

COMPANY REGISTRATION NUMBER 4687976

C&C HITECH HOLDINGS LIMITED
FINANCIAL STATEMENTS
31 MARCH 2011



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

C&C HITECH HOLDINGS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

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C&C HITECH HOLDINGS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

| | |
|-------------------------------|--|
| The board of directors | B Choudhrie C P Thomas P A N Krishna |
| Company secretary | S 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 | Barclays Bank Plc 2 Victoria Street London SW1H 0ND |

C&C HITECH HOLDINGS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2011

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2011.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of an investment company

DIRECTORS

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

B Choudhrie
C P Thomas
P A N Krishna

P A N Krishna was appointed as a director on 23 August 2010

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 period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

C&C HITECH HOLDINGS LIMITED

THE DIRECTORS' REPORT *(continued)*

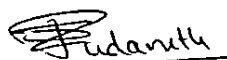
YEAR ENDED 31 MARCH 2011

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office
1 Vincent Square
London
SW1P 2PN

Signed by order of the directors



S PUDARUTH
Company Secretary

Approved by the directors on .. 22/12/2011

C&C HITECH HOLDINGS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
C&C HITECH HOLDINGS LIMITED
YEAR ENDED 31 MARCH 2011

We have audited the financial statements of C&C Hitech Holdings Limited for the year ended 31 March 2011. 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 (APB'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 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. 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 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

C&C HITECH HOLDINGS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
C&C HITECH HOLDINGS LIMITED *(continued)*
YEAR ENDED 31 MARCH 2011

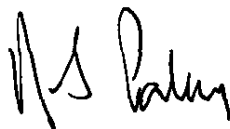
OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

1 Lumley Street
Mayfair
London
W1K 6TT

22/12/11

C&C HITECH HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2011

| | Note | 2011 £ | 2010 £ |
|--|------|---------------|---------------|
| TURNOVER | | — | — |
| Administrative expenses | | <u>15,319</u> | <u>6,457</u> |
| OPERATING LOSS | 3 | (15,319) | (6,457) |
| Interest receivable and similar income | | <u>32,573</u> | <u>31,951</u> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | <u>17,254</u> | <u>25,494</u> |
| Tax on profit on ordinary activities | 4 | — | — |
| PROFIT FOR THE FINANCIAL YEAR | | <u>17,254</u> | <u>25,494</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 9 to 14 form part of these financial statements.

C&C HITECH HOLDINGS LIMITED

BALANCE SHEET

31 MARCH 2011

| | Note | 2011 £ | 2010 £ |
|--|------|------------------|------------------|
| FIXED ASSETS | | | |
| Investments | 5 | <u>8,353,187</u> | <u>8,449,233</u> |
| CURRENT ASSETS | | | |
| Debtors | 6 | 5,390 | 5,569 |
| Cash at bank | | <u>3,247</u> | <u>4,465</u> |
| | | 8,637 | 10,034 |
| CREDITORS: Amounts falling due within one year | 7 | <u>3,254</u> | <u>2,753</u> |
| NET CURRENT ASSETS | | 5,383 | 7,281 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>8,358,570</u> | <u>8,456,514</u> |
| CREDITORS: Amounts falling due after more than one year | 8 | <u>7,909,842</u> | <u>8,085,270</u> |
| | | <u>448,728</u> | <u>371,244</u> |
| CAPITAL AND RESERVES | | | |
| Called-up equity share capital | 10 | 1,000 | 1,000 |
| Profit and loss account | 11 | <u>447,728</u> | <u>370,244</u> |
| SHAREHOLDERS' FUNDS | 12 | <u>448,728</u> | <u>371,244</u> |

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These financial statements were approved by the directors and authorised for issue on 22/12/2011, and are signed on their behalf by



C THOMAS

Company Registration Number 4687976

The notes on pages 9 to 14 form part of these financial statements.

C&C HITECH HOLDINGS LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2011

| | Note | 2011 £ | 2010 £ |
|--|------|-----------|-----------|
| NET CASH INFLOW FROM OPERATING ACTIVITIES | 13 | 119,968 | 284,693 |
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | 13 | 32,573 | 31,951 |
| CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT | 13 | 21,669 | (166,964) |
| CASH INFLOW BEFORE FINANCING | | 174,210 | 149,680 |
| FINANCING | 13 | (175,428) | (148,760) |
| (DECREASE)/INCREASE IN CASH | 13 | (1,218) | 920 |

The notes on pages 9 to 14 form part of these financial statements.

C&C HITECH HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

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

Foreign currencies

Foreign investments which are financed mainly by foreign borrowings are converted into sterling at the rates of exchange ruling at the balance sheet date. The gain or loss on the movement in the exchange rate is taken to a foreign equity reserve. Exchange gains or losses in respect of foreign borrowings are offset against the gains or losses arising from the foreign investments and recognised in the foreign equity reserve. Gains or losses on foreign borrowings in excess of the gains and losses on foreign investments are taken to the profit and loss account.

