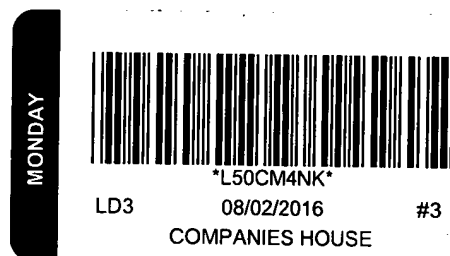


LONDON INTERNATIONAL HOSPITAL LIMITED
FINANCIAL STATEMENTS
31 MARCH 2015



SLAVEN JEFFCOTE LLP
Chartered Certified Accountants & Statutory Auditor
1 Lumley Street
Mayfair
London
W1K 6TT

LONDON INTERNATIONAL HOSPITAL LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

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LONDON INTERNATIONAL HOSPITAL LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

K Hameed
C P Thomas

Registered office

One Vincent Square
London
SW1P 2PN

Auditor

Slaven Jeffcote LLP
Chartered Certified Accountants
& Statutory Auditor
1 Lumley Street
Mayfair
London
W1K 6TT

Bankers

Royal Bank of Scotland
St Johns House
East Street
Leicester
LE1 6NB

LONDON INTERNATIONAL HOSPITAL LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2015

The directors present their report and the financial statements of the company for the year ended 31 March 2015.

BUSINESS REVIEW

During the year under review the Company's principle activity has been the development of the property formerly known as Ravenscourt Park Hospital, in Ravenscourt, London, into a specialist hospital.

DIRECTORS

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

K Hameed
C P Thomas

C&C Alpha Group Limited was appointed as a director on 7 September 2015.
K Hameed retired as a director on 15 July 2015.

DIRECTORS' RESPONSIBILITIES

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

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

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

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

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

AUDITOR

Slaven Jeffcote LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

LONDON INTERNATIONAL HOSPITAL LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2015

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

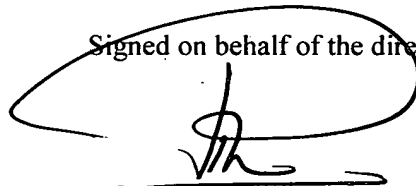
- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor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

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Registered office:
One Vincent Square
London
SW1P 2PN

Signed on behalf of the directors

A handwritten signature in black ink, appearing to be 'C P Thomas', is written over a horizontal line. The signature is enclosed within a large, hand-drawn oval.

Director
C P THOMAS

Approved by the directors on 05/02/2016

LONDON INTERNATIONAL HOSPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LONDON INTERNATIONAL HOSPITAL LIMITED *(continued)*

YEAR ENDED 31 MARCH 2015

We have audited the financial statements of London International Hospital Limited for the year ended 31 March 2015. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

EMPHASIS OF MATTER

We draw your attention to the company's going concern basis, note in the financial statements (note 2). The parent company is in negotiations with potential investors to sell 100% of their equity holding. If the negotiations are successful the new investors will invest sufficient funds into the company to allow the financial statements to be prepared on a going concern basis.

We also bring your attention to the parent company capitalising its loan of £53,870,263 into 53,870,263 ordinary £1 class A shares after the year end date (note 15).

OPINION ON OTHER MATTER PRESCRIBED BY THE 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been

LONDON INTERNATIONAL HOSPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LONDON INTERNATIONAL HOSPITAL LIMITED *(continued)*

YEAR ENDED 31 MARCH 2015

received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.



