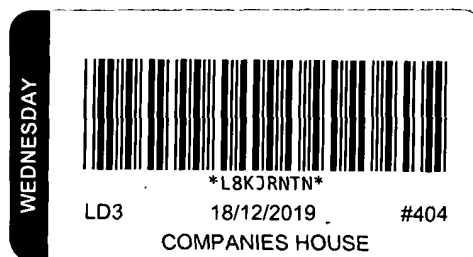


COMPANY REGISTRATION NUMBER: 5659212

Alpha Utilities Holdings Limited
Financial Statements
31 March 2019



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

Alpha Utilities Holdings Limited

Financial Statements

Year ended 31 March 2019

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Alpha Utilities Holdings Limited

Officers and Professional Advisers

The board of directors

S Kapur
B Choudhrie
D Choudhrie
C P Thomas

Company secretary

S Pudaruth

Registered office

23 Buckingham Gate
London
SW1E 6LB

Auditor

Slaven Jeffcoté 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

Alpha Utilities Holdings Limited

Directors' Report

Year ended 31 March 2019

The directors present their report and the financial statements of the company for the year ended 31 March 2019.

Directors

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

S Kapur
B Choudhrie
D Choudhrie
C P Thomas

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 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.

The directors are responsible for maintenance and integrity of corporate and financial information included on the company's website.

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.

Alpha Utilities Holdings Limited

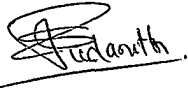
Directors' Report *(continued)*

Year ended 31 March 2019

Small company provisions

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

This report was approved by the board of directors on 2/12/2019 and signed on behalf of the board by:



S Pudaruth
Company Secretary

Registered office:
23 Buckingham Gate
London
SW1E 6LB

Alpha Utilities Holdings Limited

Independent Auditor's Report to the Members of Alpha Utilities Holdings Limited

Year ended 31 March 2019

Opinion

We have audited the financial statements of Alpha Utilities Holdings Limited (the 'company') for the year ended 31 March 2019 which comprise the statement of income and retained earnings, statement of financial position 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).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit 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 company 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Alpha Utilities Holdings Limited

Independent Auditor's Report to the Members of Alpha Utilities Holdings Limited *(continued)*

Year ended 31 March 2019

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.

Opinions 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. 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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 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 company or to cease operations, or have no realistic alternative but to do so.

Alpha Utilities Holdings Limited

Independent Auditor's Report to the Members of Alpha Utilities Holdings Limited *(continued)*

Year ended 31 March 2019

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 auditor's 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 financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Alpha Utilities Holdings Limited

Independent Auditor's Report to the Members of Alpha Utilities Holdings Limited *(continued)*

Year ended 31 March 2019

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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

13/12/2019

Alpha Utilities Holdings Limited
Statement of Income and Retained Earnings
Year ended 31 March 2019

	Note	2019 £	2018 £
Administrative expenses		(410,497)	555,168
Operating profit/(loss)		410,497	(555,168)
Other interest receivable and similar income		115,886	94,130
Profit/(loss) before taxation		526,383	(461,038)
Tax on profit/(loss)	7	-	-
Profit/(loss) for the financial year and total comprehensive income		<u>526,383</u>	<u>(461,038)</u>
Retained earnings at the start of the year		3,249,446	3,710,484
Retained earnings at the end of the year		<u>3,775,829</u>	<u>3,249,446</u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 14 form part of these financial statements.

Alpha Utilities Holdings Limited

Statement of Financial Position

31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	8	7,082,351	5,491,251
Current assets			
Cash at bank and in hand		3,453	29,524
Creditors: amounts falling due within one year	9	<u>3,309,973</u>	<u>2,271,327</u>
Net current liabilities		<u>3,306,520</u>	<u>2,241,803</u>
Total assets less current liabilities		<u>3,775,831</u>	<u>3,249,448</u>
Net assets		<u>3,775,831</u>	<u>3,249,448</u>
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account		<u>3,775,829</u>	<u>3,249,446</u>
Shareholders funds		<u>3,775,831</u>	<u>3,249,448</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 21/03/2019, and are signed on behalf of the board by:



B Choudhrie
Director

Company registration number: 5659212

The notes on pages 10 to 14 form part of these financial statements.

Alpha Utilities Holdings Limited

Notes to the Financial Statements

Year ended 31 March 2019

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 Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Business review

Alpha Utilities Holdings Limited is a company limited by shares, incorporated in England & Wales. The principal activity of the company during the year was that of an investment company having made its first investment in a utility company based in the Middle East.

A wholly owned subsidiary of the company (Alpha Utilities FZE) owns and operates a Reverse Osmosis Desalination plant which generates 1 million gallons of desalinated water and 0.25 million gallons of specialised water per day with exclusive rights (which does not restrict local water authorities) to supply desalinated water to the Hamriyah Free Zone Authority.