Other 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. These 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.

2. GOING CONCERN

The directors believe that the Company is a going concern which is dependent upon the long term success of its investments and despite the negative results of AMST, the Company's highest value investment, the directors are confident that ultimately AMST will be successful and have prepared the financial statements on a going concern basis. However, AMST's future success is dependent upon the fulfillment of a major Austrian contract and although this is a government client contract it is still uncertain especially as the government client failed to meet its first payment of the contract during the year. The directors of AMST have therefore taken counteractive measures to ensure that should the contract be unsuccessful, AMST will still be a going concern. C&C Hitech is therefore still dependent upon the continuing financial support of its shareholder, C&C Alpha Group Limited and other companies within the C&C Alpha Group.

3. OPERATING LOSS

Operating loss is stated after charging

| | 2011 £ | 2010 £ |
|--|--------------|--------------|
| Directors' remuneration | — | — |
| Loss on disposal of fixed assets | 8,303 | — |
| Net loss on foreign currency translation | 344 | 3,200 |
| Auditor's remuneration | <u>3,000</u> | <u>2,500</u> |

C&C HITECH HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

| | 2011 £ | 2010 £ |
|--|--------------|--------------|
| Auditor's remuneration - audit of the financial statements | <u>3,000</u> | <u>2,500</u> |

4. TAXATION ON ORDINARY ACTIVITIES

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2010 - 28%)

| | 2011 £ | 2010 £ |
|---|----------------|----------------|
| Profit on ordinary activities before taxation | <u>17,254</u> | <u>25,494</u> |
| Profit on ordinary activities by rate of tax | 4,831 | 7,138 |
| Expenses not deductible for tax purposes | - | (280) |
| Tax Losses carried forward | <u>(4,831)</u> | <u>(6,858)</u> |
| Total current tax | <u>-</u> | <u>-</u> |

5. INVESTMENTS

| | Shares in participating interest £ | Quoted and unquoted shares £ | Total £ |
|----------------------------|---|---------------------------------------|------------------|
| COST | | | |
| At 1 April 2010 | 2,397,567 | 632,094 | 3,029,661 |
| Disposals | - | (62,421) | (62,421) |
| At 31 March 2011 | <u>2,397,567</u> | <u>569,673</u> | <u>2,967,240</u> |
| AMOUNTS WRITTEN OFF | | | |
| At 1 April 2010 | (230,021) | 569,672 | 339,651 |
| Written off in year | 20,701 | 1 | 20,702 |
| At 31 March 2011 | <u>(209,320)</u> | <u>569,673</u> | <u>360,353</u> |
| LOANS | | | |
| At 1 April 2010 | 5,759,223 | - | 5,759,223 |
| Advanced in year | 32,449 | - | 32,449 |
| Write-down in year | (45,372) | - | (45,372) |
| At 31 March 2011 | <u>5,746,300</u> | <u>-</u> | <u>5,746,300</u> |
| NET BOOK VALUE | | | |
| At 31 March 2011 | <u>8,353,187</u> | <u>-</u> | <u>8,353,187</u> |
| At 31 March 2010 | <u>8,386,811</u> | <u>62,422</u> | <u>8,449,233</u> |

C&C HITECH HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

5. INVESTMENTS *(continued)*

Participating interests

The company owns 50% of the issued share capital of AMST Holdings GmbH, a company registered in Austria.

| | 2011 £ | 2010 £ |
|---------------------------------------|-----------|-----------|
| Aggregate capital and reserves | | |
| AMST Holdings GmbH | 2,706,591 | 2,701,427 |
| Profit and (loss) for the year | | |
| AMST Holdings GmbH | 15,208 | (21,514) |

The figures shown for AMST Holdings GmbH are taken from their accounts drawn up to 31 December 2010. They are denominated in Sterling, having been converted from Euros at 1.1297 (2010 at 1.0272).

The loan to AMST has been made on a long term basis and part of the loan due to C&C Hitech Holdings Limited from AMST has been presented in the accounts of AMST as equity.

The directors have considered the carrying value of the AMST investment and do not believe that any impairment provision is necessary on the basis laid out in the going concern paragraph, Note 2 of the Notes to the Financial Statements.

6. DEBTORS

| | 2011 £ | 2010 £ |
|---------------|--------------|--------------|
| Other debtors | <u>5,390</u> | <u>5,569</u> |

7. CREDITORS: Amounts falling due within one year

| | 2011 £ | 2010 £ |
|-----------------|--------------|--------------|
| Trade creditors | 254 | 253 |
| Other creditors | <u>3,000</u> | <u>2,500</u> |
| | <u>3,254</u> | <u>2,753</u> |

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

| | 2011 £ | 2010 £ |
|------------------------------------|------------------|------------------|
| Amounts owed to group undertakings | <u>7,909,842</u> | <u>8,085,270</u> |

C&C HITECH HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

9. RELATED PARTY TRANSACTIONS

During the year under review, C&C Hitech Holdings Limited charged interest of £32,449 (£31,685-2010) on a loan to AMST-Systemtechnik GmbH. AMST-Systemtechnik is a wholly owned subsidiary of AMST Holdings GmbH, a company in which C&C Hitech Holdings own 50% of the issued share capital.

