Group Financial Summary

Summary of group results	**2015 £'000s**	**2014 £'000s**	**2013 £'000s**	**2012 £'000s**
Revenue from continuing operations	4,997	4,381	5,313	4,339
Gross profit from continuing operations	1,162	1,196	1,410	1,196
Gross profit margin	23.6%	27.3%	26.5%	27.6%
Operating profit/(loss) from continuing operations, before exceptional items, investment activities and depreciation	(75)	13	320	64
Profit on sale of property	8,161	-	-	9,625
Profit/(loss) before tax and minority interests	6,877	(1,408)	(197)	8,907
Profit/(loss) from continuing operations after tax	5,838	(1,401)	(210)	7,700
Earnings/(loss) per share from continuing operations	76.74p	(18.41p)	(2.76p)	93.99p
Earnings/(loss) per share from total operations	76.74p	(18.41p)	(2.76p)	93.99p

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Chairman's Statement

Your Company in the year under review made a profit after tax of £5.8million (2014: loss £1.4million). The profit is mainly attributable to the completion in March 2015 of the second and final part of the St George's Bay Hotel sale in Malta.

The Group has also seen a recovery in the traditional engineering division and our investment activities in the global markets, however, the main focus of the Group is to purchase, develop and operate property to provide high end accommodation, serviced office and retail space. In March 2015, the Company completed the purchase of a further property in Malta that will continue to meet those criteria going forward.

Results

Revenues over the period have increased by 14% to reach £4.9 million. However, the gross profits have reduced due to increased cost of sales predominantly caused by the severance and redundancy costs of closing the operation in Malta, as well as a substantial increase in Tanzania of the depreciation within the cost of sales. The increase has occurred following the completion of the Phase III development which houses The Oyster Bay Suites, serviced offices, a bank and a premium restaurant. Excluding depreciation, administration costs for the year have decreased.

The overall earning per share was 76.74p (2014: loss 18.4p).

Africa

Revenue derived from our business in Tanzania was £3,173,552, (2014: £2,582,661) representing approximately 64.4% of total Group revenue. The completion of Phase III and the resulting revenue streams should have a greater impact on turnover in 2015/16 as will revenue from The Oyster Bay Suites which were officially opened in April 2015 and where occupancy has been increasing steadily on a monthly basis.

As previously stated in interim results, sales in the Tanzanian hospitality division have been badly affected by numerous factors including the Ebola outbreak in West Africa which has blighted certain parts of Africa. Sales and forward bookings for the coming season have also decreased due to elections in Tanzania and the UK, the currency markets, negative press on elephant poaching and terrorism in neighbouring Kenya.

The Board believe this is part of an African cycle and will affect trading in the short term. Our hospitality sales are now only 19% (2014: 22%) of the Tanzanian revenues and we are hopeful that with The Oyster Bay Suites there will be a recovery next year in Tanzania where the Board anticipate further growth in the serviced commercial and retail property market.

The sale of Mikumi Wildlife Camp has not yet been finalised and we continue to press the purchaser to complete on the final part of the sale. We are still awaiting the final payment to be made before we can progress the sale further and we are discussing with the potential purchaser means to quicken the already delayed process.

Corporate Social Responsibility

This year together with READ International and the Hassan Maajar Trust, we have continued with our programme to renovate primary and secondary school classrooms and create school libraries at schools in the local areas close to where we have operations.

At Kimbiji primary school, 45 kms south of Dar es Salaam we have now renovated seven class rooms and provided desks and chairs for the children and teachers.

At the Kisaki secondary school which is the major town on the northern boundary of the Selous Game Reserve we have renovated a class room, which we then converted into a new school library and supplied English and Swahili educational books and materials.

In Dar-es-salaam we continue to support the TLM Trust and the children's cancer oncology ward at the Muhimbili University hospital.

Malta

As previously announced, the second part of the of the St George's Bay Hotel assets sale has now been completed and the Company's hotel operation has now ceased in Malta. However, we continue to look at other properties on the island and the purchase of 16-18 Charles Street in Valletta has been completed. At the Charles Street property we intend to operate a small boutique hotel and we have already applied for an amendment to the granted planning consent having received the Malta Tourism Authority clearance for a boutique hotel.

The Board is hopeful that given the proposed government upgrade to the surrounding area in Valletta, Charles Street will add to both the revenue and profitability of the Group within the next couple of years when planning and construction is complete. The Board is also evaluating further acquisition and development opportunities in Valletta which, has recently been confirmed as the EU Capital of Culture 2018.

Industrial

Revenue derived from our engineering division in the United Kingdom increased to £1,388,891 (2014: £1,309,556). The operating loss was reduced to £74,819 (2014: loss £274,033). Since March this year, there has been a growth in sales and profitability which is encouraging although the industrial sector in South Wales remains challenging. We are cautiously optimistic that this growth and profitability will continue throughout this financial year.

Principal objectives and strategy

Your Company's principal objective is to achieve profitability from the existing asset base to allow further investment when opportunities arise and provide a return on investment to shareholders or increase the value of the investment to shareholders. We intend to do this through growth, by purchasing, developing, operating and trading in property in the existing geographical areas in which we operate or new areas where we have knowledge and associations with. It is envisaged that the properties will not be specifically targeted but we will focus on the hospitality, leisure, residential, retail and commercial sectors for development and operating opportunities.

Further development of business.

As reported in the Company's interim statement, we feel that the strategies put in place to diversify our revenue streams are beginning to bear fruit. We will continue to look at further projects in Africa and Europe, including the beach front property of Kimbiji, which is 45 minutes from Dar es Salaam and for which we are now reviewing several possible development concepts. There are also further opportunities in Malta, previously mentioned above.

Board and senior management matters

Mrs S A Bailey has decided not to stand for re-election as a director. Mrs Bailey has been a very valuable ambassador for the company for over 60 years and has made many contacts during her time as a director and the Board would like to thank her for her significant contribution and wish her all the very best for the future.

Mr Rod Reynolds will also be leaving the Company as a Director in September due to his business and other personal commitments and interests overseas. His input, tenacity and focused approach has been invaluable and this has helped the Company re-focus and develop a core business from within the Group.

As announced earlier today, the Board appointed Mr David Wilkinson as a director of the Company. As David was appointed pursuant to Article 22.2 of the Articles of Association, he holds office until the AGM at which time, he retires and will stand for re-election. The intention is that, with effect from the end of the AGM and subject to David being re-elected, I will stand down as chairman and David will become the non-executive chairman of the Company and I will move across to a chief executive role.

David has been with Ernst & Young (E&Y) for over 35 years and a partner for the last 24 years. He has been based in London and Bristol and was responsible for creating the E&Y entrepreneur of the year awards and specialised in helping companies grow and carry out corporate transactions, including acquisitions and floatations.

Dividend

Based on the results, the Board recommends the payment of a special dividend for the year of 20 pence (2014: nil). This dividend reflects a return on the profit on the sale of the property in Malta. The Board intends to reinvest the remainder of the sale proceeds into new and existing property development opportunities. As previously mentioned we hope to now create consistent trading profits so that we can offer our shareholders a return via an increase in share price or, subject to profitability, a dividend payment.

Subject to approval by shareholders at the Annual General Meeting to be held on 8 September 2015, the final dividend will be paid on 16 November 2015. The ex-div date is 22 October 2015 and the record date is 23 October 2015.

People

As always, the success of any Group is down to the hard work and dedication of the people employed. I take this opportunity to thank the team on the Board’s behalf for all of their collective efforts over the last year.

Outlook

The Group continues to face a number of challenges. The Board will seek to strengthen the management team while we consider investing in our existing asset base as well as potential new investments. We are also confident in our strategy of achieving and maintaining profitability and the Board believes the Company is well positioned to grow in the future.

Charles Bailey
31 July 2015

Director's Report

The directors submit their report and accounts for the year ended 31 March 2015. The Statement of Corporate Governance on pages 8 to 10 forms part of this report.

Principal activities

C.H. Bailey plc has investments and is the holding company of subsidiary undertakings engaged in many different activities including the operation of hotels and engineering. The profit on these various activities which is attributable to the shareholders amounted to £5,837,901 (2014: loss £1,400,848).

A review of the group's business, development and prospects can be found in the chairman's statement on pages 2 to 4.

Dividend

The directors propose to pay a final dividend in respect of the year ended 31 March 2015 of 20 pence per ordinary share (2014: £Nil).

Change in fixed assets

A summary of the changes in property, plant and equipment is given in note 13 to the accounts.

A summary of the changes in investments in subsidiary undertakings is given in note 14 to the accounts.

