

REGISTERED NUMBER: OC375746 (England and Wales)

Report of the Members and
Financial Statements for the Year Ended 31 December 2017
for
LC Sales LLP

Contents of the Financial Statements
for the Year Ended 31 December 2017

	Page
General Information	1
Report of the Members	2
Report of the Independent Auditors	4
Statement of Comprehensive Income	6
Statement of Financial Position	7
Reconciliation of Members' Interests	8
Statement of Cash Flows	10
Notes to the Financial Statements	11

LC Sales LLP

General Information
for the Year Ended 31 December 2017

DESIGNATED MEMBERS: LC Sales S.A.
Global Services Limited

REGISTERED OFFICE: 4th Floor,
Clerks' Well House
20 Britton Street
London
EC1M 5UA

REGISTERED NUMBER: OC375746 (England and Wales)

INDEPENDENT AUDITORS: Menzies LLP
Lynton House
7-12 Tavistock Square
London
WC1H 9LT

Report of the Members
for the Year Ended 31 December 2017

The members present their report with the financial statements of the LLP for the year ended 31 December 2017.

PRINCIPAL ACTIVITY

The principal activity of the LLP in the year under review was that of handling bookings for a hotel in Mexico.

DESIGNATED MEMBERS

The designated members during the year under review were:

LC Sales Holding Sarl
LC Sales S.A.
Global Services Limited

LC Sales Holding Sarl, ceased to be a designated member and resigned from the LLP on 30 November 2017.

Global Services Limited, joined the LLP and became a designated member on 30 November 2017.

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The profit for the year before members' remuneration and profit shares was \$5,266,937 (2016 - \$9,167,075 profit).

MEMBERS' INTERESTS

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash requirements of the Limited Liability Partnership. Members are required to subscribe a minimum level of capital and in subsequent years members may be invited to subscribe for further capital. On retirement, capital is repaid to members at the discretion of the LLP.

STATEMENT OF MEMBERS' RESPONSIBILITIES

Report of the Members
for the Year Ended 31 December 2017

STATEMENT OF MEMBERS' RESPONSIBILITIES - continued

The members are responsible for preparing the Report of the Members and the financial statements in accordance with applicable law and regulations.

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, as applied to LLPs, the members 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons or entities who are members at the time when this Members' Report is approved has confirmed that:

So far as the members are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the LLP's auditors are unaware, and each member has taken all the steps that he ought to have taken as a member in order to make himself aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

AUDITORS

The auditors, Menzies LLP, will be proposed for re-appointment at the forthcoming Members Meeting.

ON BEHALF OF THE MEMBERS:

LC Sales S.A. - Designated member

14 February 2019

Opinion

We have audited the financial statements of LC Sales LLP (the 'LLP') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Reconciliation of Members' Interests, Statement of Cash Flows 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).

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 December 2016 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 as applied to LLPs.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the LLP 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 members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the LLP'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 members are responsible for the other information. The other information comprises the information in the Report of the Members, but does not include the financial statements and our Report of the Auditors 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.

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.

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 as applied to LLPs 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
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the Statement of Members' Responsibilities set out on pages two and three, the members 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 members determine 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 members are responsible for assessing the LLP'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 members either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 Report of the Auditors.

Use of our report

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

Philip King (Senior Statutory Auditor)
for and on behalf of Menzies LLP
Lynton House
7-12 Tavistock Square
London
WC1H 9LT

18 February 2019

Statement of Comprehensive Income
for the Year Ended 31 December 2017

	Notes	31.12.17 \$	31.12.16 \$
REVENUE	3	43,181,475	36,110,535
Cost of sales		<u>32,478,745</u>	<u>22,543,977</u>
GROSS PROFIT		10,702,730	13,566,558
Administrative expenses		<u>5,270,830</u>	<u>4,581,027</u>
OPERATING PROFIT	5	5,431,900	8,985,531
Interest receivable and similar income		<u>10,813</u>	<u>181,544</u>
		5,442,713	9,167,075
Interest payable and similar expenses	6	<u>175,776</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		<u>5,266,937</u>	<u>9,167,075</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		5,266,937	9,167,075
Members' remuneration charged as an expense	7	<u>(5,266,937)</u>	<u>(9,167,075)</u>
PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		-	-
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>-</u>	<u>-</u>

