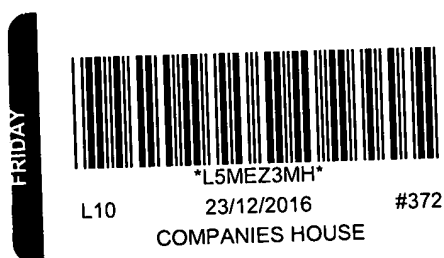


**THE ALMANZORA GROUP LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**31 MARCH 2016**



**THE ALMANZORA GROUP LIMITED**  
**DIRECTORS' REPORT**  
**YEAR ENDED 31 MARCH 2016**

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The directors present their report and the financial statements for the year ended 31 March 2016.

**PRINCIPAL ACTIVITY**

The principal activity of the company is the marketing and sales as commission agents of property.

**RESULTS**

The results for the year are detailed in the profit and loss account on page 5. The directors do not recommend the payment of a dividend. The company has continued with its principal activities in the period after 31 March 2016 and the directors have addressed the significant risks facing the business.

**DIRECTORS**

The following have served as directors throughout the year and are the key management:

S R Hitchins  
J R Hitchins  
J C Hitchins  
P J Goodhall  
J J S Dunley

None of the directors had any interest in the share capital of the company.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

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

**THE ALMANZORA GROUP LIMITED**  
**DIRECTORS' REPORT (Continued)**  
**YEAR ENDED 31 MARCH 2016**

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**DISCLOSURE OF INFORMATION TO AUDITOR**

In the case of each of the persons who are directors at the time when this report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**AUDITORS**

The auditors, Crowe Clark Whitehill LLP, have indicated their willingness to continue in office.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

By Order of the Board



**J J S Dunley**  
Director

13<sup>th</sup> December 2016

# **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE ALMANZORA GROUP LIMITED**

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We have audited the financial statements of The Almanzora Group Limited for the year ended 31 March 2016, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes numbered 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## **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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## **Opinion on financial statements**

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE ALMANZORA GROUP LIMITED

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## Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

M Stallabrass

Matthew Stallabrass  
Senior Statutory Auditor  
For and on behalf of  
**Crowe Clark Whitehill LLP**  
Statutory Auditor  
10 Salisbury Square, London

23 December 2016

**THE ALMANZORA GROUP LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**YEAR ENDED 31 MARCH 2016**

	Notes	2016 £	2015 £
<b>TURNOVER</b>	1(b)	<b>117,456</b>	<b>123,129</b>
Cost of Sales		<u>(152,213)</u>	<u>(177,824)</u>
<b>GROSS LOSS</b>		<b>(34,757)</b>	<b>(54,695)</b>
Administrative expenses – Exceptional items	-		(811,869)
Administrative expenses – Other	<u>(59,696)</u>	<u>(59,696)</u>	<u>(105,835)</u>
<b>OPERATING LOSS</b>		<b>(94,453)</b>	<b>(972,399)</b>
Interest receivable		<b>21,233</b>	<b>156,001</b>
Interest payable		<u>-</u>	<u>-</u>
<b>(LOSS) FOR THE FINANCIAL YEAR</b>	2	<b>(73,220)</b>	<b>(816,398)</b>
Tax on profit on ordinary activities	4	<u><b>29,400</b></u>	<u><b>79,282</b></u>
<b>(LOSS) ON ORDINARY ACTIVITIES AFTER TAX AND COMPREHENSIVE LOSS FOR THE YEAR</b>		<b>(43,820)</b>	<b>(737,116)</b>
<b>(DEFICIT) BROUGHT FORWARD</b>		<u><b>(805,305)</b></u>	<u><b>(68,189)</b></u>
<b>(DEFICIT) CARRIED FORWARD</b>		<u><b>(849,125)</b></u>	<u><b>(805,305)</b></u>

All amounts relate to continuing operations.

All of the comprehensive income for the year is attributable to the owners of the company.

The related notes 1 to 13 form  
an integral part of these financial statements

**THE ALMANZORA GROUP LIMITED**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2016**

	Notes	2016 £	2015 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	5	669	1,113
Investment in group undertaking	6	829,500	829,500
		<u>830,169</u>	<u>830,613</u>
<b>CURRENT ASSETS</b>			
Debtors	7	4,189,646	4,801,986
Cash at bank and in hand		919	919
		<u>4,190,565</u>	<u>4,802,905</u>
<b>CREDITORS: amounts falling due within one year</b>	8	<u>(850,270)</u>	<u>(1,418,325)</u>
<b>NET CURRENT ASSETS</b>		<u>3,340,295</u>	<u>3,384,580</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,170,464</u>	<u>4,215,193</u>
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	9	<u>(19,589)</u>	<u>(20,498)</u>
<b>NET ASSETS</b>		<u>4,150,875</u>	<u>4,194,695</u>
<b>CAPITAL AND RESERVES</b>			
Called up equity share capital	10	5,000,000	5,000,000
Profit and loss account		<u>(849,125)</u>	<u>(805,305)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>4,150,875</u>	<u>4,194,695</u>