In the directors' opinion, the market value of assets reclassified as held for sale net of sale costs is £333,000 and leasehold land and buildings is in excess of £23,000,000. Adjusting the balance sheet at 31 March 2015 for these estimated values would equate to an estimated net asset value of £3.90 per ordinary share (2014: £3.71 per ordinary share).

Investment in own shares

On 20th January 2012, the ordinary shares of 10 pence were converted into and re-designated as consolidated shares of £500 each at a ratio of 5,000 ordinary shares to one consolidated share. Each consolidated share was then subdivided into new ordinary shares of 10 pence each at a rate of 5,000 new ordinary shares per consolidated share. Under the terms of the contract, the company purchased the fractions of the consolidated shares arising.

These shares were purchased under the general authority granted at the extraordinary general meeting held on 20th January 2012 under which the company was unconditionally authorised to purchase the fractions arising on the capital reorganisation at any time before the expiry of eighteen months from the date of the resolution. Under this resolution, the company is authorised but not required to hold any such shares as treasury shares. The company purchased and retains as treasury shares 727,658 ordinary shares of 10 pence at a cost of £960,509.

Directors

The board of directors on 31 March 2015 consisted of Charles Bailey, Mrs Sarah Bailey, Sir William McAlpine and Rod Reynolds. The director retiring by rotation and not offering herself for re-election is Mrs Sarah Bailey. No director had, in the financial year to 31 March 2015, a material interest in any contract to which the company or a subsidiary undertaking was a party.

Charles Bailey is the only executive director. The non-executive directors are Mrs Sarah Bailey, Sir William McAlpine and Rod Reynolds.

Directors

The directors had the following interests in the company's issued ordinary share capital:

	31 July 2015	31 March 2015	31 March 2014
Charles Bailey	5,277,686	5,277,686	5,277,686
Mrs Sarah Bailey	214,378	214,378	214,378
Sir William McAlpine, Bt.	28,000	28,000	28,000
Rod Reynolds	115,000	115,000	100,000

Substantial shareholdings

The company has been notified of the following interest in the company's issued ordinary share capital:

	31 July 2015	31 March 2015	31 March 2014
P. S. Allen	412,169	412,169	412,169
D. Newlands	229,000	229,000	229,000

Charitable and political contributions

During the year the group made a contribution of £25,559 (2014: £15,972) to charitable funds in Tanzania. No donations of a political nature were made (2014: £Nil).

Employees

The group is an equal opportunities employer. The group also makes every reasonable effort to give disabled applicants and existing employees, who became disabled, equal opportunities for work having regard to their individual aptitudes and abilities.

Employee reporting and involvement

The group recognises the need to ensure effective communication with employees to encourage involvement in the group's performance. Policies and procedures have been developed to achieve a common awareness of factors affecting the performance of the group.

Suppliers

The group agrees payment terms with suppliers prior to placing business. The group seeks to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has supplied the goods or services in accordance with the agreed terms and conditions.

Health, safety, the environment and social policy

It is the group's policy to comply with relevant legislation in all countries in which it operates and to adopt responsible environmental and social practices. Training is provided to ensure that the group keeps abreast of changing business and regulatory requirements and technological advances.

Risk management

The group's principal risks are as follows:

Going concern

The board remains satisfied with the group's funding and liquidity position. The group has operated within its current bank facility both throughout the period under review and subsequently.

The group's forecasts and projections indicate that the group should continue to operate within current bank facilities. The board considers that the group has considerable financial resources together with a diverse base of operations across different geographical areas and industries. As a consequence, the board believes that the group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the board has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing this Annual Report & Financial Statements.

Strategic risk
The group faces a number of strategic risks. Management has developed long term business plans to manage the impact of these risks to ensure that the group delivers a satisfactory performance in future years. The main strategic risks faced by the business are:

- Competition: In order to remain competitive management recognises the need to make appropriate capital investments;
- Profit margin: In order to improve the margins management recognise the need to reduce fixed costs where appropriate and link them to a sustainable level of turnover.

Financial risks
There has been no change during the year, or since the year end, to the type of financial risks faced by the group or the group's management of those risks. The key risks, which are discussed in more detail in note 30 to the consolidated financial statements, are:

- Credit risk;
- Liquidity risk;
- Interest rate risk;
- Currency risk.

Close company
In the opinion of the directors the company is, at the accounting date and the date of this report, a close company within the terms of the Income and Corporation Taxes Act 1988.

Auditors
In the case of each of the persons who are the directors of the company at the date when this report was approved:

- So far as each director is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware;
- Each director has taken all the steps that ought to be taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Haasco Limited is willing to continue in office and a resolution for their re-appointment will be proposed at the annual general meeting.

By order of the board
Bryan Warren
Secretary

Newport
South Wales
31 July 2015

Statement of Corporate Governance

The board

At 31 July 2015, the board comprised one executive director: Charles Bailey (chairman and managing director), and three non-executives: Mrs Sarah Bailey, Sir William McAlpine and Rod Reynolds, who is the senior independent non-executive director.

The board of directors is responsible to shareholders for the management and control of the group. The board operates within agreed matters reserved for its approval, which cover the key areas of the group's affairs, including all aspects of strategy, material property acquisitions, disposals and group financing arrangements.

Board meetings are held periodically during the year and each board member is provided in advance of the meeting with a board pack for each meeting which contains financial and operational information. The board is responsible for agreeing the major matters affecting the running of the business, as well as monitoring and reviewing performance and operating risks.

Year ended 31 March 2015	**Meeting type**		
Member	**Board**	**Audit & Risk Committee**	**Remuneration Committee**
Charles Bailey	4/4	-	2/2
Rod Reynolds	4/4	2/2	2/2
Mrs Sarah Bailey	3/4	-	-
Sir William McAlpine	4/4	2/2	2/2
Bryan Warren	-	1/1	-

As of 31 July 2015, the board has two subcommittees: the Audit & Risk Committee and the Remuneration Committee. Rod Reynolds is chairman of the Audit & Risk Committee, and has relevant financial experience as suggested by Provision C.3.1 of the UK Corporate Governance Code. Rod Reynolds (senior independent non-executive director) is chairman of the Remuneration Committee. Written Terms of Reference for each Committee have been agreed.

Audit & Risk Committee

The Audit & Risk Committee comprises Rod Reynolds, Sir William McAlpine and Bryan Warren who was appointed on 9 September 2014. The committee is tasked to meet at least twice a year, in respect of the following:

Audit and the auditors

- to assess annually the qualification, expertise and resources, and independence of the external auditor, taking account of relevant Ethical Standards, and to ensure that the Auditor's key partners are rotated at appropriate intervals;
- to assess annually the effectiveness of the audit process;
- to review with management the audit fee and to ensure that the provision of non audit services does not impair the external auditor's independence or objectivity;
- to develop and implement a policy on the supply of non audit services by the external auditor;
- to discuss with the external auditor, before the audit commences, the nature and scope of the audit and to review the auditor's quality control procedures and steps taken by the auditor to respond to changes in regulatory and other requirements;

- to make appropriate recommendations to the board, if considered necessary, regarding the continuation of the external auditor, to oversee the selection process for new auditors and, if an auditor resigns, to investigate the issues leading to this and decide whether any action is required;
- to consider the need to include the risk of withdrawal of the external auditor from the market in the committee's risk assessment process;
- to review the external auditor's management letter and management's response;

Risk and internal controls

- to review the effectiveness of the group's internal control and risk management framework, in relation to the core strategic objectives of the company;
- to consider the risks associated with proposed strategic acquisitions or disposals;
- to review regular risk management reports from management which enable the Committee to assess the risks involved in the company's business and how they are controlled and monitored by management;
- to monitor and review the effectiveness of the risk management and internal audit functions, to review the internal audit programme, and to seek such assurance as it may deem appropriate that the functions are adequately resourced and have appropriate standing within the group; and
- to consider management's response to any recommendations made by the external auditor or internal audit and review with internal audit and the external auditor any fraudulent or illegal acts, deficiencies in internal control or other similar issue, including reviewing the results of management's investigation and follow up of any fraudulent acts.

Annual financial statements

- to review, and challenge where necessary, the actions and judgements of management in relation to the annual financial statements, paying particular attention to:
- critical accounting policies and practices, and any changes in them;
- decisions requiring a major element of judgement;
- the extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed;
- the clarity of disclosures;
- significant adjustments resulting from the audit;
- the going concern assumption;
- compliance with accounting standards and related guidance;
- compliance with other legal requirements;
- to review treasury policies from time to time;
- to review the company's procedures for handling allegations from whistleblowers;
- to review mechanisms for informing and updating the board on independence issues, to receive reports on monitoring of independence and the handling of any issues relating to non compliance;
- to review tax compliance and tax planning initiatives of the company; and
- to perform other oversight functions, as requested by the board.

