

Megalith Realty Limited
Financial Statements
31 March 2016



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

Megalith Realty Limited

Financial Statements

Period from 11 January 2016 to 31 March 2016

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Megalith Realty Limited
Officers and Professional Advisers

The board of directors

B Choudhrie
D Choudhrie
C E Lord

Company secretary

Satyabhama Pudaruth

Registered office

1 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

Megalith Realty Limited

Directors' Report

Period from 11 January 2016 to 31 March 2016

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

Directors

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

| | |
|-------------|-----------------------------|
| B Choudhrie | (Appointed 11 January 2016) |
| D Choudhrie | (Appointed 11 January 2016) |
| C E Lord | (Appointed 11 January 2016) |

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 period. 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 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.

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 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 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.

Megalith Realty Limited

Directors' Report *(continued)*

Period from 11 January 2016 to 31 March 2016

This report was approved by the board of directors on 25 January 2017 and signed on behalf of the board by:



Satyabhama Pudaruth
Company Secretary

Registered office:
1 Vincent Square
London
SW1P 2PN

Megalith Realty Limited

Independent Auditor's Report to the Shareholders of Megalith Realty Limited

Period from 11 January 2016 to 31 March 2016

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

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its loss for the period 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

Without qualifying our opinion we draw to your attention Note 4 to the financial statements which indicates the Company's ability to continue as a going concern, notwithstanding that the Company incurred a net loss of £45,074 during the period ended 31st March 2016, and as of that date, the Company's total liabilities exceeded its total assets by £45,059. As detailed in note 4 to the financial statements, the Company's ability to continue as a going concern is dependent upon the continuing support of the companies within the CCAG group of companies. The financial statements do not include any adjustments if the going concern basis is no longer appropriate.

Megalith Realty Limited

Independent Auditor's Report to the Shareholders of Megalith Realty Limited (continued)

Period from 11 January 2016 to 31 March 2016


Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial period 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 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; and
- 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 and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Stephen Terence Costar (FCCA) (Senior Statutory Auditor)

For and on behalf of
Slaven Jeffcote LLP
Chartered Certified Accountants & statutory auditor
1 Lumley Street
Mayfair
London
W1K 6TT

30/01/17

Megalith Realty Limited

Statement of Comprehensive Income

Period from 11 January 2016 to 31 March 2016

| | Note | Period from 11 Jan 16 to 31 Mar 16 £ |
|---|----------|---|
| Administrative expenses | | 45,074 |
| Operating loss | 4 | <u>45,074</u> |
| Loss on ordinary activities before taxation | | <u>45,074</u> |
| Tax on loss on ordinary activities | 6 | — |
| Loss for the financial period and total comprehensive income | | <u><u>45,074</u></u> |

All the activities of the company are from continuing operations.

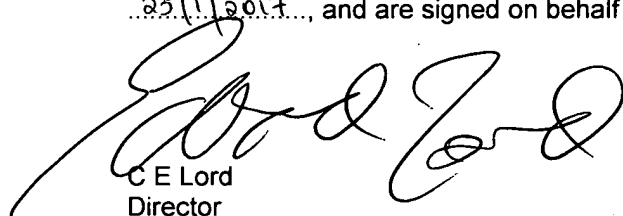
The notes on pages 10 to 13 form part of these financial statements.

Megalith Realty Limited
Statement of Financial Position
31 March 2016

| | Note | £ | 31 Mar 16 £ |
|---|-----------|---------------|-----------------|
| Creditors: amounts falling due within one year | 7 | 45,059 | |
| Net current liabilities | | | 45,059 |
| Total assets less current liabilities | | | (45,059) |
| Net liabilities | | | (45,059) |
| Capital and reserves | | | |
| Called up share capital | 10 | | 15 |
| Profit and loss account | 11 | | (45,074) |
| Shareholders deficit | | | (45,059) |

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

These financial statements were approved by the board of directors and authorised for issue on 25/11/2017, and are signed on behalf of the board by:



C E Lord
Director

Company registration number: 09944409

The notes on pages 10 to 13 form part of these financial statements.

Megalith Realty Limited

Statement of Changes in Equity

Period from 11 January 2016 to 31 March 2016

| | Called up share capital £ | Profit and loss account £ | Total £ |
|---|------------------------------------|------------------------------------|-----------------|
| At 11 January 2016 | — | — | — |
| Loss for the period | — | (45,074) | (45,074) |
| Total comprehensive income for the period | — | (45,074) | (45,074) |
| Issue of shares | 15 | — | 15 |
| Total investments by and distributions to owners | 15 | — | 15 |
| At 31 March 2016 | <u>15</u> | <u>(45,074)</u> | <u>(45,059)</u> |

The notes on pages 10 to 13 form part of these financial statements.