Approved and authorised for issue by the Board on 13<sup>th</sup> December 2016 and signed on its behalf by:



J J S Dunley  
Director

The related notes 1 to 13 form  
an integral part of these financial statements

**THE ALMANZORA GROUP LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**31 MARCH 2016**

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	Share Capital £	Profit & Loss Account £	TOTAL
As at 1 April 2014	5,000,000	(68,189)	4,931,811
Comprehensive loss for the year	-	(737,116)	(737,116)
<b>At 31 March 2015</b>	<b>5,000,000</b>	<b>(805,305)</b>	<b>4,194,695</b>
Comprehensive loss for the year	-	(43,820)	(43,820)
<b>At 31 March 2016</b>	<b>5,000,000</b>	<b>(849,125)</b>	<b>4,150,875</b>



**THE ALMANZORA GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2016**

**1. ACCOUNTING POLICIES**

**a) Basis of Accounting**

The Almanzora Group Limited is a company registered in England & Wales with number 1800291. Its registered office is The Manor, Boddington, Cheltenham, GL51 0TJ. The financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain assets, and in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102, and the Companies Act 2006. This is the first year in which the financial statements have been prepared under FRS102 but there are no transition adjustments.

In preparing these accounts the directors have considered the resources available to the company and its immediate parent and trading for the next twelve months. On the basis of this review the directors consider it appropriate to continue to adopt the going concern basis.

**b) Turnover**

Turnover represents commission income earned during the year and sales of land, net of VAT.

**c) Tangible Fixed Assets**

Tangible fixed assets are depreciated over their anticipated useful lives on a straight line basis at the following rates:

Fixtures, fittings and office equipment - 25% per annum

**(d) Deferred Taxation**

Full provision is made, at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on the tax rates and laws that have been enacted or substantially enacted at the balance sheet date, in respect of timing differences which have arisen but not reversed at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the accounts. Deferred tax is measured on a non-discounted basis.

**(e) Pension Costs**

Pension costs are charged to the profit and loss account to spread the costs over the average remaining service lives of employees. The pension scheme is a multi-employer defined benefit scheme and the company is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation of the scheme was carried out as at 1 June 2015. FRS 102 disclosure for the Group Pension Scheme is provided in the accounts of the immediate parent undertaking and shows a deficit in the scheme as at 31 March 2016 of £772,000 (2015 deficit: £1,489,000).

**(f) Foreign currencies**

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. There are no monetary assets or liabilities denominated in foreign currencies at the balance sheet date.

**2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>This is arrived at after charging:</b>		
Auditor's remuneration	<b>5,000</b>	<b>5,000</b>
Directors' remuneration		
- Emoluments	<b>27,130</b>	<b>32,991</b>
- Pensions costs	<b>3,727</b>	<b>3,101</b>
Depreciation	<b>444</b>	<b>436</b>
<b>and after crediting:</b>		
Interest receivable from associated undertaking	<b>21,233</b>	<b>156,001</b>

**THE ALMANZORA GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED 31 MARCH 2016**

**3. EMPLOYEE INFORMATION**

**a) Staff Costs and Numbers**

The average number of persons (including one paid director) employed by the company during the year was 2 (2015: 3) employed in sales, marketing and administration.

	2016 £	2015 £
Gross salaries	81,886	90,455
Social security costs	9,955	10,989
Pension costs	24,850	18,971
	<u>116,691</u>	<u>120,415</u>

**b) Directors**

The number of directors accruing benefits under pension schemes are as follows:

	No. 1	No. 1
Defined contribution pension schemes		

- c)** Employees (including one Director) are members of The Robert Hitchins Group Pension Scheme, a multi-employer defined benefit scheme. Contributions to the scheme are determined by qualified actuaries on the basis of financial valuations. The last actuarial valuation was carried out at 1 June 2015 and updated to 31 March 2016. Details of the scheme are set out in the financial statements of The Robert Hitchins Group Limited.

**4. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2016 £	2015 £
Corporation tax	-	-
Prior year credit	(633)	-
Group relief surrendered	(27,858)	(78,436)
Deferred taxation (note 9)	(909)	(846)
	<u>(29,400)</u>	<u>(79,282)</u>

**Factors affecting the tax charge**

Profit on ordinary activities before taxation	<u>(73,220)</u>	<u>(816,398)</u>
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Profit on ordinary activities before taxation multiplied by the full rate of corporation tax of 20% (2015: 21%)	<u>(14,644)</u>	<u>(171,444)</u>
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**Effects of**

Expenses not deductible for taxation purposes	-	106,558
Transfer pricing adjustment	(13,091)	(13,372)
Adjustment to deferred tax	(1,032)	(1,024)
Prior year adjustment	(633)	-
Current tax charge	<u>(29,400)</u>	<u>(79,282)</u>