Remuneration Committee

The Remuneration committee comprises Rod Reynolds (Chairman), Sir William McAlpine and Charles Bailey. The Committee is tasked to meet at least twice a year, in respect of the following:

- to determine and agree with the board the framework or broad policy for the remuneration of the company's chief executive, chairman, the executive directors, the company secretary and such other members of the executive management as it is designated to consider. The remuneration of non-executive directors shall be a matter for the chairman and the executive members of the board. No director or manager shall be involved in any decisions as to their own remuneration;
- in determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive management of the company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the company;
- review the ongoing appropriateness and relevance of the remuneration;
- approve the design of, and determine targets for, any performance related pay schemes operated by the company and approve the total annual payments made under such schemes;
- review the design of all share incentive plans for approval by the board. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors and other senior executives and the performance targets to be used;
- determine the policy for, and scope of, pension arrangements for each executive director and other senior executives;
- ensure that contractual terms on termination, and any payments made, are fair to the individual, and the company;
- in determining such packages and arrangements, give due regard to any relevant legal requirements, the provisions and recommendations in the Combined Code and the UK Listing Authority's Listing Rules and associated guidance;
- review and note annually the remuneration trends across the company or group;
- oversee any major changes in employee benefits structures throughout the company or group;
- agree the policy for authorising claims for expenses from the chief executive and chairman;
- ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;
- be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- obtain reliable, current information about remuneration in other companies. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.

Statement on internal control

The directors are responsible for the system of internal control and for reviewing its effectiveness. This system is designed to manage as effectively as possible the risk of failure to achieve business objectives and can only provide reasonable rather than absolute assurance against material misstatement or loss.

Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the group and parent financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare group and parent company financial statements for each financial year.

As required by the AIM rules of London Stock Exchange, they are required to prepare the group financial statements in accordance with IFRSs as adopted by the European Union and applicable law, and have elected to prepare the parent company financial statements in accordance with IFRS.

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 group and parent company and of their profit or loss for that period. In preparing each of the group and parent company 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;
- For the group and parent company financial statements, state whether they have been prepared in accordance with IFRSs as adopted by the European Union;
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and the group and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions in which the group has undertakings.

Independent Auditor's Report

We have audited the group and individual company financial statements of C.H. Bailey plc for the year ended 31 March 2015 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated and parent company balance sheets, the consolidated cashflow statement, the consolidated and parent company statements of changes in equity and the related notes 1 to 34.

The financial reporting framework that has been applied in the preparation of the group and company financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 for anyone, other than the company or the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, 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 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 group's and 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.

Opinion on financial statements

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 2015 and of the group's profit for the year then ended;

- The financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and

- The financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.

Mr D.R. Thomas, FCA
Senior Statutory Auditor

HAASCO
Accountants, Auditors and Tax Advisors

Statutory Auditor
Haasco Limited
Newport
South Wales
31 July 2015

Consolidated Income Statement
for the year ended 31 March 2015

	Notes	2015	2014
		£	£
Continuing operations			
Revenue	**4**	4,927,562	4,380,696
Cost of sales		(3,765,741)	(3,184,605)
Gross profit		1,161,821	1,196,091
Profit on sale of property	**8 and 22**	8,160,535	-
Administrative expenses		(2,157,371)	(1,838,342)
Trading profit (loss)		7,164,985	(642,251)
Investment activities and other income	**5**	202,109	(469,412)
Operating profit (loss)		7,367,094	(1,111,663)
EBITDA*		126,775	(456,523)
Depreciation		(920,216)	(654,622)
(Loss) on sale of plant and equipment		-	(518)
Normalised operating (loss)		(793,441)	(1,111,663)
Profit on sale of property		8,160,535	-
Operating profit (loss)		7,367,094	(1,111,663)
Finance income	**6**	54,622	40,429
Finance costs	**7**	(544,423)	(337,172)
Profit (loss) before taxation	**8**	6,877,293	(1,408,406)
Taxation	**11**	(969,082)	5,676
Minority interest		(70,310)	1,882
Profit (loss) for the financial year		5,837,901	(1,400,848)
Earnings (loss) per share from continuing and total operations	**12**	76.74p	(18.41p)

***Earnings before interest, taxation, depreciation, profit on sale of plant and equipment and profit on sale of property.

Consolidated Statement of Comprehensive Total Income

for the year ended 31 March 2015

	Notes	2015 £	2014 £
Profit (loss) for the financial year		5,837,901	(1,400,848)
Items that may be reclassified to profit and loss:			
Exchange differences		(872,267)	(806,393)
Total comprehensive income (loss) for the year		4,965,634	(2,207,241)

Balance Sheets
as at 31 March 2015

	Notes	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Non-current assets					
Property, plant and equipment	**13**	12,653,515	12,080,207	140	378
Operating leases		39,455	115,166	-	-
Investments in subsidiary undertakings	**14**	-	-	1,487,644	1,976,619
Deferred tax asset	**15**	168,875	143,411	168,875	143,411
		12,861,845	12,338,784	1,656,659	2,120,408
Current assets					
Inventory	**16**	13,718	16,561	-	-
Trade and other receivables	**17**	2,422,699	1,933,659	5,348,394	2,555,371
Current asset investments	**18**	1,616,157	2,387,200	412,165	419,880
Cash and cash equivalents	**19**	7,653,913	2,928,007	1,611,247	994,337
		11,706,487	7,265,427	7,371,806	3,969,588
Assets classified as held for sale		211,635	2,338,960	-	-
		11,918,122	9,604,387	7,371,806	3,969,588
Current liabilities					
Trade and other payables	**20**	(2,290,396)	(3,027,994)	(559,049)	(774,815)
Bank loans and overdrafts	**21**	(2,331,959)	(1,670,059)	(323,379)	(250,520)
Other loans	**21**	-	(751,589)	-	-
Obligations under finance leases	**23**	(29,894)	(29,894)	-	-
Provisions	**24**	(250,000)	(250,000)	(250,000)	(250,000)
		(4,902,249)	(5,729,536)	(1,132,428)	(1,275,335)
Net current assets		7,015,873	3,874,851	6,239,378	2,694,253
Total assets less current liabilities		19,877,718	16,213,635	7,896,037	4,814,661
Non-current liabilities					
Trade and other payables	**22**	-	(330,464)	-	-
Bank loans	**21**	(4,355,893)	(4,957,732)	-	-
Obligations under finance leases	**23**	(2,234)	(32,128)	-	-
Deferred tax liabilities	**25**	-	(269,201)	-	-
Net assets		15,519,591	10,624,110	7,896,037	4,814,661
Equity					
Called-up share capital	**26**	833,541	833,541	833,541	833,541
Share premium account	**27**	609,690	609,690	609,690	609,690
Capital redemption reserve	**27**	5,163,332	5,163,332	5,163,332	5,163,332
Investment in own shares	**27**	(960,509)	(960,509)	(960,509)	(960,509)
Translation reserve	**27**	51,307	323,167	-	-
Retained earnings	**27**	9,820,860	4,583,366	2,249,983	(831,393)
Surplus attributable to the parent's shareholders		15,518,221	10,552,587	7,896,037	4,814,661
Minority interest	**27**	1,370	71,523	-	-
Total equity		15,519,591	10,624,110	7,896,037	4,814,661

These financial statements were approved by the board of directors on 31 July 2015 and were signed on its behalf by:
Charles Bailey
C*hairman*

Consolidated Cash Flow Statement
for the year ended 31 March 2015

	Notes	2015	2014
		£	£
Cash flows from operating activities			
Cash generated from operations	28	(274,599)	765,708
Interest paid		(544,423)	(337,172)
Overseas tax paid		(1,230,328)	(3,808)
Net cash flow from operating activities		(2,049,350)	424,728
Investing activities			
Sale of property, plant and equipment	22	9,728,109	1,749
Purchase of property, plant and equipment		(1,400,271)	(3,427,874)
Sale of investments		1,382,134	590,266
Purchase of investments		(556,429)	(596,159)
Interest received		54,622	40,429
Net cash flow from investing activities		9,208,165	(3,391,589)
Financing activities			
Equity dividends paid		-	(380,388)
Dividend to minority interest		(123,111)	-
Movement in bank loans		(1,211,716)	1,186,645
Movement in directors' loans		(849,556)	(83,337)
Movement in other loans		(751,589)	28,246
Movement in capital element of finance leases		(29,894)	(28,949)
Net cash flow from financing activities		(2,965,866)	722,217
Net increase (decrease) in cash and cash equivalents		4,192,949	(2,244,644)
Cash and cash equivalents at beginning of year	29	1,257,948	3,680,071
Exchange differences		(128,943)	(177,479)
Cash and cash equivalents at end of year	29	5,321,954	1,257,948

