

LA MANZANILLA (UK) LIMITED

DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016



Company Registration N° 04529068 (England and Wales)

LA MANZANILLA (UK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2016

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

Principal activities

The principal activity of the Company continued to be that of a holding Company of overseas companies whose principal trading activity was that of property development in Spain.

The Company has continued to hold its investments in Byblos Country Club Golf, S.A. and Kamelosa Properties Inc. The activities of these companies have been affected by the impact of the worldwide recession in Spain, and the lack of confidence in the Spanish holiday and villa market in particular.

The Company identifies its main risk being the valuation of the subsidiaries, Byblos Country Club Golf, S.A. and Kamelosa Properties Inc, this is mitigated through the monitoring of the records on a timely basis. However, the recession in Spain and its impact on the valuation of the property development is beyond the control of the directors.

Directors:

Dag Frode Nordset sole Director

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

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 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the Board

A handwritten signature in black ink, appearing to be 'Dag Frode Nordset', written over a horizontal line.

Dag Frode Nordset

Sole Director

Date: 28/02/2017

LA MANZANILLA (UK) LIMITED**BALANCE SHEET****AS AT 31 OCTOBER 2016**

	2016
FIXED ASSETS	
Tangible assets	
Investments	1.000.000,00
	1.000.000,00
CURRENT ASSETS	
Debtors	
Cash at bank and in hand	600,93
	600,93
CREDITORS	
Creditors: Byblos/Kamelosa	
	17.594.032,53
NET CURRENT LIABILITIES	
TOTAL ASSETS LESS CURRENT LIABILITIES	
CAPITAL AND RESERVES	
Called up share capital	183.026,00
Deferred shares	4.974,00
Share premium account	498.000,00
Profit and loss account	16.278.830,67
SHAREHOLDERS' FUNDS	2.001.201,86
	2.001.201,86

For the financial year ended 31 October 2016 the Company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the Company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the Company keeps accounting records which comply with section 386 of the Act and for preparing financial

year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the Company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities

Approved by the Board for issue on 28.02.2017

A handwritten signature in black ink, appearing to be 'Dag Frode Nordset', written in a cursive style.

Dag Frode Nordset

Director

Company Registration N° 04529068

LA MANZANILLA (UK) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2016

	P&L
	2016
Deposit Account Interest	
Bank Charges	
FX (gain)/Loss on translation from functional to presentational currency	- €
Profit (loss)	- €

LA MANZANILLA (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2016

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Going Concern

Excluding loss on foreign Exchange, the Company has incurred losses of € 0.00 in the current year.

The financial statements have been prepared on a going concern basis which is dependent on the sale of the subsidiary's land at a Price sufficient to cover all liabilities and ongoing financial support from the shareholders.

1.2. Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computes equipment 33% on cost

1.4. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5. Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of Exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

Closing rate 1.1104€:£

1.6. Group accounts

The financial statements present information about the Company as an individual undertaking and not about its group. The Company and its subsidiary undertaking comprise a small-sized group. The Company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

2. Operating loss

	2016	2015
Operating loss is stated after charging:		
Operating loss	-€	-€

3. Tangible fixed assets

	Computer equipment
Cost	
At 1 November 2015 & at 31 October 2016	€ 726
Depreciation	
At 1 November 2015 & at 31 October 2016	€ 726
Net book value	
At 31 October 2016	-
At 31 October 2016	-

4. Fixed asset investments

	Shares in group undertakings and participating interests
Cost	
At 1 November 2015 & at 31 October 2016	€ 1,000,000
Net book value	
At 31 October 2016	€ 1,000,000
At 31 October 2016	€ 1,000,000

Holdings of more than 20%

The Company holds more than 20% of the share capital of the following companies:

COMPANY	COUNTRY OF REGISTRATION	CLASS	SHARES HELD %
Byblos Country Club Golf, S.A.	Spain	Ordinary	100.00
Kamelosa Properties Inc.	Panama	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

COMPANY	PRINCIPAL ACTIVITY	CAPITAL AND RESERVES 2015	PROFIT /(LOSS) FOR THE YEAR 2015
Byblos Country Club Golf, S.A.	Property development	2.888.442	-
Kamelosa Properties Inc.	Dormant	-	-

In 2016 the directors reviewed the value of investments in light of the current economic climate of the territory in which the underlying assets exist. Following this review the directors estimated the likely recoverable value of investments at h balance sheet date was €1,000,000. Accordingly, the directors have recognised

a provision for diminution in value of €27,666,499. The directors have reviewed this valuation in 2016 and agree no further adjustment is required.

5. Creditors: amounts falling due within one year

	2016
Other creditors	€ 17,594,032

6. Share capital

Ordinary share capital, deferred share capital and the associated share Premium account are denominated in GBP with a nominal value of £1. Both the ordinary share capital and the associated share Premium are translated into euros at the historic Exchange rate in effect at the time of issue.

7. Statements of movements on reserves

	Share Premium account	Profit and loss account
Balance at 1 November 2015	€ 498,000	€ (16,278,830)
Profit (loss) for the year		€ 0
Balance at 31 October 2016	€ 498,000	€ (16,278,830)

8. Control

The Company is controlled by the directors by virtue of their combined majority holding in the Company.

9. Related party relationships and transactions

Loans to/(from) directors

Other transactions

At the balance sheet date the Company owed an amount of € 17,594,032 to Byblos Country Club Golf, S.A.