NICHOLAS JOHN PALING (FCCA)
(Senior Statutory Auditor)
For and on behalf of
SLAVEN JEFFCOTE LLP
Chartered Certified Accountants
& Statutory Auditor

1 Lumley Street
Mayfair
London
W1K 6TT

05/02/2016

LONDON INTERNATIONAL HOSPITAL LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2015

	Note	2015 £	2014 £
TURNOVER		—	—
Cost of sales		—	(1,263)
GROSS PROFIT		—	1,263
Administrative expenses		<u>6,187,304</u>	<u>5,738,338</u>
OPERATING LOSS	3	(6,187,304)	(5,737,075)
Interest receivable and similar income	4	—	2
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(6,187,304)</u>	<u>(5,737,073)</u>
Tax on loss on ordinary activities	5	—	1,153
LOSS FOR THE FINANCIAL YEAR		<u>(6,187,304)</u>	<u>(5,738,226)</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 8 to 12 form part of these financial statements.

LONDON INTERNATIONAL HOSPITAL LIMITED

BALANCE SHEET

31 MARCH 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	6	<u>14,713,930</u>	<u>14,841,115</u>
CURRENT ASSETS			
Debtors	7	38,390	1,235,077
Cash at bank and in hand		<u>5,271</u>	<u>4,257</u>
		43,661	1,239,334
CREDITORS: Amounts falling due within one year	8	<u>6,764,831</u>	<u>2,813,402</u>
NET CURRENT LIABILITIES		<u>(6,721,170)</u>	<u>(1,574,068)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,992,760</u>	<u>13,267,047</u>
CREDITORS: Amounts falling due after more than one year	9	<u>53,696,863</u>	<u>52,783,846</u>
		<u>(45,704,103)</u>	<u>(39,516,799)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	12	1,001	1,001
Profit and loss account	13	<u>(45,705,104)</u>	<u>(39,517,800)</u>
DEFICIT	14	<u>(45,704,103)</u>	<u>(39,516,799)</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These accounts were approved by the directors and authorised for issue on 05/02/2016, and are signed on their behalf by:



.....
C P THOMAS

Company Registration Number: 05644554

The notes on pages 8 to 12 form part of these financial statements.

LONDON INTERNATIONAL HOSPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Leasehold Property	-	3%-5% straight line
Fixtures & Fittings	-	10%-33% straight line
Motor Vehicles	-	25% reducing balance
Equipment	-	10%-33% straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

LONDON INTERNATIONAL HOSPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

2. GOING CONCERN

The financial statements have been prepared on a going concern basis dependent upon the company successfully obtaining funding from potential investors who are expected to acquire 100% of equity. The company has been in a serious negotiation with potential investors and its landlord, Imperial College NHS Trust, to settle LIH's debts and fund redevelopment, commissioning and opening of the hospital. However, failure to obtain such funding could have significant effect on the ability of the company to continue as a going concern, commence trading and make a profit. The financial statements do not include any adjustments that would result if the company was unable to obtain the funding.

3. OPERATING LOSS

Operating loss is stated after charging/(crediting):

	2015 £	2014 £
Directors' remuneration	93,750	187,500
Depreciation of owned fixed assets	140,370	142,939
Profit on disposal of fixed assets	—	(1,263)
Operating lease costs:		
- Other	5,165,063	4,586,894
Net loss on foreign currency translation	—	105
Auditor's remuneration	3,900	3,250

	2015 £	2014 £
Auditor's remuneration - audit of the financial statements	3,900	3,250

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2015 £	2014 £
Other similar income receivable	—	2

5. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2015 £	2014 £
Current tax:		
UK Corporation tax based on the results for the year at 21% (2014 - 23%)	—	1,153
Total current tax	—	1,153

LONDON INTERNATIONAL HOSPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

5. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21% (2014 - 23%).