	Notes	2015	2014
Reconciliation of net cash flow to movement in net funds (debt) in the year			
Net increase (decrease) in cash and cash equivalents		4,192,949	(2,244,644)
Net cashflow from the movement in debt		1,993,199	(1,185,942)
Movement in net funds (debt) during the year		6,186,148	(3,430,586)
Net (debt) at the beginning of the year		(4,513,395)	(1,269,254)
Exchange differences		(738,820)	186,445
Net funds (debt) at the end of the year	29	933,933	(4,513,395)

Consolidated Statement of Changes in Equity
for the year ended 31 March 2015

	Called-up share capital	Share premium account	Capital redemption reserve	Investment in own shares	Translation reserve	Retained earnings	Minority interest	Total
	£	£	£	£	£	£	£	£
Group								
At 31st March 2013	833,541	609,690	5,163,332	(960,509)	800,063	6,694,099	76,842	13,217,058
Transactions with owners recorded directly in equity								
Equity dividends paid	-	-	-	-	-	(380,388)	-	(380,388)
Income statement								
Transfer	-	-	-	-	(386,758)	386,758	-	-
(Loss) for the financial year	-	-	-	-		(1,400,848)	(1,882)	(1,402,730)
Items that may be reclassified to profit and loss								
Exchange differences	-	-	-	-	(90,138)	(716,255)	(3,437)	(809,830)
At 31st March 2014	833,541	609,690	5,163,332	(960,509)	323,167	4,583,366	71,523	10,624,110
Transactions with owners recorded directly in equity								
Dividend to minority interest	-	-	-	-	-	-	(123,111)	(123,111)
Income statement								
Profit for the financial year	-	-	-	-	-	5,837,901	70,310	5,908,211
Items that may be reclassified to profit and loss								
Exchange differences	-	-	-	-	(271,860)	(600,407)	(17,352)	(889,619)
At 31st March 2015	833,541	609,690	5,163,332	(960,509)	51,307	9,820,860	1,370	15,519,591
Company								
At 31st March 2013	833,541	609,690	5,163,332	(960,509)	-	799,936	-	6,445,990
Transactions with owners recoded directly in equity								
Equity dividends paid	-	-	-	-	-	(380,388)	-	(380,388)
Income statement								
(Loss) for the financial year	-	-	-	-	-	(1,250,941)	-	(1,250,941)
At 31st March 2014	833,541	609,690	5,163,332	(960,509)	-	(831,393)	-	4,814,661
Income statement								
Profit for the financial year	-	-	-	-	-	3,081,376	-	3,081,376
At 31st March 2015	833,541	609,690	5,163,332	(960,509)	-	2,249,983	-	7,896,037

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Notes to the Accounts

1. General information

Legal status and country of incorporation

C. H. Bailey plc, company number 190106, is incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on page 37. The principal activities are set out in the Directors' Report on pages 5 to 10.

Basis of preparation

These financial statements have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the European Union and with the Companies Act 2006. Therefore these financial statements comply with the AIM rules.

The financial statements are prepared using the historical cost basis of accounting except for:

- Properties held at the date of transition to IFRS which are stated at deemed cost; and
- Assets held for sales which are stated at the lower of fair value less anticipated disposal costs and carrying value.

Going concern

The directors have prepared these financial statements on the fundamental assumption that the group is a going concern and will continue to trade for at least 12 months following the date of approval of the financial statements.

Further information explaining why the directors believe the group is a going concern is given in the financial review section of the Directors' Report.

Accounting period

The current period is for 12 months ended 31 March 2015 and the comparative period is for the 12 months ended 31 March 2014.

Functional and presentational currency

The financial statements are presented in pounds sterling because that is the functional currency of the primary economic environment in which the group operates.

Initial Adoption of International Financial Reporting Standards

These are the group's eighth consolidated financial statements that have been prepared in accordance with IFRS. The group's transition date for adoption of IFRS is 1st April 2006. The group has taken advantage of the following exemptions on transition to IFRS as permitted by paragraph 13 of IFRS 1:

- The requirements of IFRS 3 – Business Combinations – have not applied to business combinations that occurred before the date of transition to IFRS;
- The carrying value of freehold and leasehold properties are based on previously adopted UK GAAP valuations and these are now taken as deemed cost on transition to IFRS.

International Financial Reporting Standards adopted for the first time this accounting period

Where relevant the group has adopted the following IFRS statements as adopted by the European Union for the first time this year:

- IFRS 10 (Amendment): Consolidated financial statements;
- IFRS 32 (Amendment): Offsetting financial assets and liabilities;
- IFRS 36 (Amendment): Recoverable amount disclosures for non-financial assets;
- IFRS 39 (Amendment): Continuing hedge accounting after derivative novations;
- Annual improvements to IFRSs.

The adoption of the above standards and interpretations has had a minimal impact on the current year's financial statements. There have been no changes to the prior year comparative figures as a result of new standards and interpretations.

Future adoption of International Financial Reporting Standards

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2015 but have not yet been endorsed by the EU and therefore have not been applied in preparing these consolidated financial statements. Whilst work has not yet been completed on the above standards, the directors do not currently foresee any material impact on the financial statements of the group as a result of adopting these standards.

2. Significant accounting policies

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company (its subsidiaries) made up to 31 March 2015. Control is achieved where the company has the power to govern the financial and operating policies of an investee so as to obtain benefits from its activities.

Minority interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination (see below) and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

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.

Business combinations and goodwill

The acquisition of subsidiaries is accounted for using the acquisition method. The assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at their acquisition date except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 which are recognised and measured at fair value less costs to sell. Any excess of the cost over the asset valuation as calculated above is recognised as goodwill.

In accordance with the options that are available under IFRS 1 on transition to IFRS, the group elected not to apply IFRS 3 retrospectively to past business combinations that occurred before the date of transition to IFRS.

Accordingly goodwill that had previously been offset against reserves under UK GAAP has not been recognised in the opening IFRS balance sheet. The interest of any minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Investments in associates and trade investments

The results of entities over which the group is not in a position to be able to exercise significant influence despite holding a significant shareholding are not accounted for as associates and therefore are not equity accounted. The companies are classified as trade investments and are carried as available for sale financial assets which are measured at cost, as the directors consider that fair value cannot be reliably measured, other than impairment losses which are recognised in the income statement. Dividend income is recognised in the income statement on a cash basis when received.

Property, plant and equipment

Property is carried at deemed cost at the date of transition to IFRS based on the previous UK GAAP valuations. Plant and equipment held at the date of transition and subsequent additions to property, plant and equipment are stated at purchase cost including directly attributable costs. The group does not have a revaluation policy. Freehold land is not depreciated. Depreciation of other property, plant and equipment is provided on a straight line basis using rates calculated to write down the cost of each asset over its estimated useful life as follows:

Property:	
Freehold buildings	Between 1% and 5%
Leasehold buildings	Period of the lease
Plant and equipment	Between 10% and 25%

Annual reviews are made of estimated useful lives and material residual values.

Lessee accounting

Initial rental payments in respect of operating leases are included in current and non-current assets as appropriate and amortised to the income statement over the period of the lease. Ongoing rental payments are charged as an expense in the income statement on a straight line basis until the date of the next rent review. Finance leases are capitalised and depreciated in accordance with the accounting policy for property, plant and equipment. As permitted by IFRS 1 at the date of transition to IFRS, the carrying value of long leasehold properties are based on the previous UK GAAP valuations and this has been taken as deemed cost. Rental costs arising from operating leases are charged as an expense in the income statement on a straight line basis over the period of the lease.

Non-current assets held for sale

Non-current assets are reclassified as assets held for sale if they are immediately available for sale in their current condition and their carrying value will be recovered through a sale transaction on which is highly probable to be completed within 12 months of the initial classification. Assets held for sale are valued at the lower of carrying value at the date of initial classification and fair value less costs to sell.

Impairment of non-financial assets

Goodwill is tested annually for impairment or more frequently if there are any changes in circumstances or events that indicate that a potential impairment may exist. Goodwill impairments cannot be reversed. Property, plant and equipment are reviewed for indications of impairment when events or changes in circumstances indicate that the carrying amount may not be recovered. If there are indications then a test is performed on the asset affected to assess its recoverable amount against carrying value. An asset impaired is written down to the higher of value in use or its fair value less cost to sell.