The notes form part of these financial statements

Statement of Financial Position
31 December 2017

	Notes	31.12.17 \$	31.12.16 \$
CURRENT ASSETS			
Debtors	8	22,342,140	27,439,741
Cash at bank and in hand		<u>4,149,293</u>	<u>5,996,720</u>
		26,491,433	33,436,461
CREDITORS			
Amounts falling due within one year	9	<u>8,084,640</u>	<u>13,656,977</u>
NET CURRENT ASSETS		<u>18,406,793</u>	<u>19,779,484</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
and			
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>18,406,793</u>	<u>19,779,484</u>
LOANS AND OTHER DEBTS DUE TO MEMBERS	11	18,406,790	19,779,481
MEMBERS' OTHER INTERESTS			
Members' capital classified as equity		<u>3</u>	<u>3</u>
		<u>18,406,793</u>	<u>19,779,484</u>
TOTAL MEMBERS' INTERESTS			
Loans and other debts due to members	11	18,406,790	19,779,481
Members' other interests		3	3
Amounts due from members	8	<u>(56,382)</u>	<u>-</u>
		<u>18,350,411</u>	<u>19,779,484</u>

The financial statements were approved and authorised for issue by the members of the LLP on 14 February 2019 and were signed by:

LC Sales S.A. - Designated member

Reconciliation of Members' Interests
for the Year Ended 31 December 2017

	EQUITY		
	Members' capital (classified as equity)	Members' other interests Other reserves	Total
	\$	\$	\$
Balance at 1 January 2017	3	-	3
Members' remuneration charged as an expense, including employment and retirement benefit costs	-	-	-
Profit for the financial year available for discretionary division among members	-	-	-
Members' interests after profit for the year	3	-	3
Drawings	-	-	-
Balance at 31 December 2017	3	-	3

	DEBT	TOTAL MEMBERS' INTERESTS
	Loans and other debts due to members less any amounts due from members in debtors Other amounts	Total
	\$	\$
Amount due to members	19,779,481	
Amount due from members	-	
Balance at 1 January 2017	19,779,481	19,779,484
Members' remuneration charged as an expense, including employment and retirement benefit costs	5,266,937	5,266,937
Profit for the financial year available for discretionary division among members	-	-
Members' interests after profit for the year	25,046,418	25,046,421
Drawings	(6,696,010)	(6,696,010)
Amount due to members	18,406,790	
Amount due from members	(56,382)	
Balance at 31 December 2017	18,350,408	18,350,411

Reconciliation of Members' Interests
for the Year Ended 31 December 2017

	EQUITY		
	Members' other interests		
	Members' capital (classified as equity) \$	Other reserves \$	Total \$
Balance at 1 January 2016	3	-	3
Members' remuneration charged as an expense, including employment and retirement benefit costs	-	-	-
Profit for the financial year available for discretionary division among members	-	-	-
Members' interests after profit for the year	3	-	3
Balance at 31 December 2016	3	-	3

	DEBT	TOTAL MEMBERS' INTERESTS
	Loans and other debts due to members less any amounts due from members in debtors	
	Other amounts \$	Total \$
Amount due to members	10,612,406	
Amount due from members	-	
Balance at 1 January 2016	10,612,406	10,612,409
Members' remuneration charged as an expense, including employment and retirement benefit costs	9,167,075	9,167,075
Profit for the financial year available for discretionary division among members	-	-
Members' interests after profit for the year	19,779,481	19,779,484
Amount due to members	19,779,481	
Amount due from members	-	
Balance at 31 December 2016	19,779,481	19,779,484

There are no restrictions or limitations on the ability of the members to reduce the amount of Members' other interests.

Statement of Cash Flows
for the Year Ended 31 December 2017

	Notes	31.12.17 \$	31.12.16 \$
Cash flows from operating activities			
Cash generated from operations	15	5,013,546	2,470,441
Interest paid		(175,776)	-
Net cash from operating activities		<u>4,837,770</u>	<u>2,470,441</u>
Cash flows from investing activities			
Interest received		<u>10,813</u>	<u>181,544</u>
Net cash from investing activities		<u>10,813</u>	<u>181,544</u>
Cash flows from financing activities			
Transactions with members and former members			
Payments to members		<u>(6,696,010)</u>	<u>-</u>
Net cash from financing activities		<u>(6,696,010)</u>	<u>-</u>
(Decrease)/increase in cash and cash equivalents		<u>(1,847,427)</u>	<u>2,651,985</u>
Cash and cash equivalents at beginning of year	16	5,996,720	3,344,735
Cash and cash equivalents at end of year	16	<u>4,149,293</u>	<u>5,996,720</u>

The notes form part of these financial statements

1. STATUTORY INFORMATION

LC Sales LLP is registered in England and Wales. The LLP's registered number and registered office address can be found on the General Information page.