	2015 £	2014 £
Loss on ordinary activities before taxation	<u>(6,187,304)</u>	<u>(5,737,073)</u>
Loss on ordinary activities by rate of tax	<u>(1,299,424)</u>	<u>(1,315,749)</u>
Tax chargeable at lower rates	<u>1,299,424</u>	<u>1,316,902</u>
Total current tax (note 5(a))	<u>-</u>	<u>1,153</u>

6. TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST					
At 1 April 2014	15,332,775	10,536	69,871	4,304	15,417,486
Additions	<u>12,435</u>	<u>-</u>	<u>-</u>	<u>750</u>	<u>13,185</u>
At 31 March 2015	<u>15,345,210</u>	<u>10,536</u>	<u>69,871</u>	<u>5,054</u>	<u>15,430,671</u>
DEPRECIATION					
At 1 April 2014	524,310	8,187	40,395	3,479	576,371
Charge for the year	<u>131,038</u>	<u>1,505</u>	<u>7,369</u>	<u>458</u>	<u>140,370</u>
At 31 March 2015	<u>655,348</u>	<u>9,692</u>	<u>47,764</u>	<u>3,937</u>	<u>716,741</u>
NET BOOK VALUE					
At 31 March 2015	<u>14,689,862</u>	<u>844</u>	<u>22,107</u>	<u>1,117</u>	<u>14,713,930</u>
At 31 March 2014	<u>14,808,465</u>	<u>2,349</u>	<u>29,476</u>	<u>825</u>	<u>14,841,115</u>

The additions to leasehold property, includes assets that will be reclassified as Plant & Machinery or Fixtures and Fittings once the leasehold refurbishment is completed. As such no depreciation or amortisation has been applied to these assets as they are not yet being used.

7. DEBTORS

	2015 £	2014 £
Other debtors	<u>38,390</u>	<u>1,235,077</u>

LONDON INTERNATIONAL HOSPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

8. CREDITORS: Amounts falling due within one year

	2015	2014
	£	£
Trade creditors	2,647,120	2,748,857
Other taxation and social security	807	8,896
Other creditors	4,116,904	55,649
	<u>6,764,831</u>	<u>2,813,402</u>

9. CREDITORS: Amounts falling due after more than one year

	2015	2014
	£	£
Amounts owed to group undertakings	<u>53,696,863</u>	<u>52,783,846</u>

10. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2015 the company had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2015	2014
	£	£
Operating leases which expire:		
After more than 5 years	<u>5,370,000</u>	<u>4,885,000</u>

11. RELATED PARTY TRANSACTIONS

In the opinion of the directors there is no one controlling party. The company has taken advantage of the exemption from reporting related party transactions between London International Hospital Limited and other members of the C&C Alpha group of companies, conferred by Financial Reporting Standard No. 8, on the grounds that the company is a wholly owned subsidiary and the parent undertaking prepares consolidated financial statements which include the company. Included in other creditors is an amount of £83,000 (2014-£64,820) due to K Hameed, a director of the company.

12. SHARE CAPITAL

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary - A shares of £1 each	<u>1,001</u>	<u>1,001</u>	<u>1,001</u>	<u>1,001</u>

LONDON INTERNATIONAL HOSPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

13. PROFIT AND LOSS ACCOUNT

	2015 £	2014 £
Balance brought forward	(39,517,800)	(33,779,574)
Loss for the financial year	(6,187,304)	(5,738,226)
Balance carried forward	<u>(45,705,104)</u>	<u>(39,517,800)</u>

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Loss for the financial year	(6,187,304)	(5,738,226)
Opening shareholders' deficit	<u>(39,516,799)</u>	<u>(33,778,573)</u>
Closing shareholders' deficit	<u>(45,704,103)</u>	<u>(39,516,799)</u>

15. POST BALANCE SHEET EVENTS

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

16. ULTIMATE PARENT COMPANY

The company's ultimate parent undertaking at the balance sheet date is Harberry Investments Limited, a company incorporated in the British Virgin Islands.

At the balance sheet date, the parent undertaking of the largest group for which group accounts including London International Hospitals Limited are drawn up is C&C Alpha Group Limited, a company registered in England and Wales. Copies of the consolidated accounts are available from Companies House or from the registered office:

1 Vincent Square
London
SW1P 2PN

LONDON INTERNATIONAL HOSPITAL LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 31 MARCH 2015

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 4 to 5.