Deferred and current taxation

The charge for taxation is based on the taxable profit or loss for the year and takes into account taxation deferred because of differences between the treatment of certain items for taxation and for accounting purposes. Full provision is made for the tax effects of these differences. Deferred tax is provided on unremitted earnings from overseas subsidiaries where it is probable that these earnings will be remitted to the UK in the foreseeable future. Deferred tax is measured using tax rates that have been enacted, or substantively enacted, by the year end balance sheet date. The measurement of deferred tax reflects the tax consequences that would follow the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying value of its assets and liabilities. Deferred tax assets and liabilities are not discounted.

The carrying amount of the deferred tax assets is reviewed at each reporting balance sheet date to ensure that it is probable that sufficient taxable profits will be available to allow the asset to be recovered. Assets and liabilities, in respect of both deferred and current tax, are only offset when there is a legally enforceable right to offset and the assets and liabilities relate to taxes levied by the same taxation authority.

Deferred and current tax is charged or credited in the income statement except when it relates to items charged directly to equity in which case the associated tax is also dealt with in equity.

Stocks

Stocks are valued at the lower cost of purchase and net realisable value. Cost comprises actual purchase price and, where applicable, associated direct costs incurred bringing the stock to its present location and condition. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

Financial instruments

Financial assets and financial liabilities are recognised on the consolidated balance sheet when the group becomes a party to the contractual provisions of the instrument.

Financial assets are recognised and derecognised on a trade date where the purchase or sale of an asset is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. Financial assets are classified as “loans and receivables”, “held to maturity” investments, “available for sale” investments or “assets at fair value through the profit and loss” depending upon the nature and purpose of the financial asset. The classification is determined at the time of the initial recognition.

Financial assets are normally classified as “loans and receivables” and are initially measured at fair value including transaction costs incurred. The only financial assets currently held at “fair value through profit or loss” are the current asset investments.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. There are currently no financial liabilities held at “fair value through profit or loss”.

Loans and receivables

Trade receivables, loans and other receivables are measured on initial recognition at fair value and, except for short term receivables where the recognition of interest would be immaterial, are subsequently re-measured at amortised cost using the effective interest rate method. Allowances for irrecoverable amounts, which are dealt with in the income statement, are calculated based on the difference between the asset’s carrying amount and the present value of estimated future cash flows, calculated based on past default experience, discounted at the effective interest rate computed at initial recognition where material.

Derivative financial instruments and hedge accounting

The group’s borrowing is subject to floating interest rates based on LIBOR plus the most competitive margin available. The group’s policy is not to hedge its international assets with respect to foreign currency balance sheet translation exposure, nor against foreign currency transactions. The group generally does not enter into any forward exchange contracts and it does not use financial instruments for speculative purposes. Derivative financial instruments are initially measured at cost and are remeasured at fair value at the balance sheet date. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise.

Cash and cash equivalents

Cash and cash equivalents includes cash-in-hand, cash at bank and short term highly liquid investments that are readily convertible into known amounts of cash within three months from the date of initial acquisition with an insignificant risk of a change in value.

Impairment of financial assets

Financial assets, other than those designated as "assets at fair value through the profit and loss" are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investment have been impacted.

Other financial liabilities

Other financial liabilities, including trade payables, are measured on initial recognition at fair value and, except for short term payables where the recognition of interest would be immaterial, are subsequently re-measured at amortised cost using the effective interest rate method.

Bank loans

Interest bearing bank loans are recorded at the proceeds received less capital repayments made. Finance charges are accounted for on an accruals basis in the profit and loss account using the effective interest rate method. They are included within accruals to the extent that they are not settled in the period in which they arise.

Provisions

Provisions are created where the group has a present obligation (legal or constructive) as a result of a past event where it is probable that the group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date. Provisions are only discounted to present value where the effect is material.

Net funds

Net funds is defined as cash and cash equivalents, bank and other loans including finance lease obligations and derivative financial instruments stated at current fair value.

Revenue recognition

Revenue

Revenue represents the fair value of the consideration received and receivable for services provided and goods supplied to third party customers. In respect of long term contracts and contracts for on-going services, revenue is recognised as the contract progresses on the basis of work completed. Revenue excludes value added tax.

Investment and interest income

Dividend income is recognised in the income statement when the shareholder's right to receive payment has been established. Interest income from bank deposit accounts is accrued on a time basis calculated by reference to the principal on deposit and effective interest rate applicable.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into pounds sterling at the financial reporting year end rates. Non monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The results of overseas subsidiary undertakings, associates and trade investments are translated into pounds sterling at average rates for the year unless exchange rates fluctuate significantly during that year in which case exchange rates at the date of transactions are used.

The closing balance sheets are translated at the year end rates and the exchange differences arising are transferred to the group's translation reserve as a separate component of equity and are reported within the consolidated statement of changes in equity. All other exchange differences are included within the consolidated income statement in the year. In accordance with IFRS 1, the translation reserve has been set to zero at the date of transition to IFRS.

Operating profit

Operating profit is defined as the profit for the year from continuing operations after all operating costs and income but before finance income, finance costs, and taxation. Operating profit is disclosed as a separate line on the face of the income statement.

Normalised operating profit is the same as the above but excludes non-recurring items, for example profit on the sale of property. Normalised operating profit is reconciled to operating profit on the face of the income statement.

Other gains and losses

Other gains and losses are material items that arise from unusual non-recurring events. They are disclosed separately, in aggregate, on the face of the income statement after operating profit where, in the opinion of the directors, such disclosure is necessary in order to fairly present the results for the financial period.

Finance costs

Finance costs are recognised in the income statement on the accruals basis in the year in which they are incurred.

3. Use of critical accounting assumptions and estimates

Estimates and judgements are continually evaluated and assessed based on historical experience and other factors, including expectations of future events that are believed to be reasonable given the circumstances prevailing when the accounts are approved.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The directors are not aware of any estimates and assumptions that have significant risk of causing a material adjustment to the carrying value of assets and liabilities.

4. Segmental information

	Revenue continuing operations	Operating profit (loss) continuing operations	Net assets
	£	£	£
Classes of business			
Industrial:			
2015	1,388,891	(74,819)	225,287
2014	1,309,556	(274,033)	201,509
Leisure:			
2015	3,538,671	7,774,988	7,308,334
2014	3,071,140	270,136	8,594,185
Management:			
2015	-	(333,075)	7,985,970
2014	-	(1,107,766)	1,828,416
Total:			
2015	**4,927,562**	**7,367,094**	**15,519,591**
2014	4,380,696	(1,111,663)	10,624,110
Geographical segments			
United Kingdom:			
2015	1,502,938	(352,352)	1,723,287
2014	1,436,181	(901,267)	916,865
Africa:			
2015	3,173,552	(69,893)	4,758,607
2014	2,582,661	391,209	4,485,630
Malta and Rest of the World:			
2015	251,072	7,789,339	9,037,697
2014	361,854	(601,505)	5,221,615
Total:			
2015	**4,927,562**	**7,367,094**	**15,519,591**
2014	4,380,696	(1,111,563)	10,624,110

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5. Investment activities and other income

	2015	**2014**
	£	**£**
Income from current asset investments	92,411	85,454
(Loss) on sale of current asset investments	(37,928)	(87,271)
(Increase) in provision on current asset investments	(44,871)	(69,141)
Net foreign exchange gain (loss)	55,038	(171,710)
Fair value movement on investments	137,459	(226,744)
	202,109	(469,412)

6. Finance income

	2015	**2014**
	£	**£**
Bank deposits	54,622	40,429

7. Finance costs

	2015	2014
	£	£
Bank loans	451,788	260,046
Directors' loans	48,135	32,823
Other loans	35,631	34,082
Finance leases	8,869	10,221
	544,423	337,172

8. Profit (loss) before taxation

The following have been charged (credited) in arriving at the profit (loss) before taxation:

	2015	2014
	£	£
Depreciation - owned assets	908,554	642,960
Depreciation - finance leased assets	11,662	11,662
Profit on sale of property (note 22)	8,160,535	-
Loss on sale of plant and equipment	-	518
Operating lease rental payments	52,320	41,467

The profit on the sale of property arises on the sale of the hotel complex in Malta.