LLP's principal place of business is at Club Campestre San José, KM. 119 Libramiento Aeropuerto, 23405 San José Del Cabo, BCS, Mexico.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Companies Act 2006 as applied to LLPs and the requirements of the Statement of Recommended Practice, Accounting by Limited Liability Partnerships. The financial statements have been prepared under the historical cost convention..

The LLP's functional and presentation currency is US dollars.

Significant judgements and estimates

In the preparation of the financial statements, management has made no judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year.

Revenue

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is derived from the company's activity of booking accommodation, functions, food and beverages and auxiliary services in the hotel known as Secrets Puerto Los Cabos Golf & Spa.

Revenue from all holidays is recognised on the date of guest arrival.

Deposit amounts received from customers for whom revenue has not yet been recognised are recorded in the balance sheet within current liabilities.

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the transaction price of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Trade and other receivables are initially measured at transaction price and are subsequently measured at amortised cost, using the effective interest rate method. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank.

Trade and other payables are initially measured at transaction price and are subsequently measured at amortised cost, using the effective interest rate method.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

2. ACCOUNTING POLICIES - continued

Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with Section 22 of FRS 102. 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the Statement of comprehensive income in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the Statement of financial position.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the Statement of comprehensive income and are equity appropriations in the Statement of financial position.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the Statement of financial position within 'Loans and other debts due to members' and are charged to the Statement of comprehensive income within 'Members' remuneration charged as an expense'.

Amounts due to members that are classified as equity are shown in the Statement of financial position within 'Members' other interests'.

Taxation

Taxation on all the LLP's profits is solely the personal liability of individual members and is not dealt with in these financial statements.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

3. REVENUE

The revenue and profit for the financial year before members' remuneration and profit shares are attributable to the one principal activity of the LLP.

An analysis of revenue by class of business is given below:

	31.12.17	31.12.16
	\$	\$
All inclusive packages	42,416,062	35,471,294
Discounted Vacation Club	765,413	639,241
	<u>43,181,475</u>	<u>36,110,535</u>

An analysis of revenue by geographical market is given below:

	31.12.17	31.12.16
	\$	\$
Mexico	43,181,475	36,110,535
	<u>43,181,475</u>	<u>36,110,535</u>

4. EMPLOYEE INFORMATION

There were no staff costs for the year ended 31 December 2017 nor for the year ended 31 December 2016.

5. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.17	31.12.16
	\$	\$
Auditor's remuneration	<u>16,690</u>	<u>27,042</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.12.17	31.12.16
	\$	\$
Loan interest written off	<u>175,776</u>	<u>-</u>

7. INFORMATION IN RELATION TO MEMBERS

	31.12.17	31.12.16
	\$	\$
Members' remuneration charged as an expense		
Automatic division of profit	<u>5,266,937</u>	<u>9,167,075</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

7. INFORMATION IN RELATION TO MEMBERS - continued

	31.12.17	31.12.16
	\$	\$
The amount of profit attributable to the member with the largest entitlement was	<u>5,214,266</u>	<u>9,075,405</u>
	31.12.17	31.12.16
The average number of members during the year was	<u>2</u>	<u>2</u>

8. DEBTORS

	31.12.17	31.12.16
	\$	\$
Amounts falling due within one year:		
Trade debtors	3,094,387	2,441,898
Amounts due from members	56,382	-
Other debtors	180,285	3,046,936
Amounts owed by connected parties	18,983,501	13,950,802
Prepayments and accrued income	27,585	-
	<u>22,342,140</u>	<u>19,439,636</u>
Amounts falling due after more than one year:		
Other debtors	-	4,400,105
Amounts owed by connected parties	-	3,600,000
	<u>-</u>	<u>8,000,105</u>
Aggregate amounts	<u>22,342,140</u>	<u>27,439,741</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17	31.12.16
	\$	\$
Deposits	6,619,224	12,378,367
Trade creditors	800,192	620,879
Accruals and deferred income	665,224	657,731
	<u>8,084,640</u>	<u>13,656,977</u>

