

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary shares of £1 each	<u>65,000,732</u>	<u>65,000,732</u>	<u>65,000,732</u>	<u>65,000,732</u>

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

28. Reserves

Revaluation 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.

Foreign Currency Translation- This reserve represents exchange differences on monetary items that form part of the entity's investment in foreign operations. Such exchange differences are recognised in other comprehensive income and accumulated in equity.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

29. Analysis of changes in net debt

	At 1 Apr 2022	Cash flows	At 31 Mar 2023
	£	£	£
Cash at bank and in hand	12,939,011	(2,788,530)	10,150,481
Debt due within one year	(47,094,839)	(5,670,305)	(52,765,144)
Debt due after one year	(25,038,442)	1,238,871	(23,799,571)
	<u>(59,194,270)</u>	<u>(7,219,964)</u>	<u>(66,414,234)</u>

30. Business combinations

Acquisition of Business Combination

The fair value of amounts recognised at the acquisition date in relation to Business Combination are as follows:

	Fair value £
Investment property acquired	<u>4,528,148</u>

31. Operating leases

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Not later than 1 year	772,986	684,110	–	474,110
Later than 1 year and not later than 5 years	3,457,065	2,421,440	–	1,896,440
	<u>4,230,051</u>	<u>3,105,550</u>	<u>–</u>	<u>2,370,550</u>

Operating lease arrangement relates to the non-cancellable lease of land & building by the group.

32. 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 £206,603 (2021: £219,030)

33. Directors' advances, credits and guarantees

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

	Balance brought forward and outstanding	
	2023	2022
	£	£
B Choudhrie	(2,993,451)	(2,993,451)
D Choudhrie	(502,605)	(502,605)
	<u>(3,496,056)</u>	<u>(3,496,056)</u>

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

33. Directors' advances, credits and guarantees *(continued)*

These loans are interest free and repayable on demand.

34. Related party transactions

Group

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 and Shanti Hospitality Group Limited.

At the balance sheet date Shanti Hospitality Group Limited owed £5,538,618 (2022: £5,536,465) to C&C Alpha Group Limited, this amount is included in other debtors. At the balance sheet date C&C Alpha Group Limited owed £995,593 (2022: £1,243,798) to Enfranchise 421 Limited.

B Choudhrie is beneficial owner of Lion Southeast Asia PTE Limited. At the balance sheet date C&C Alpha Group Limited owed £1,916,431 (2022: £1,798,111) to Lion Southeast Asia PTE Limited.

Included in the carrying value of investments is an amount of £471,491 (2022: £470,775) due from Shanti Hospitality Holdings Philippines Limited a company registered in the Philippines in which C&C Alpha Group Limited owns 40% of the Share Capital, also included in the carrying value of investments is an amount of £72,739 (2022: £68,578) due from Shanti Hospitality Real Estate Corporation a company registered in the Philippines.

At the balance sheet date C&C Alpha Group Limited owed Nil (2022: £730,402) to Harberry Investments Holdings Limited a company registered in the British Virgin Isles.

During the year under review C&C Alpha Group Limited received management income of £730,402 (2022: £1,596,236) from Harberry Investments Holdings Limited.

At the balance sheet date C&C Alpha Group Limited owed £47,052,348 (2022: £41,728,470) to Harberry Investments Limited, a company registered in Mauritius.

At the balance sheet date C&C Alpha Healthcare Group Limited owed £68,037 (2022: Nil) to C&C Alpha Group Limited.

35. Controlling party

The ultimate parent company is Harberry Investments Holdings Limited, a company registered in the British Virgin Isles. It owns 98.42% of the issued share capital. The smallest and largest group preparing the consolidated financial statements is C&C Alpha Group Limited. Consolidated accounts can be obtained from its registered office or from Companies House, Crown Way, Cardiff, CF14 3UZ.

C&C Alpha Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

36. Disclosure on London international hospitals guarantee

London International Hospital Limited ("LIH"), wholly owned subsidiary of the Company was liquidated on 28th March 2018. The dissolution was initiated on 30th March 2017 and the lease of Ravenscourt Park Hospital held by LIH through an Underlease (the "Underlease") dated 15th June 2007 amongst Imperial College Healthcare NHS Trust (formerly known as Hammersmith Hospitals National Health Service Trust)(the "NHS Trust"), the Company and LIH and revisionary lease dated 15th June 2007 amongst Les Geonnais Limited (the "Freeholder"), the Company and LIH (the "Reversionary lease") was disclaimed under the liquidation process on 18 April 2017.

The Company being party to both Underlease and Reversionary agreements guaranteed the obligations for non-performance of LIH to the extent of 120% of the annual rent then passing. At 31st March 2018, all amounts actually due and payable under the guarantee had been paid by the Company except for £294,115.20 being the RPI indexed amount payable under the terms of the Reversionary lease in the absence of a rent review. A provision for this amount has been made in the accounts of the Company.

The security under the revisionary lease has been transferred by the landlord to a third party who has initiated court proceedings for the rent review to determine the market rent as of the date of commencement of the revisionary lease. If the rent determined as per the terms of rent review under the revisionary lease is higher then the RPI indexed amount, then the Company is liable to pay 120% of the difference between the rent determined under the rent review and the previous rent.

As the company has already paid all the amount due and payable as a guarantor under the underlease, the directors are of the opinion that the maximum amount due by the Company under the revisionary lease will be £ 294,115.20 being the RPI indexed amount.