9. Auditors' remuneration

A detailed analysis of auditors' remuneration on a worldwide basis is as follows:

	2015	2014
	£	£
Auditor's fees		
- statutory audit of the consolidated accounts	20,825	20,825
- statutory audit of the group's subsidiaries	9,000	9,000
- tax compliance services	8,150	8,150
Overseas auditors' fees		
- statutory audit	28,973	28,520

10. Employee information

The average number of employees employed during the year was:

	2015	2014
Management	14	17
Administration	10	15
Production	95	91
	119	123

Staff costs, including directors' remuneration:

	2015	2014
	£	£
Wages and salaries	2,021,965	1,653,947
Social security costs	123,578	145,156
Pensions (defined contribution schemes)	10,843	2,847
	2,156,386	1,801,950

Total directors' emoluments were as follows:

	Fees	Salary	Bonus	Benefits	Total emoluments	
	2015	**2015**	**2015**	**2015**	**2015**	**2014**
	£	**£**	**£**	**£**	**£**	**£**
Charles Bailey	46,478	106,453	72,360	-	225,291	127,926
Mrs Sarah Bailey	7,200	4,816	-	2,562	14,578	16,007
Sir William McAlpine, Bt.	6,000	-	-	-	6,000	6,000
Rod Reynolds	6,000	-	-	-	6,000	6,000
David Orchard	3,700	-	-	-	3,700	6,000
	69,378	111,269	72,360	2,562	255,569	161,933
The number of directors accruing retirement benefits under defined contribution schemes					1	1

Directors' interests in share options:

	2014	Granted	Exercised	2015	Market price at date of exercise	Date exercisable
Rod Reynolds	45,000	-	-	45,000	£2.00	28th June 2016 to 28th June 2023

A bonus was paid to Charles Bailey for the completion of the sale of St Georges Bay Hotel in Malta. The bonus was signed off by the Remuneration Committee on the 9th December 2014. The group does not operate any other profit share or bonus schemes for directors.

In addition to the above, £1,430 (2014: £3,799) was charged to group companies for services provided by QED Enterprise Limited, a company controlled by David Orchard. David Orchard retired as a director on 30 September 2014.

11. Taxation

	2015	2014
	£	£
Current tax - overseas tax based on taxable profit for the year	1,230,328	3,808
Deferred tax (credit) on the origination and reversal of temporary differences	(261,246)	(9,484)
Total tax charge for the financial year attributable to total operations	969,082	(5,676)

The tax charge for the financial year can be reconciled to the profit before tax per the income statement multiplied by the standard applicable corporation tax rate in the UK of 21% as follows:

	2015	2014
	£	£
Profit (loss) before taxation	6,877,293	(1,408,406)
Tax at the UK effective corporation tax rate of 21% (2014: 23%)	1,444,232	(323,933)
Effects of:		
Non-deductable expenses	9,792	9,588
Movement in overseas trading losses and effect of different overseas tax rates	(761,746)	100,524
Differences arising on capital sales and investment income	(22,033)	83,094
Deferred tax on losses not recoverable	80,908	124,612
Effect of change in tax rate	217,929	439
Total tax charge for the financial year	969,082	(5,676)

12. Earnings (loss) per share

The earnings per share has been calculated by reference to the weighted average number of ordinary shares of 10p each in issue of 7,607,755 (2014: 7,607,755) which excludes own shares held. The share options in issue have no dilutive effect on the weighted average number of ordinary shares.

	Continuing earnings	Number of shares
2015		
Basic earnings / weighted average number shares	5,837,901	7,607,755
Basic earnings per share (pence)	76.74p	
2014		
Basic earnings / weighted average number shares	(1,400,848)	7,607,755
Basic loss per share (pence)	(18.41p)	

13. Property, plant and equipment

	Freehold land and buildings	Leasehold land and buildings under 50 years	Plant and equipment	Total
	£	£	£	£
Cost				
At 1st April 2014	1,575,364	11,623,630	2,541,515	15,740,509
Exchange differences	(195,569)	340,918	36,393	181,742
Additions	444,623	865,958	89,690	1,400,271
Reclassification	(76,378)	(1,266,255)	1,342,633	-
Disposals	-	(58,300)	(132,554)	(190,854)
At 31st March 2015	1,748,040	11,505,951	3,877,677	17,131,668
Depreciation				
At 1st April 2014	17,630	2,094,755	1,547,917	3,660,302
Exchange differences	(2,189)	43,652	17,877	59,340
Charge for year	200	462,886	457,130	920,216
Disposals		(40,810)	(120,895)	(161,705)
At 31st March 2015	15,641	2,560,483	1,902,029	4,478,153
Carrying value				
2015	**1,732,399**	**8,945,468**	**1,975,648**	**12,653,515**
2014	1,557,734	9,528,875	993,598	12,080,207

At 31 March 2015 the group's carrying value of plant and equipment held under finance leases and similar agreements was £81,637 (2014: £93,360).

At 31 March 2015 the group did not have any non-cancellable contractual commitments for the acquisition of property, plant and equipment.

At 31 March 2015 the company had plant and equipment at cost of £1,378 (2014: £1,378) and net book value of £140 (2014: £378).

14. Investments in subsidiary undertakings

Company	**£**
At 31 March 2013	2,539,366
Disposal and impairment provisions	(562,747)
At 31 March 2014	1,976,619
Disposal and impairment provisions	(488,975)
At 31 March 2015	1,487,644

A list of the significant investments in subsidiaries, including the country of incorporation, is given in note 34.

15. Deferred tax asset

	Tax losses recognised	**Unremitted overseas earnings**	**Total**
	£	**£**	**£**
Group			
At 1st April 2014 at 20%	167,299	(23,888)	143,411
Credited (charged) to income statement	50,379	(24,915)	25,464
At 31st March 2015 at 20%	217,678	(48,803)	168,875
Company			
At 1st April 2014 at 20%	167,299	(23,888)	143,411
Credited (charged) to income statement	50,379	(24,915)	25,464
At 31st March 2015 at 20%	217,678	(48,803)	168,875

Deferred tax at 31 March 2015 has been calculated using the substantively enacted rate of tax that is expected to apply when timing differences reverse. At 31 March 2015 the group had unused capital losses of £282,979 (2014: £282,979) available for offset against future capital gains. The utilisation of capital losses is only recognised following the actual crystallisation of a taxable gain. The deferred tax asset is expected to be recovered after more than 12 months. Deferred tax assets have not been recognised in respect of overseas tax losses because it is uncertain that future taxable profits will be available, against which the group can utilise them.

16. Inventory

	Group		**Company**	
	2015	**2014**	**2015**	**2014**
	£	**£**	**£**	**£**
Raw materials and consumables	13,718	16,561	-	-

17. Trade and other receivables

	Group		**Company**	
	2015	**2014**	**2015**	**2014**
	£	**£**	**£**	**£**
Trade debtors	1,116,743	1,158,994	-	-
Amounts recoverable on long term contracts	82,215	14,538	-	-
Loans to group undertakings	-	-	5,204,037	2,526,041
Other debtors	236,838	84,061	3,725	1,116
Operating leases	118,389	-	-	-
Prepayments and accrued income	220,756	156,504	136,527	21,142
Social security and other taxes	647,758	519,562	4,105	7,072
	2,422,699	1,933,659	5,348,394	2,555,371

18. Current asset investments

	Group		Company	
	2015	**2014**	**2015**	**2014**
	£	**£**	**£**	**£**
Listed investments	1,556,286	2,282,459	376,565	363,680
Unlisted investments	59,871	104,741	35,600	56,200
	1,616,157	2,387,200	412,165	419,880

Investments are carried at fair value at the balance sheet date.

19. Cash and cash equivalents

	Group		Company	
	2015	**2014**	**2015**	**2014**
	£	**£**	**£**	**£**
Cash at bank and in hand	7,230,242	1,219,210	1,611,247	668,451
Deposit accounts	423,671	1,708,797	-	325,886
	7,653,913	2,928,007	1,611,247	994,337

Deposit accounts comprise short term bank deposits with an original maturity of three months or less.