**THE ALMANZORA GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED 31 MARCH 2016**

**5. TANGIBLE FIXED ASSETS**

	Total £	Fixtures, Fittings and Office Equipment £	Motor Vehicles £
<i>Cost</i>			
At 1 April 2015	57,567	39,860	17,707
Disposals	(17,707)	-	(17,707)
<b>At 31 March 2016</b>	<b>39,860</b>	<b>39,860</b>	<b>-</b>
<i>Depreciation</i>			
At 1 April 2015	56,454	38,747	17,707
Disposals	(17,707)	-	(17,707)
Charge for the year	444	444	-
<b>At 31 March 2016</b>	<b>39,191</b>	<b>39,191</b>	<b>-</b>
<b>Net Book values</b>			
<b>31 March 2016</b>	<b>669</b>	<b>669</b>	<b>-</b>
<i>31 March 2015</i>	<i>1,113</i>	<i>1,113</i>	<i>-</i>

**6. INVESTMENTS**

The company owns 2.61% of the share capital of Bahia del Almanzora SL.

**7. DEBTORS**

	2016 £	2015 £
Other debtors	1,467	2,779
Corporation tax	27,858	78,436
Amounts owed by group undertakings	331,707	737,499
Amounts owed by related undertakings	3,828,614	3,983,272
	<b>4,189,646</b>	<b>4,801,986</b>

**8. CREDITORS**

	2016 £	2015 £
amounts falling due within one year		
Bank overdraft	506,596	144,322
Trade creditors	925	1,231
Amount owed to group undertakings	202,673	1,007,271
Corporation tax	-	-
Other creditors and accruals	129,808	255,205
Taxation and social security	10,268	10,296
	<b>850,270</b>	<b>1,418,325</b>

**THE ALMANZORA GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED 31 MARCH 2016**

<b>9. PROVISION FOR LIABILITIES AND CHARGES</b>	<b>2016</b>
	<b>£</b>
<b>Deferred taxation:</b>	
At 1 April 2015	20,498
Credited to the profit and loss account (note 4)	(909)
<b>At 31 March 2016</b>	<b><u>19,589</u></b>

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Timing differences arise from:		
Accelerated capital allowances	(787)	(950)
Short term timing differences (loan)Interest	<u>20,376</u>	<u>21,448</u>
	<b><u>19,589</u></b>	<b><u>20,248</u></b>

<b>10. EQUITY SHARE CAPITAL</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Authorised, allotted, called up and fully paid: 5,000,000 Ordinary shares of £1 each	<u><b>5,000,000</b></u>	<u><b>5,000,000</b></u>

**11. ULTIMATE PARENT UNDERTAKING**

The company's ultimate parent undertaking is Bay Group Limited, a company incorporated in Bermuda.

**12. FINANCIAL RISK MANAGEMENT, FINANCIAL ASSETS AND LIABILITIES**

In the opinion of the directors, the Company is not exposed to significant financial risks. The company's financial assets and liabilities comprise amounts owed by and to group and related companies, which are stated at undiscounted amounts receivable and payable and a bank overdraft (Notes 7 and 8).

**13. RELATED PARTY TRANSACTIONS**

The company transacts business with its immediate parent company The Robert Hitchens Group Limited and its other subsidiary undertakings. These transactions are not disclosed as they are eliminated in the consolidated financial statements of the group, available from the Registrar of Companies, Cardiff.

During the year the company earned commission of £23,323 (2015: £23,242) from Desert Springs SL and £15,000 (2015: £15,534) from Playas del Almanzora SL, which are both related undertakings. Interest of £21,233 (2015: £156,001) was accrued on the amounts outstanding from these undertakings. The amount outstanding at 31 March 2016 amounted to £89,661 (2015: £1,806,865) and interest receivable was £21,233 (2015: £3,493,517).

The company's cash is subject to set off arrangements and cross guarantees with fellow group companies.

**THE ALMANZORA GROUP LIMITED**  
**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 MARCH 2016**

For the information of the directors only

	2016 £	2015 £
<b>TURNOVER</b>	<b>117,456</b>	123,129
Cost of Sales	<u>(152,213)</u>	<u>(177,824)</u>
<b>GROSS LOSS</b>	<u><b>(34,757)</b></u>	<u><b>(54,695)</b></u>
<b>ADMINISTRATIVE EXPENSES</b>		
Wages and salaries	<b>29,390</b>	35,200
Travel subsistence and motor	<b>630</b>	2,876
Telephone and fax	<b>6,057</b>	4,199
Stationery	<b>7,521</b>	2,118
Postage	-	1,944
Computer Costs	<b>711</b>	6,261
Audit fees	<b>5,000</b>	5,000
Personnel cost	-	23,975
Repairs and renewals	-	875
Depreciation	<b>444</b>	436
Sundries	<b>9,943</b>	22,951
	<u><b>59,696</b></u>	<u>105,835</u>
Exceptional item – provision for interco debt		(500,000)
Exceptional item – credit note re Bahia		<u>(311,869)</u>
<b>OPERATING LOSS</b>	<u><b>(94,453)</b></u>	<u><b>(972,399)</b></u>