10. FINANCIAL INSTRUMENTS

All financial instruments of the LLP in the year ended 31 December 2017 and in the year ended 31 December 2016 are basic financial instruments measured at amortised cost. Financial assets comprise cash at bank and in hand and debtors balances, except for prepayments, as disclosed in the Balance Sheet. Financial liabilities comprise creditors falling due within one year as disclosed in the Balance Sheet.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

11. LOANS AND OTHER DEBTS DUE TO MEMBERS

	31.12.17	31.12.16
	\$	\$
Amounts owed to members in respect of profits	18,406,790	19,779,481
Falling due within one year	18,406,790	19,779,481

In the event of winding up, any amounts owed to the LLP's bankers are secured by fixed and floating charges on the assets of the LLP.

Loans and other debts due to members rank behind creditors in the event of winding up.

12. ULTIMATE CONTROLLING PARTY

There is no single entity that can be regarded by members as being the ultimate controlling party.

LC Sales S.A., incorporated in Panama, is considered by the members of the LLP to be its parent undertaking.

13. CONTINGENT LIABILITIES

The LLP has given a guarantee over its assets in order to secure banking facilities provided to IXE Banco S.A., a related party as disclosed in note 13. The members do not believe any liability will arise as a result of this guarantee.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

14. RELATED PARTY DISCLOSURES

Amounts owed by connected parties: falling due within one year

		31.12.17	31.12.16
Name	Nature of transaction	\$	\$
IXE Banco S.A.	Finance	13,579,511	11,622,167
Desarrollo Puerto Playita S. A. de CV	Finance	1,525,000	1,293,686
Trafalgar Real Estate Developers Limited	Finance	1,220,000	1,034,949
Banco Invex, SA Fideicomiso 123	Finance	1,329,495	-
Banco Invex, SA Fideicomiso 192	Finance	1,329,495	-
		<u>18,983,501</u>	<u>13,950,802.</u>

Included in the Cost of Sales are \$29,878,547 (2016: 20,394,001) of purchases from IXE Banco S.A.

IXE Banco S.A., incorporated in Mexico, is an entity under joint control/significant influence of related persons. Amounts receivable have no specified repayment date and are interest free.

Desarrollo Puerto Playita S.A. de CV, incorporated in Mexico, is an entity with joint control/significant influence over a parent company. Amounts receivable are due for repayment in December 2017, including interest accrued at LIBOR + 0.02% of \$Nil (2016: \$43,686). Interest accrued in 2016 was written off during the year.

Trafalgar Real Estate Developers Limited, is an entity with joint control/significant influence over a parent company. Amounts receivable are due for repayment in December 2017, including interest accrued at LIBOR + 0.02% of \$Nil (2016: \$34,948). Interest accrued in 2016 was written off during the year.

Banco Invex, SA Fideicomiso 123, is an entity with joint control/significant influence over a parent company. Amounts receivable are interest free and due for repayment in December 2017.

Banco Invex, SA Fideicomiso 192, is an entity with joint control/significant influence over a parent company. Amounts receivable are interest free and due for repayment in December 2017.

Amounts owed by connected parties: falling due after more than one year

		31.12.17	31.12.16
Name	Nature of transaction	\$	\$
Desarrollo Puerto Playita S. A. de CV	Finance	-	2,000,000
Trafalgar Real Estate Developers Limited	Finance	-	1,600,000
		<u>-</u>	<u>3,600,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

15. **RECONCILIATION OF PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR
DISCRETIONARY DIVISION AMONG MEMBERS TO CASH GENERATED FROM
OPERATIONS**

	31.12.17	31.12.16
	\$	\$
Profit for the financial year available for discretionary division among members	-	-
Members' remuneration charged as an expense	5,266,937	9,167,075
Finance costs	175,776	-
Finance income	(10,813)	(181,544)
	<u>5,431,900</u>	<u>8,985,531</u>
Decrease/(increase) in trade and other debtors	5,153,983	(10,398,795)
(Decrease)/increase in trade and other creditors	<u>(5,572,337)</u>	<u>3,883,705</u>
Cash generated from operations	<u>5,013,546</u>	<u>2,470,441</u>

16. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash
equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2017

	31.12.17	1.1.17
	\$	\$
Cash and cash equivalents	<u>4,149,293</u>	<u>5,996,720</u>

Year ended 31 December 2016

	31.12.16	1.1.16
	\$	\$
Cash and cash equivalents	<u>5,996,720</u>	<u>3,344,735</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.