

A & M Minerals and Metals Limited

Report and Financial Statements

Year Ended

30 June 2013

Company Number 2427294



A & M Minerals and Metals Limited

Report and financial statements for the year ended 30 June 2013

Contents

Page

1	Report of the directors
3	Independent auditor's report
5	Profit and loss account
6	Balance sheet
7	Notes forming part of the financial statements

Directors

S S Lim
C A Bloggs

Secretary and registered office

C Bloggs, 29-35 Long Lane, London, SE1 4PL

Company number

2427294

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

A & M Minerals and Metals Limited

Report of the directors for the year ended 30 June 2013

The directors present their report together with the audited financial statements for the year ended 30 June 2013

Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the year

The directors do not recommend a payment of a final ordinary dividend for the year (2012 - \$Nil)

Principal activities, trading review and future developments

The principal activity of the company is the provision of administrative support services for the group

The directors consider the profit achieved on ordinary activities before taxation and the outlook for the future to be encouraging

The directors monitor the business on a timely basis in order to assess performance and manage business risk

Directors

The directors of the company during the year were

S S Lim
C A Bloggs

Financial instruments

The objectives, policies and strategies applied with respect to the management of financial risk are determined by the directors. The principal financial instruments used by the company to finance its operations are cash, bank overdrafts, and secured debt

Foreign currency risk

The company's reporting currency is US dollars. No international trading occurs and no foreign currency risk exists

Interest rate risk

The company's exposure to interest rate fluctuations is constantly monitored. There is no formal policy on bank overdrafts but a variable rate is applied over secured debts

Liquidity risk

The company monitors cash flow on a periodic basis, ensuring that appropriate facilities are available to be drawn on as necessary

Credit risk

The company's trade debtors are not considered significant and arose when the company was previously the main trading entity of the A & M Group. No significant credit risk exists

A & M Minerals and Metals Limited

Report of the directors for the year ended 30 June 2013 (continued)

Directors' responsibilities

The directors are responsible for preparing the Annual 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 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 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.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of the information needed by the company's auditors for the purposes of their audit and to ensure that the auditors are aware of the information. The directors are not aware of any relevant information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board



**C Bloggs
Secretary**

30 September 2013

A & M Minerals and Metals Limited

Independent auditor's report

TO THE MEMBERS OF A & M MINERALS AND METALS LIMITED

We have audited the financial statements of A&M Minerals and Metals Limited for the year ended 30 June 2013 which comprise the profit and loss account, the balance sheet and the related notes. 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 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.

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 30 June 2013 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 matters 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.

A & M Minerals and Metals Limited

Independent auditor's report (*continued*)

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



Andrew Richardson (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

30 September 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

A & M Minerals and Metals Limited

Profit and loss account for the year ended 30 June 2013

	Note	2013 \$	2012 \$
Turnover	2	2,338,130	2,833,577
Administrative expenses		2,176,223	2,435,919
		<hr/>	<hr/>
Operating profit	5	161,907	397,658
Interest payable and similar charges	6	-	(126)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		161,907	397,532
Taxation charge on profit from ordinary activities	7	(50,901)	(100,054)
		<hr/>	<hr/>
Profit on ordinary activities after taxation	12	111,006	297,478
		<hr/>	<hr/>

All amounts relate to continuing activities

All recognised gains and losses are included in the profit and loss account

The notes on pages 7 to 11 form part of these financial statements

A & M Minerals and Metals Limited

Balance sheet at 30 June 2013

Company number 2427294	Note	2013 \$	2012 \$
Current assets			
Debtors	8	3,228,693	2,765,592
Cash at bank and in hand		108,736	-
		<u>3,337,429</u>	<u>2,765,592</u>
Creditors amounts falling due within one year	9	1,732,382	1,271,551
		<u>1,605,047</u>	<u>1,494,041</u>
Net assets			
Capital and reserves			
Called up share capital	10	1,059,600	1,059,600
Profit and loss account	11	545,447	434,441
		<u>1,605,047</u>	<u>1,494,041</u>
Shareholders' funds	12	1,605,047	1,494,041

The financial statements were approved by the Board of Directors and authorised for issue on 30 September 2013



C A Bloggs
Director

The notes on pages 7 to 11 form part of these financial statements

A & M Minerals and Metals Limited

Notes forming part of the financial statements for the year ended 30 June 2013

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The financial statements are shown in US dollars as this is the reporting currency of the Group of which A & M Group Limited is the ultimate parent undertaking. The following principal accounting policies have been applied:

Turnover

Turnover represents management charges to group companies.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Operating leases

The annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

Foreign currency

Foreign currency transactions are translated at the monthly rate ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the profit and loss account.

Pension costs

The company operates a defined contribution pension scheme. The assets of this scheme are held separately in an independently administered fund.

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

2 Turnover

The turnover of the company is derived from management charges to the London based members of the group.