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 C&C Hitech Holdings 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.

10. SHARE CAPITAL

Authorised share capital:

| | 2011 £ | 2010 £ |
|--------------------------------------|------------------|------------------|
| 1,000,000 Ordinary shares of £1 each | <u>1,000,000</u> | <u>1,000,000</u> |

Allotted, called up and fully paid:

| | 2011 No <u>1,000</u> | £ <u>1,000</u> | 2010 No <u>1,000</u> | £ <u>1,000</u> |
|----------------------------------|----------------------------|-------------------|----------------------------|-------------------|
| 1,000 Ordinary shares of £1 each | | | | |

11. PROFIT AND LOSS ACCOUNT

| | 2011 £ | 2010 £ |
|--------------------------------|----------------|----------------|
| Balance brought forward | 370,244 | 344,750 |
| Profit for the financial year | 17,254 | 25,494 |
| Foreign currency retranslation | 60,230 | — |
| Balance carried forward | <u>447,728</u> | <u>370,244</u> |

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2011 £ | 2010 £ |
|---|----------------|----------------|
| Profit for the financial year | 17,254 | 25,494 |
| Amortisation of issue expenses on non-equity shares | 60,230 | — |
| Net addition to shareholders' funds | 77,484 | 25,494 |
| Opening shareholders' funds | 371,244 | 345,750 |
| Closing shareholders' funds | <u>448,728</u> | <u>371,244</u> |

C&C HITECH HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

13. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

| | 2011 | 2010 |
|--|-----------------------|-----------------------|
| | £ | £ |
| Operating loss | (15,319) | (6,457) |
| Loss on disposal of fixed assets | 8,303 | – |
| Decrease in debtors | 179 | 181 |
| Increase/(decrease) in creditors | 501 | (995) |
| Other adjustments to reconciliation of operating profit to net cash in/outflow to operating activities 1 | 126,304 | 291,964 |
| Net cash inflow from operating activities | <u>119,968</u> | <u>284,693</u> |

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

| | 2011 | 2010 |
|--|----------------------|----------------------|
| | £ | £ |
| Interest received | 32,573 | 31,951 |
| Net cash inflow from returns on investments and servicing of finance | <u>32,573</u> | <u>31,951</u> |

CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

| | 2011 | 2010 |
|--|----------------------|-------------------------|
| | £ | £ |
| Receipts from sale of fixed assets | (8,303) | – |
| Disposal of fixed asset investments | 62,421 | 100 |
| Loans to participating interests | (32,449) | (167,064) |
| Net cash inflow/(outflow) for capital expenditure and financial investment | <u>21,669</u> | <u>(166,964)</u> |

FINANCING

| | 2011 | 2010 |
|---|-------------------------|-------------------------|
| | £ | £ |
| Repayment of long-term amounts owed to group undertakings | (175,428) | (148,760) |
| Net cash outflow from financing | <u>(175,428)</u> | <u>(148,760)</u> |

C&C HITECH HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

13. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

| | 2011 | | 2010 |
|--|----------------|--------------------|--------------------|
| | £ | £ | £ |
| (Decrease)/increase in cash in the period | (1,218) | | 920 |
| Net cash outflow from long-term amounts owed to group undertakings | <u>175,428</u> | | <u>148,760</u> |
| | | <u>174,210</u> | <u>149,680</u> |
| Change in net debt | | <u>174,210</u> | <u>149,680</u> |
| Net debt at 1 April 2010 | | <u>(8,080,805)</u> | <u>(8,230,485)</u> |
| Net debt at 31 March 2011 | | <u>(7,906,595)</u> | <u>(8,080,805)</u> |

ANALYSIS OF CHANGES IN NET DEBT

| | At 1 Apr 2010 | Cash flows | At 31 Mar 2011 |
|--------------------------|--------------------|----------------|--------------------|
| | £ | £ | £ |
| Net cash | | | |
| Cash in hand and at bank | <u>4,465</u> | <u>(1,218)</u> | <u>3,247</u> |
| Debt | | | |
| Debt due after 1 year | <u>(8,085,270)</u> | <u>175,428</u> | <u>(7,909,842)</u> |
| Net debt | <u>(8,080,805)</u> | <u>174,210</u> | <u>(7,906,595)</u> |

14. 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 C&C Hitech Holdings 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

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London
SW1P 2PN