A wholly owned subsidiary of the company (Alpha Utilities Projects FZE) entered into a Build, Operate and Transfer agreement for 20 years with Sharjah Water & Electricity Authority Kalba. The company is expected to generate 2.2 million gallons of desalinated water per day, under the terms of the agreement the local water authority will purchase 2 million gallons of desalinated water per day. The construction work is in progress and is scheduled to complete early January 2020 with production due to start in March 2020.

The company is also looking for further opportunities in investing in water desalination and waste water treatment in the Middle East.

4. Accounting policies

Basis of preparation

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

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

Going concern

The directors have assessed the company's ability to continue to adopt the going concern basis of accounting. The directors of the company are of the opinion that the company's subsidiaries will continue to generate sufficient income for at least another 12 months from the date of signing the financial statements and therefore make it appropriate to prepare the financial statements on a going concern basis.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Alpha Utilities Holdings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

4. Accounting policies *(continued)* 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.

Corporation 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.

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.

Investments

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

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.

Alpha Utilities Holdings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

4. Accounting policies *(continued)* Financial instruments

Basic financial assets, which include debtors cash and bank balances and creditors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

5. Auditor's remuneration

	2019 £	2018 £
Fees payable for the audit of the financial statements	<u>4,200</u>	<u>3,000</u>

6. Other interest receivable and similar income

During the year under review the company charged interest of £115,886 (2018: £94,180) to its subsidiary undertaking (Alpha Utilities FZE).

7. Tax on profit/(loss) Reconciliation of tax income

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than (2018: higher than) the standard rate of corporation tax in the UK of 19% (2018: 19%).

	2019 £	2018 £
Profit/(loss) on ordinary activities before taxation	<u>526,383</u>	<u>(461,038)</u>
Profit/(loss) on ordinary activities by rate of tax	100,013	(87,597)
Effect of expenses not deductible for tax purposes	–	102,913
Effect of revenue exempt from tax	<u>(102,755)</u>	<u>(17,885)</u>
Utilisation of tax losses	2,742	–
Unused tax losses	–	2,569
Tax on profit/(loss)	<u>–</u>	<u>–</u>

8. Investments

	Shares in group undertakings £	Loans to group undertakings £	Total £
Cost			
At 1 April 2018	40,997	5,450,254	5,491,251
Additions	–	1,166,172	1,166,172
Foreign exchange adjustment	–	424,928	424,928
At 31 March 2019	<u>40,997</u>	<u>7,041,354</u>	<u>7,082,351</u>
Impairment			
At 1 April 2018 and 31 March 2019	<u>–</u>	<u>–</u>	<u>–</u>

Alpha Utilities Holdings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

8. Investments *(continued)*

	Shares in group undertakings £	Loans to group undertakings £	Total £
Carrying amount			
At 31 March 2019	40,997	7,041,354	7,082,351
At 31 March 2018	<u>40,997</u>	<u>5,450,254</u>	<u>5,491,251</u>

Subsidiaries, associates and other investments

	Class of share	Percentage of shares held
Subsidiary undertakings		
Alpha Utilities FZE	Ordinary	100
Alpha Utilities Projects FZE	Ordinary	100

The results and capital and reserves for the year are as follows:

	Capital and reserves		Profit/(loss) for the year	
	2019	2018	2019	2018
	£	£	£	£
Subsidiary undertakings				
Alpha Utilities FZE	370,076	362,171	(13,080)	44,076
Alpha Utilities Projects FZE	<u>(60,500)</u>	<u>2,559</u>	<u>(63,128)</u>	<u>(16,875)</u>

9. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	1,023	3,961
Amounts owed to group undertakings	3,294,987	2,235,382
Other creditors	13,963	31,984
	<u>3,309,973</u>	<u>2,271,327</u>

Amounts owed to group undertakings comprise entirely of a loan of £3,294,987 (2018-£2,235,382) from the parent undertaking.

10. Called up share capital Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

Alpha Utilities Holdings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

11. Related party transactions

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

The company has taken advantage of the exemption from reporting related party transactions between Alpha Utilities Holdings Limited and other members of the C&C Alpha Group of companies, conferred by FRS 102 section 33, on the grounds that the company is a wholly owned subsidiary and the parent undertaking prepares consolidated financial statements which include the company.

12. Controlling party

The company's ultimate parent undertaking at the balance sheet date was 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 Alpha Utilities Holdings Limited are drawn up is C&C Alpha Group Limited, a company registered in England and Wales. Copies of the consolidated financial statements are available from Companies House or from the registered office:

23 Buckingham Gate
London
SW1E 6LB