A & M Minerals and Metals Limited

Notes forming part of the financial statements for the year ended 30 June 2013 (*continued*)

3 Employees

	2013 \$	2012 \$
Staff costs consist of		
Wages and salaries	1,686,576	1,466,056
Social security costs	92,209	97,801
Other pension costs	77,608	99,771
	<u>1,856,393</u>	<u>1,663,628</u>

The average number of employees, including directors, during the year was (2012 - 9)

4 Directors

	2013 \$	2012 \$
Directors' remuneration consists of		
Emoluments	202,744	190,534
Payments to defined contribution pension scheme	11,932	11,995
	<u>214,676</u>	<u>202,529</u>

The company made defined contribution pension payments on behalf of 1 (2012 - 1) director

5 Operating profit

	2013 \$	2012 \$
This has been arrived at after charging/(crediting)		
Auditors' remuneration		
- in respect of audit services	12,500	12,451
- in respect of taxation services	3,000	10,450
Foreign exchange losses/(gains)	81,025	(52,433)
	<u></u>	<u></u>

6 Interest payable and similar charges

	2013 \$	2012 \$
Bank loans and overdrafts	-	126
	<u></u>	<u></u>

A & M Minerals and Metals Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (*continued*)

7 Taxation on profit from ordinary activities

	2013 \$	2012 \$
<i>Current tax</i>		
UK corporation tax on profit for the year	52,114	101,993
Over provision in respect of previous years	(1,213)	(1,939)
	<hr/>	<hr/>
Current tax charge for year	50,901	100,054
	<hr/>	<hr/>

The tax assessed for the year varies from the standard rate of corporation tax in the UK. The differences are explained below

	2013 \$	2012 \$
Profit on ordinary activities before tax	161,907	397,532
	<hr/>	<hr/>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 23.75% (2012 - 25.5%)	38,453	101,371
Effects of		
Expenses not deductible for tax purposes	13,661	22,198
Claim of group relief	-	(15,915)
Non taxable income	-	(5,661)
Over provision in respect of previous years	(1,213)	(1,939)
	<hr/>	<hr/>
Current tax charge for year	50,901	100,054
	<hr/>	<hr/>

8 Debtors

	2013 \$	2012 \$
Trade debtors	234	242
Amounts due from group undertakings	3,145,174	2,694,969
Other debtors	29,533	20,911
Prepayments and accrued income	53,752	49,470
	<hr/>	<hr/>
	3,228,693	2,765,592
	<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year

**Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)**

	2013	2012
	\$	\$
Bank loan and overdrafts (secured)	-	47,128
Trade creditors	83,710	77,766
Amounts due from related group undertakings	901,965	-
Taxation and social security	70,285	83,869
Corporation tax	52,114	100,054
Accruals and deferred income	624,308	948,330
Other creditors	-	14,404
	<hr/>	<hr/>
	1,732,382	1,271,551

10 Share capital

	Authorised			
	2013 Number	2012 Number	2013 \$	2012 \$
Ordinary shares of 10 pence each	50,000,000	50,000,000	8,830,000	8,830,000
	Allotted, called up and fully paid			
	2013 Number	2012 Number	2013 \$	2012 \$
Ordinary shares of 10 pence each	6,000,000	6,000,000	1,059,600	1,059,600

Profit and loss account	\$
At 1 July 2012	434,441
Profit for year	111,006
	<hr/>
At 30 June 2013	545,447

	2013 \$	2012 \$
Profit for the year	111,006	297,478
Opening shareholders' funds	1,494,041	1,196,563
	<hr/>	<hr/>
Closing shareholders' funds	1,605,047	1,494,041

A & M Minerals and Metals Limited

Notes forming part of the financial statements for the year ended 30 June 2013 (continued)

13 Commitments under operating leases

As at 30 June 2013, the company had annual commitments under non-cancellable operating leases in respect of land and buildings as set out below

	2013 \$	2012 \$
In more than five years	58,952	60,966

The annual lease commitments have been converted to US dollars at the year end

14 Contingent liabilities

The company has a joint and several liability for VAT under a group registration scheme. At the balance sheet date \$1,125 (2012 - \$17,239) was owed to the group by HMRC.

The company has entered into a cross guarantee with certain other group companies to secure the banking arrangements of the group.

15 Related party transactions

The Company has taken advantage of the exemption under Financial Reporting Standard 8, "Related Party Disclosures", and has not reported transactions with fellow group undertakings.

16 Cash flow statements

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement as it is consolidated in the financial statements of its ultimate parent company.

17 Ultimate parent company

At the beginning and end of the year the ultimate parent company was A & M Group Limited, a company incorporated in England and Wales, which is the parent of both the largest and smallest company in the group of which the company is a member.

Copies of the consolidated accounts of A & M Group Limited are available from Apex Yard, 29-35 Long Lane, London, SE1 4PL.

A & M Minerals and Metals Limited

The page which follows does not
form part of the statutory
financial statements of the company

A & M Minerals and Metals Limited

Detailed profit and loss account for the year ended 30 June 2013

	2013 \$	2013 \$	2012 \$	2012 \$
Turnover		2,338,130		2,833,577
Administrative expenses				
Staff costs	1,372,734		1,663,628	
Establishment costs	105,963		120,832	
Communication costs	16,721		11,238	
Travel and entertainment	55,398		114,037	
Legal and professional	185,825		193,230	
Bank charges	10,069		11,942	
Miscellaneous expenses	79,334		92,408	
Branch overheads	269,154		258,837	
Foreign exchange losses/(gains)	81,025		(30,233)	
		<u>(2,176,223)</u>		<u>(2,435,919)</u>
Operating profit		161,907		397,658
Interest payable and similar charges		-		(126)
Profit on ordinary activities before taxation		161,907		397,532
Taxation charge on profit from ordinary activities		(50,901)		(100,054)
Profit on ordinary activities after taxation		<u>111,006</u>		<u>297,478</u>