20. Trade and other payables

	Group		Company	
	2015	**2014**	**2015**	**2014**
	£	**£**	**£**	**£**
Trade creditors	431,569	763,666	28,477	51,870
Deferred consideration on long term contracts	800,467	589,853	-	-
Loans from group undertakings	-	-	184,374	316,127
Social security and other taxes	171,558	125,636	13,442	8,840
Directors' loans	39,680	889,236	1,618	45,529
Accruals and deferred income	361,477	238,099	29,315	47,329
Other creditors	485,645	421,504	301,823	305,120
	2,290,396	3,027,994	559,049	774,815

21. Borrowings

	Group		Company	
	2015	**2014**	**2015**	**2014**
	£	**£**	**£**	**£**
Current liabilities				
Bank loans and overdrafts	2,331,959	1,670,059	323,379	250,520
Other loans	-	751,589	-	-
	2,331,959	2,421,648	323,379	250,520
Non- current liabilities				
Bank loans	4,355,893	4,957,732	-	-
Bank loans				
Over one year and under two years	2,137,708	1,519,770	-	-
Over two years and under five years	2,218,185	3,177,094	-	-
Over five years	-	260,868	-	-
	4,355,893	4,957,732	-	-

Cordura Limited (Tanzania) has loans of $9,194,302 translated to £6,192,923 (2014: $10,302,556 translated to £6,161,546) at fixed rates of 6.25% and 8%. All other group bank borrowings are at a floating charge based on the relevant LIBOR equivalent.

At the 31 March 2015 the group had £7,706,364 (2014: £7,051,778) of committed facilities of which £6,687,852 (2014: £6,627,791) was utilised.

The group's UK bank loans are secured by a charge over certain assets of the group and by cross guarantees between the UK undertakings. These borrowings at 31 March 2015 were £494,929 (2014: £466,245). Industrial Investment Corporation Limited has provided guarantees of £500,000 to Barclays Bank plc in respect of UK bank borrowings.

Cordura Limited (Tanzania) had borrowings at 31 March 2015 of £6,192,923 (2014: £6,161,546) secured by a fixed and floating charge over its assets. Industrial Investment Corporation Limited has provided guarantees of $500,000 in respect of Tanzanian bank borrowings. CH Bailey Plc has provided a guarantee in respect of Tanzanian bank borrowings.

22. Profit on sale of property

	£
Hotel complex in Malta	
Proceeds - €13,743,283	9,944,612
Legal fees and direct sale costs - €257,617	(186,411)
	9,758,201
Asset classified as held for sale	(1,868,889)
Profit on sale of assets classified as held for sale	7,889,312
Other leasehold land and buildings	
Proceeds	288,713
Net book value	(17,490)
Profit on sale of leasehold land and buildings	271,223
Profit on sale of property	8,160,535

On 17 March 2015, completion took place on the sale of the remaining property at the hotel complex at St Georges Bay, Malta for €13,743,283, pursuant to the agreement made on 9 September 2011 which gave the purchaser to 30 March 2015 to complete on the purchase for this amount. As a deposit of €400,000 had already been paid, the balance €13,343,283 was received on 17 March 2015.

23. Obligations under finance leases

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Amounts payable under finance leases:				
Within one year	38,103	38,103	-	-
Over one year and under five years	2,847	40,950	-	-
	40,950	79,053	-	-
Less future finance charges	(8,822)	(17,031)	-	-
Present value of lease obligations	32,128	62,022	-	-
Current liabilities	(29,894)	(29,894)	-	-
Non-current liabilities	2,234	32,128	-	-

The carrying value of obligations under finance leases approximates to the present value of minimum lease payments.

24. Provisions

	Legal £
Group	
At 1 April 2014	250,000
At 31 March 2015	250,000
Company	
At 1 April 2014	250,000
At 31 March 2015	250,000

The directors anticipate that the provisions will be utilised in full within 12 months and therefore the provisions have been included in current liabilities payable within one year.

25. Deferred tax liabilities

	Revaluation surplus £
Group	
At 1 April 2014	269,201
Exchange differences	(33,419)
(Credited) to income statement	(235,782)
At 31 March 2015	-

Deferred tax has been calculated using the substantively enacted rate of tax that is expected to apply when timing differences reverse. The deferred tax liability is expected to be recovered after more than 12 months.

26. Called-up share capital

	2015 £	2014 £
Issued and fully paid:		
8,335,413 ordinary shares of 10p each	833,541	833,541

The company retains as treasury shares 727,658 ordinary shares of 10 pence at a cost of £960,509. The company did not buy back any shares for cancellation during the year. At 31 March 2015, the company has one class of ordinary shares, which carry no right to fixed income. The share options outstanding have been recognised in accordance with IFRS 2. The movements in share options were as follows:

	Number	Market price at date of exercise
Outstanding at 31 March 2014 and 31 March 2015	45,000	£2.00
Exercisable at 31 March 2014 and 31 March 2015	-	

27. Share capital and reserves

	Called-up share capital	Share premium account	Capital redemption reserve	Investment in own shares	Translation reserve	Retained earnings	Minority interest	Total
	£	£	£	£	£	£	£	£
Group								
At 1 April 2014	833,541	609,690	5,163,332	(960,509)	323,167	4,583,366	71,523	10,624,110
Dividend to minority interest	-	-	-	-	-	-	(123,111)	(123,111)
Profit for the financial year	-	-	-	-	-	5,837,901	70,310	5,908,211
Exchange differences	-	-	-	-	(271,860)	(600,407)	(17,352)	(889,619)
At 31 March 2015	833,541	609,690	5,163,332	(960,509)	51,307	9,820,860	1,370	15,519,591
Company								
At 1 April 2014	833,541	609,690	5,163,332	(960,509)	-	(831,393)	-	4,814,661
Profit for the financial year	-	-	-	-	-	3,081,376	-	3,081,376
At 31 March 2015	833,541	609,690	5,163,332	(960,509)	-	2,249,983	-	7,896,037

The translation reserve represents the cumulative translation differences on the foreign currency net investments since the date of transition to IFRS.

28. Cash generated from operations

	2015	2014
	£	£
Operating profit (loss) continuing operations	7,367,094	(1,111,663)
Depreciation	920,216	654,622
(Profit) loss on the sale of property, plant and equipment	(8,160,535)	518
Loss on sale of current asset investments	37,928	87,271
Fair value movement of investments	(137,459)	226,744
Provision on current asset investments	44,871	69,141
Exchange differences	(51,810)	171,829
Cash generated from operations before movements in working capital	20,305	98,462
Operating leases	79,335	6,703
Decrease in inventories	2,843	2,180
(Increase) decrease in trade and other receivables	(489,040)	82,598
Increase in trade and other payables	111,958	575,765
Cash generated from operations	(274,599)	765,708

29. Analysis of net funds (debt)

	2015	2014
	£	£
Cash and cash equivalents	7,653,913	2,928,007
Bank loans and overdrafts	(2,331,959)	(1,670,059)
	5,321,954	1,257,948
Bank loans - non-current	(4,355,893)	(4,957,732)
Obligations under finance leases	(32,128)	(62,022)
Other loans	-	(751,589)
Net funds (debt)	933,933	(4,513,395)

30. Financial instruments

Capital risk management

The group manages capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of debt and equity balance. The capital structure of the group consist of debt, which is analysed in note 29, and equity comprising issued share capital, reserves and retained earnings as disclosed in note 27. The gearing ratio is:

	2015	2014
	£	£
Net funds (debt)	933,933	(4,513,395)
Equity	15,519,591	10,624,110
Net funds (debt) to equity percentage	6.0%	(42.5%)

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset and liability are disclosed in note 2 to the financial statements.

Categories of financial instruments

		2015	2014
		£	£
Cash and cash equivalents		7,653,913	2,928,007
Bank loans and overdrafts - current		(2,331,959)	(1,670,059)
Bank loans - non-current		(4,355,893)	(4,957,732)
Other loans		-	(751,589)
Obligations under finance leases		(32,128)	(62,022)
Net funds (debt)		933,933	(4,513,395)
Current assets investments		1,616,157	2,387,200
Other net operating assets		12,969,501	12,750,305
Total net assets		15,519,591	10,624,110
Net funds (debt)	Sterling	(92,782)	(858,101)
	Euro	6,321,449	875,638
	US Dollar	(5,297,821)	(5,055,717)
	Norwegian Krone	115	331,464
	Swiss Franc	3,609	20,817
	Tanzanian Shilling	(637)	172,504
		933,933	(4,513,395)
Current asset investments	Sterling	459,507	567,545
	Euro	107,382	84,390
	US Dollar	884,508	1,357,100
	Japanese Yen	60,990	50,437
	Norwegian Krone	-	37,822
	Swiss Franc	103,770	261,596
	Other	-	28,310
		1,616,157	2,387,200

The directors consider that the fair value of all assets and liabilities is not materially different from the book value.

Financial risk management

The key risks that potentially impact on the group's results are credit risk, liquidity risk, interest rate risk and currency risk. The group's exposure to each of these risks and the management of that exposure is discussed below. There has been no change during the year, or since the year end to the type of financial risks faced by the group or to the management of those risks.

