

COMPANY NUMBER 1800291

THE ALMANZORA GROUP LIMITED
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2014

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THE ALMANZORA GROUP LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 MARCH 2014

The directors present their report and the financial statements for the year ended 31 March 2014

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 2014 and the directors have addressed the significant risks facing the business.

DIRECTORS

The following have served as directors throughout the year

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 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 2014

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

COMPANY NUMBER 1800291

1 Dec 2014

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

We have audited the financial statements of The Almanzora Group Limited for the year ended 31 March 2014, which comprise the Profit and Loss Account, the Balance Sheet and the related notes numbered 1 to 12

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion, the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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



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

| December 2014

THE ALMANZORA GROUP LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2014

	Notes	2014 £	2013 £
TURNOVER	1(b)	58,661	97,970
Cost of Sales		<u>(226,383)</u>	<u>(229,284)</u>
GROSS LOSS		(167,722)	(131,314)
Administrative expenses		<u>(25,943)</u>	<u>(83,780)</u>
OPERATING LOSS		(193,665)	(215,094)
Interest receivable		351,977	329,574
Interest payable		<u>(432)</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	2	157,880	114,480
Tax on profit on ordinary activities	4	<u>(15,424)</u>	<u>(14,705)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAX		142,456	99,775
(DEFICIT) BROUGHT FORWARD		<u>(210,645)</u>	<u>(310,420)</u>
(DEFICIT) CARRIED FORWARD		<u>(68,189)</u>	<u>(210,645)</u>

The profit and loss account contains all the gains and losses recognised in the current and preceding year and the profit for the financial year is the only movement on shareholders' funds during those years

The related notes 1 to 12 form
an integral part of these financial statements

THE ALMANZORA GROUP LIMITED
BALANCE SHEET
31 MARCH 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible fixed assets	5	770	1,044
Investment in group undertaking	6	<u>829,500</u>	<u>829,500</u>
		<u>830,270</u>	<u>830,544</u>
CURRENT ASSETS			
Debtors	7	8,588,216	7,995,467
Cash at bank and in hand		<u>17,304</u>	<u>919</u>
		8,605,520	7,996,386
CREDITORS: amounts falling due within one year	8	<u>4,482,635</u>	<u>4,014,457</u>
NET CURRENT ASSETS		<u>4,122,885</u>	<u>3,981,929</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,953,155	4,812,473
PROVISION FOR LIABILITIES AND CHARGES	9	<u>21,344</u>	<u>23,118</u>
NET ASSETS		<u>4,931,811</u>	<u>4,789,355</u>
CAPITAL AND RESERVES			
Called up equity share capital	10	5,000,000	5,000,000
Profit and loss account		<u>(68,189)</u>	<u>(210,645)</u>
SHAREHOLDERS' FUNDS		<u>4,931,811</u>	<u>4,789,355</u>

Approved and authorised for issue by the Board on 1st Dec 2014
and signed on its behalf by



Director
J C Hitchins

The related notes 1 to 12 form
an integral part of these financial statements

THE ALMANZORA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2014

1. ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

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
Motor vehicles	- 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 2009, and updated to 31 March 2013. FRS 17 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 2014 of £315,000 (2013 deficit £353,000)

(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

	2014	2013
	£	£
This is arrived at after charging		
Auditor's remuneration	5,000	-
Directors' remuneration		
- Emoluments	20,107	16,900
- Pensions costs	3,056	2,054
Depreciation	274	275
and after crediting		
Interest receivable from associated undertaking	351,977	329,574

THE ALMANZORA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 MARCH 2014

3 EMPLOYEE INFORMATION

a) Staff Costs and Numbers

The average number of persons (including directors) employed by the company during the year was 3 (2013 – 3), employed in sales, marketing and administration

	2014 £	2013 £
Gross salaries	93,053	92,400
Social security costs	10,612	9,586
Pension costs	11,863	11,207
	<u>115,528</u>	<u>113,193</u>

b) Directors

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

	No	No
Defined contribution pension schemes	<u>1</u>	<u>1</u>

- 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 2009. Further details of the scheme are set out in the financial statements of The Robert Hitchins Group Limited.

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2014 £	2013 £
Corporation tax	16,837	15,692
Prior year credit	361	(325)
Deferred taxation (note 9)	<u>(1,774)</u>	<u>(662)</u>
	<u>15,424</u>	<u>14,705</u>
Factors affecting the tax charge		
Profit on ordinary activities before taxation	<u>157,880</u>	<u>116,946</u>
Profit on ordinary activities before taxation multiplied by the full rate of corporation tax of 23% (2013 24%)	<u>36,312</u>	<u>28,067</u>
Effects of		
Expenses not deductible for taxation purposes	0	954
Transfer pricing adjustment	(19,217)	(12,986)
Capital allowances in excess of depreciation	<u>(258)</u>	<u>(343)</u>
Current tax charge	<u>16,837</u>	<u>15,692</u>

THE ALMANZORA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 MARCH 2014

5. TANGIBLE FIXED ASSETS

	Total £	Fixtures, Fittings and Office Equipment £	Motor Vehicles £
Cost			
At 1 April 2013 and 31 March 2014	59,788	39,081	17,707
Depreciation			
At 1 April 2013	55,744	38,037	17,707
Charge for the year	274	274	-
At 31 March 2014	56,018	38,311	17,707
Net Book values			
31 March 2014	770	770	-
<i>31 March 2013</i>	<i>1,044</i>	<i>1,044</i>	<i>-</i>

6 INVESTMENTS

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

7 DEBTORS

	2014 £	2013 £
Other debtors	3,598,954	3,159,912
Amounts owed by group undertakings	21,896	21,896
Amounts owed by related undertakings	4,967,366	4,813,659
	8,588,216	7,995,467

8 CREDITORS

amounts falling due within one year	2014 £	2013 £
Bank overdraft	-	2,934,577
Trade creditors	4,191	3,223
Amount owed to group undertakings	4,255,411	961,435
Corporation tax	16,837	15,692
Other creditors and accruals	196,338	90,265
Taxation and social security	9,858	9,265
	4,482,635	4,014,457

THE ALMANZORA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 MARCH 2014

9	PROVISION FOR LIABILITIES AND CHARGES	2014
		£
	Deferred taxation	
	At 1 April 2013	23,118
	Credited to the profit and loss account (note 4)	<u>(1,774)</u>
	At 31 March 2014	<u>21,344</u>

Timing differences arise from

	2014	2013
	£	£
Accelerated capital allowances	(1,176)	(1,547)
Short term timing differences (loan)Interest	<u>22,520</u>	<u>24,665</u>
	<u>21,344</u>	<u>23,118</u>

10	EQUITY SHARE CAPITAL	2014	2013
		£	£
	Authorised, allotted, called up and fully paid		
	5,000,000 Ordinary shares of £1 each	<u>5,000,000</u>	<u>5,000,000</u>

11. ULTIMATE PARENT UNDERTAKING

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

12 RELATED PARTY TRANSACTIONS

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

During the year the company earned commission of £15,948, (2013 £13,922) from Desert Springs SL and £33,253, from Playas del Almanzora SL (2013 £84,048) which are related undertakings. Interest of £351,977, (2013 £329,574) was accrued on the amounts outstanding from these undertakings. The amount outstanding at 31 March 2014 amounted to £3,763,081, (2013 £3,367,557) and interest receivable was £3,837,516, (2013 £3,485,539)

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