Megalith Realty Limited

Statement of Cash Flows

Period from 11 January 2016 to 31 March 2016

| | 31 Mar 16 £ |
|---|-----------------|
| Cash flows from operating activities | |
| Loss for the financial period | (45,074) |
| <i>Adjustments for:</i> | |
| Accrued expenses | 1,500 |
| <i>Changes in:</i> | |
| Trade and other creditors | 8,453 |
| Cash generated from operations | <u>(35,121)</u> |
| Net cash used in operating activities | <u>(35,121)</u> |
| Cash flows from financing activities | |
| Proceeds from issue of ordinary shares | 15 |
| Proceeds from loans from group undertakings | 35,106 |
| Net cash from financing activities | <u>35,121</u> |
| Net decrease in cash and cash equivalents | — |
| Cash and cash equivalents at beginning of period | — |
| Cash and cash equivalents at end of period | <u>—</u> |

The notes on pages 10 to 13 form part of these financial statements.

Megalith Realty Limited

Notes to the Financial Statements

Period from 11 January 2016 to 31 March 2016

1. Statement of compliance

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

2. Business review

Megalith Realty Limited is a company Limited by shares , incorporated in England & Wales on the 11 January 2016. The principle activity of the company during the year was that of seeking development and management opportunities for commercial and residential properties.

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.

Going concern

The directors have assessed the company's ability to continue to adopt the going concern basis of accounting. The directors of the company are of the opinion that the company will continue to receive the support of its parent company for at least another 12 month from the date of signing the accounts and therefore make it appropriate to prepare the financial statement on a going concern basis.

Financial instruments

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

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

Debt instruments are subsequently measured at amortised cost.

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

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

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

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

Megalith Realty Limited

Notes to the Financial Statements *(continued)*

Period from 11 January 2016 to 31 March 2016

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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

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

Defined contribution plans

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

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

4. Operating profit

Operating profit or loss is stated after charging:

| | Period from 11 Jan 16 to 31 Mar 16 £ |
|------------------------------------|---|
| Defined contribution plans expense | <u>1,407</u> |

5. Auditor's remuneration

| | Period from 11 Jan 16 to 31 Mar 16 £ |
|--|---|
| Fees payable for the audit of the financial statements | <u>1,500</u> |

Megalith Realty Limited

Notes to the Financial Statements *(continued)*

Period from 11 January 2016 to 31 March 2016

6. Tax on loss on ordinary activities

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 20%.

| | Period from 11 Jan 16 to 31 Mar 16 £ |
|---|---|
| Loss on ordinary activities before taxation | (45,074) |
| Loss on ordinary activities by rate of tax | (9,008) |
| Tax losses carried forward | 9,008 |
| Tax on loss on ordinary activities | — |

7. Creditors: amounts falling due within one year

| | 31 Mar 16 £ |
|------------------------------------|----------------|
| Trade creditors | 150 |
| Amounts owed to group undertakings | 35,106 |
| Social security and other taxes | 6,635 |
| Other creditors | 1,668 |
| Other creditors | 1,500 |
| | <u>45,059</u> |

8. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £1,407.

9. Financial instruments

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

| | 31 Mar 16 £ |
|---|-----------------|
| Financial liabilities | |
| Financial liabilities measured at fair value through profit or loss | <u>(45,059)</u> |

10. Called up share capital

Issued, called up and fully paid

| | 31 Mar 16 | |
|----------------------------|-----------|-----------|
| | No. | £ |
| Ordinary shares of £1 each | <u>15</u> | <u>15</u> |

Megalith Realty Limited

Notes to the Financial Statements *(continued)*

Period from 11 January 2016 to 31 March 2016

10. Called up share capital *(continued)*

During the year under review the Company issued 15 ordinary shares at the par value of £1 each.

11. Reserves

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

12. Related party transactions

There was no single controlling party at the balance sheet date.

The company has taken advantage of the exemption from reporting related party transactions between Megalith Realty Limited and other members of the C&C Alpha group of companies, conferred by FRS 102 section 33.1A, on the grounds that the company is a wholly owned subsidiary and the parent undertaking prepares consolidated financial statements which include the company.

13. Controlling party

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 Megalith Realty 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
Victoria
London
SW1P 2PN