

THE ALMANZORA GROUP LIMITED
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2019



THE ALMANZORA GROUP LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 MARCH 2019

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

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 6. The directors do not recommend the payment of a dividend. The company has continued with its principal activities in the period after 31 March 2019 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 UK Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, as applicable to smaller entities, 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; and
- 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 2019

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

Crowe U.K. LLP are deemed to be reappointed in accordance with section 485 of the Companies Act 2006 by virtue of an elective resolution passed by the members:

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

11th December 2019

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

Opinion

We have audited the financial statements of The Almanzora Group Limited (the "company") for the year ended 31 March 2019 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the company; 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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Matthew Stallabrass

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

10 Salisbury Square, London

18 December 2019

THE ALMANZORA GROUP LIMITED
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
TURNOVER	1(b)	77,444	66,153
Cost of Sales		<u>(54,219)</u>	<u>(138,653)</u>
GROSS PROFIT/(LOSS)		23,225	(72,500)
Administrative expenses		<u>(90,868)</u>	<u>(89,615)</u>
OPERATING LOSS		(67,643)	(162,115)
Interest receivable		39,454	11,891
Interest payable		<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR	2	(28,189)	(150,224)
Tax on loss on ordinary activities	4	<u>(4,237)</u>	<u>19,364</u>
LOSS ON ORDINARY ACTIVITIES AFTER TAX AND COMPREHENSIVE LOSS FOR THE YEAR		(32,426)	(130,860)
(DEFICIT) BROUGHT FORWARD		<u>(1,067,590)</u>	<u>(936,730)</u>
(DEFICIT) CARRIED FORWARD		<u>(1,100,016)</u>	<u>(1,067,590)</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 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible fixed assets	5	-	30
Investment in group undertaking	6	-	-
		<u>-</u>	<u>30</u>
CURRENT ASSETS			
Debtors	7	3,978,894	4,015,932
Cash at bank and in hand		13,546	47,818
		<u>3,992,440</u>	<u>4,063,750</u>
CREDITORS: amounts falling due within one year	8	<u>(74,676)</u>	<u>(113,684)</u>
NET CURRENT ASSETS		<u>3,917,764</u>	<u>3,950,066</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,917,764	3,950,096
PROVISION FOR LIABILITIES AND CHARGES	9	<u>(17,780)</u>	<u>(17,686)</u>
NET ASSETS		<u>3,899,984</u>	<u>3,932,410</u>
CAPITAL AND RESERVES			
Called up equity share capital	10	5,000,000	5,000,000
Profit and loss account		(1,100,016)	(1,067,590)
SHAREHOLDERS' FUNDS		<u>3,899,984</u>	<u>3,932,410</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

Approved and authorised for issue by the Board on 11th December 2019 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 2019

	Share Capital £	Profit & Loss Account £	TOTAL
As at 1 April 2017	5,000,000	(936,730)	4,063,270
Comprehensive loss for the year	-	(130,860)	(130,860)
At 31 March 2018	5,000,000	(1,067,590)	3,932,410
Comprehensive loss for the year	-	(32,426)	(32,426)
At 31 March 2019	5,000,000	(1,100,016)	3,899,984

THE ALMANZORA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

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 UK Accounting Standards, including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, as applicable to smaller entities, and the Companies Act 2006.

The financial statements are presented on a going concern basis. In assessing the Company's ability to continue as a going concern, the directors have taken into consideration all available information relating to the 12 month period from the date of approval of these financial statements, including current and future trading and cash flow forecasts.

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 scheme deficit as at 31 March 2019 of £1,093,000 (2018 deficit: £1,035,000).

(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	2019	2018
	£	£
This is arrived at after charging:		
Auditor's remuneration	5,000	5,000
Directors' remuneration		
- Emoluments	53,472	52,316
Depreciation	30	195
and after crediting:		
Interest receivable from associated undertaking	16,096	11,891

THE ALMANZORA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 MARCH 2019

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 3 (2018: 3) employed in sales, marketing and administration.

	2019 £	2018 £
Gross salaries	109,973	108,891
Social security costs	13,223	13,334
Pension costs	360	360
	<u>123,556</u>	<u>122,585</u>

b) Directors

The paid director is no longer accruing benefits under a pension scheme.

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2019 £	2018 £
Corporation tax	4,143	-
Group relief surrendered	-	(19,451)
Deferred taxation (note 9)	94	87
	<u>4,237</u>	<u>(19,364)</u>
Factors affecting the tax charge		
Loss on ordinary activities before taxation	<u>(28,189)</u>	<u>(150,224)</u>
Loss on ordinary activities before taxation multiplied by the full rate of corporation tax of 19% (2018: 19%)	(5,356)	(28,543)
Effects of		
Transfer pricing adjustment	9,604	9,189
Adjustment to deferred tax	(11)	(10)
Current tax charge/(credit)	<u>4,237</u>	<u>(19,364)</u>

THE ALMANZORA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 MARCH 2019

5. TANGIBLE FIXED ASSETS

	Fixtures, Fittings and Office Equipment £
<i>Cost</i>	
At 1 April 2018	39,860
Disposals	-
At 31 March 2019	39,860
<i>Depreciation</i>	
At 1 April 2018	39,830
Disposals	-
Charge for the year	30
At 31 March 2019	39,860
Net Book values	
31 March 2019	-
<i>31 March 2018</i>	<i>30</i>

6. INVESTMENTS

The company sold its 2.61% of the share capital of Bahia del Almanzora SL to another group company in March 2018 at book cost which in the directors' opinion was not materially different from its market value.

7. DEBTORS

	2019 £	2018 £
Trade debtors	986,072	506,597
Corporation tax	-	19,451
Amounts owed by group undertakings	2,484,310	2,780,055
Amounts owed by related undertakings	352,017	412,301
Other debtors	156,495	297,528
	3,978,894	4,015,932

8. CREDITORS

	2019 £	2018 £
amounts falling due within one year		
Trade creditors	728	2,549
Corporation tax	4,143	-
Other creditors and accruals	57,867	98,781
Taxation and social security	11,938	12,354
	74,676	113,684

THE ALMANZORA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 MARCH 2019

9. PROVISION FOR LIABILITIES AND CHARGES	2019
	£
Deferred taxation:	
At 1 April 2018	17,686
Debited to the profit and loss account (note 4)	94
At 31 March 2019	<u>17,780</u>

Timing differences arise from:	2019	2018
	£	£
Accelerated capital allowances	(451)	(545)
Short term timing differences	18,231	18,231
	<u>17,780</u>	<u>17,686</u>

10. EQUITY SHARE CAPITAL	2019	2018
	£	£
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. 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 Hitchins 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 £26,197 (2018: £3,264) from Desert Springs SL. Interest of £16,096 (2018: £11,891) was accrued on the amounts outstanding from these undertakings. The amount outstanding at 31 March 2019 amounted to £352,017 (2018: £295,542).

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