Credit risk management

Credit risk refers to the risk that a customer will default on its contractual obligations resulting in financial loss to the group. The group has adopted a policy of only dealing with creditworthy customers as a means of mitigating the risk of financial loss from defaults. Creditworthiness is verified by independent rating agencies when available. Credit exposure is controlled by credit limits that are reviewed and approved by senior management on a regular basis.

Trade receivables consist of a large number of customers spread across diverse industries and geographical locations. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The group does not have any significant credit risk exposure to any single counterparty or connected counterparties at the reporting date. The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the group's maximum exposure to credit risk.

Liquidity risk management

The group manages liquidity risk by maintaining adequate cash reserves, by operating within its agreed banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of monetary assets and liabilities.

Interest rate risk management

The group's activities expose it to the financial risks of changes in interest rates, however, interest charged on bank loans totalling $10,302,556 is at fixed rates of 6.25% and 8%. Other group interest charged on bank loans is at floating rates based on the relevant LIBOR equivalent and the group endeavours to obtain the most competitive rates available.

Currency risk management

The group's policy is not to hedge its international assets with respect to foreign currency balance sheet translation exposure, nor against foreign currency transactions. The group generally does not enter into forward exchange contracts and it does not use financial instruments for speculative purposes.

31. Operating lease arrangements

At the balance sheet date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases that fall due as follows:

	2015	2014
	£	£
Within one year	40,135	28,282
In the second to the fifth year inclusive	13,185	13,185
	53,320	41,467

Property lease payments represent rentals payable by the group for certain of its operating locations and offices. Leases are negotiated over various terms to suit the particular requirements at that time. Break clauses are included wherever appropriate and the above liability has been calculated from the balance sheet date to either the end of the lease or the first break clause, whichever is the earlier.

32. Related party transactions

At 31 March 2015, the group owed Charles Bailey £39,680 (2014: £889,236) on which there was interest charged to the income statement of £48,135 (2014: £32,154).

The group has made loans totalling 30,000 Euros (2014: 95,000 Euros) to Sefranda Limited, a company controlled by Dr. A. Galea, a director of St Georges Bay Hotel Limited. Transactions between the company and its subsidiary undertakings, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

33. Dividend payments

	2015		2014	
	Per share Pence	**Total £**	**Per share Pence**	**Total £**
Final dividend for the year ended 31 March 2013 declared on 10 September 2013 and paid to shareholders on the register as at 25 October 2013 on 15 November 2013	-	-	5p	380,388

The directors propose to pay a final dividend in respect to the year ended 31 March 2015 of 20 pence per ordinary share). The financial statements for the year ended 31 March 2015 do not reflect this dividend.

34. Significant investment in subsidiaries

	Percentage of ordinary share capital held	**Principle activities**
Industrial:		
Bailey Industrial Engineering Limited (UK)	100%	Engineering
Leisure:		
Bay Travel Limited (UK)	100%	Travel agency
St. George's Bay Hotel Limited (Malta)	99%	Operation of hotel
Kimbiji Bay Limited (Malta)	100%	Asset holding
Leonardo Da Vinci Knowledge Tourism Ltd (Malta)	99%	Asset holding
SBB30 Ltd (Malta)	100%	Asset holding
Cordura Limited (Tanzania)	100%	Operation of hotel and safari camps
Kimbiji Bay Limited (Tanzania)	100%	Asset holding
Other activities:		
Industrial Investment Corporation Limited (Bermuda)	100%	Holding company
IIC (Malta) Ltd (Malta)	100%	Holding company

Shareholder Information

Five Year Financial Summary

	2015	2014	2013	2012	2011
	£	£	£	£	£
Continuing operations					
Revenue	**4,927,562**	**4,380,696**	5,312,962	4,339,390	4,298,596
Continuing operations					
Operating (loss) profit before exceptional items, investments activities and depreciation	**(75,334)**	**12,889**	319,535	63,793	39,830
Investment activities and other income	**202,109**	**(469,412)**	478,979	(355,379)	(517,198)
Depreciation	**(920,216)**	**(654,622)**	(726,610)	(384,387)	(363,313)
(Loss) profit on sale of plant and equipment	**-**	**(518)**	4,300	(1,023)	128
Profit on sale of property	**8,160,535**	**-**	-	9,625,213	587,859
	7,367,094	(1,111,663)	76,204	8,948,217	(252,694)
Net finance costs	**(489,801)**	**(296,743)**	(273,574)	(40,945)	(227,236)
Profit (loss) before taxation	**6,877,293**	(1,408,406)	(197,370)	8,907,272	(479,930)
Taxation	**(969,082)**	**5,676**	(11,832)	(1,113,748)	(106,358)
Minority interest	**(70,310)**	**1,882**	(425)	(93,939)	(7,032)
Profit (loss) for the financial year	**5,837,901**	(1,400,848)	(209,627)	7,699,585	(593,320)
Earnings (loss) per share	**76.74p**	**(18.41p)**	(2.76p)	93.99p	(7.12p)

Registered Office	C.H. Bailey plc Alexandra Docks Newport South Wales NP20 2NP	***Directors***	Mr Charles H. Bailey Mrs Sarah A. Bailey Sir William McAlpine, Bt. Mr Rod M. Reynolds	***Auditors***	Haasco Limited Chartered Accountants 24 Bridge Street Newport South Wales NP20 4SF
Registered Number	190106	***Secretary***	Mr Bryan J. Warren	***AIM symbol***	BLEY
Principal Bankers	Barclays Bank plc 14 Commercial Street Newport South Wales NP20 1YG	***Financial Advisors and Brokers***	Arden Partners plc 125 Old Broad Street London EC2N 1AR	***Solicitors***	Squire Patton Boggs (UK) LLP Rutland House 148 Edmund Street Birmingham B3 2JR
Registrar	Computershare Investor Services plc P.O. Box 82 The Pavilions Bridgewater Road Bristol BS99 7NH	***Company Website***	www.chbaileyplc.co.uk		

Notice of Annual General Meeting

Notice is hereby given that the ninety-first annual general meeting of C.H. Bailey plc will be held at the Sofitel Hotel, Terminal 5 London Heathrow Airport, Hounslow, Middlesex TW6 2GD on the 8th September 2015 at 2.00pm. You will be asked to consider and pass resolutions 1.1-1.4 as ordinary resolutions and resolution 1.5 below as a special resolution.

Ordinary resolutions

1.1 To receive and adopt the report of directors and the audited financial statements for the year ended 31 March 2015.
1.2 To declare a final dividend for the year ended 31 March 2015 of 20 pence per ordinary share in the company to be paid on 16 November 2015 to members whose names appear on the register of members at the close of business on 23 October 2015.
1.3 To re-appoint the auditors and authorise the directors to determine their remuneration.
1.4 To re-elect as a director of the Company Mr David Wilkinson.

Special resolution

1.5 That, the directors of the Company be given the general power to allot equity securities (as defined by section 560 of the Companies Act 2006 (the "**Act**")) for cash as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

(a) the allotment of equity securities in connection with an offer of equity securities:

(i) to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
(ii) to holders of other equity securities as required by the rights of those securities or as the directors of the Company otherwise consider necessary,

but subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

(b) the allotment (otherwise than pursuant to the paragraph above) of equity securities up to an aggregate nominal amount of £41,677.

The power granted by this resolution 1.5 will expire on the date that is 15 months from the date of this notice or, if earlier, the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the directors of the Company to allot equity securities as if either section 89(1) of the Companies Act 1985 or section 561(1) of the Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

By order of the board
Bryan Warren
Secretary

Newport
South Wales
31 July 2015

Notes:

1 *Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Computershare Investor Services plc on 0870 889 3277. You may complete your proxy form online at www.investorcentre.co.uk in accordance with the on screen instructions.*

2 *To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the offices of the Company's registrars, Computeshare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or at the electronic address provided in Note 1, in each case no later than 2.00pm on the 4 September 2015.*

3 *The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described below) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.*

4 *If you wish to attend the meeting in person, please attend at 2.00pm on the 8 September 2015 bringing appropriate identification so that you can be identified by the Company's registrars. It is recommended that you arrive at least 15 minutes before the time appointed for the meeting to begin.*

5 *To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the Register of Members of the Company at close of business on the 4 September 2015.*

6 *CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.*

7 *In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) by 2.00pm on the 4 September 2015. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.*

8 *CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.*

9 *The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.*

10 *Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.*

11 *There will be available for inspection, from 6.00pm today until the date of the AGM, at the Company's office at Alexandra Docks, Newport, South Wales, NP20 2NP and at the meeting, copies of the proposed New Articles.*