

A & M Minerals and Metals Limited

Report and Financial Statements

Year Ended

30 June 2014

Company Number 02427294

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A & M Minerals and Metals Limited

Report and financial statements for the year ended 30 June 2014

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Directors

S S Lim
C A Bloggs

Secretary and registered office

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

Company number

02427294

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 2014

The directors present their report together with the audited financial statements for the year ended 30 June 2014.

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 (2013 - \$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 2014 (*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.

In preparing this directors' report advantage has been taken of the small companies' exemption.

By order of the Board


C Bloggs

Secretary

Date 6th October 2014.

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 2014 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 Financial Reporting Council's (FRC'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 FRC'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 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 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;
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime and to the exemption from the requirement to prepare a strategic report.



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

Date 6 OCTOBER 2014

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 2014

	Note	2014 \$	2013 \$
Turnover	2	1,949,256	2,338,130
Administrative expenses		(1,786,112)	(2,176,223)
Profit on ordinary activities before taxation		163,144	161,907
Taxation charge on profit from ordinary activities	6	(28,782)	(50,901)
Profit on ordinary activities after taxation	11	134,362	111,006

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 2014

Company number 02427294	Note	2014 \$	2013 \$
Current assets			
Debtors	7	4,952,370	3,228,693
Cash at bank and in hand		1,241	108,736
		<u>4,953,611</u>	<u>3,337,429</u>
Creditors: amounts falling due within one year	8	<u>(3,214,202)</u>	<u>(1,732,382)</u>
Net assets		<u>1,739,409</u>	<u>1,605,047</u>
Capital and reserves			
Called up share capital	9	1,059,600	1,059,600
Profit and loss account	10	679,809	545,447
Shareholders' funds	11	<u>1,739,409</u>	<u>1,605,047</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 6th October 2014.


C A Blaggs
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 2014

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 2014 (*continued*)

3 Employees

	2014 \$	2013 \$
Staff costs consist of:		
Wages and salaries	1,134,828	1,686,576
Social security costs	99,047	92,209
Other pension costs	85,678	77,608
	<u>1,319,553</u>	<u>1,856,393</u>

The average number of employees, including directors, during the year was 9 (2013 - 9).

4 Directors

	2014 \$	2013 \$
Directors' remuneration consists of:		
Emoluments	193,868	202,744
Payments to defined contribution pension scheme	13,239	11,932
	<u>207,107</u>	<u>214,676</u>

The company made defined contribution pension payments on behalf of 1 (2013 - 1) director.

5 Operating profit

	2014 \$	2013 \$
This has been arrived at after charging/(crediting):		
Auditors' remuneration		
- in respect of audit services	13,000	12,500
- in respect of taxation services	3,500	3,000
Foreign exchange (gains)/losses	<u>(160,142)</u>	<u>81,025</u>

A & M Minerals and Metals Limited

Notes forming part of the financial statements
for the year ended 30 June 2014 (*continued*)

6 Taxation on profit from ordinary activities

	2014 \$	2013 \$
<i>Current tax</i>		
UK corporation tax on profit for the year	11,419	52,114
Under/ (over) provision in respect of previous years	17,363	(1,213)
	<hr/>	<hr/>
Current tax charge for year	28,782	50,901
	<hr/>	<hr/>

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

	2014 \$	2013 \$
Profit on ordinary activities before tax	163,144	161,907
	<hr/>	<hr/>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 22.50% (2013 - 23.75%)	36,710	38,453
Effects of:		
Expenses not deductible for tax purposes	3,318	13,661
Claim of group relief	(2,526)	-
Non taxable income	(26,083)	-
Under/ (over) provision in respect of previous years	17,363	(1,213)
	<hr/>	<hr/>
Current tax charge for year	28,782	50,901
	<hr/>	<hr/>

7 Debtors

	2014 \$	2013 \$
Trade debtors	2,744	234
Amounts due from group undertakings	4,846,198	3,145,174
Other debtors	44,239	29,533
Prepayments and accrued income	59,189	53,752
	<hr/>	<hr/>
	4,952,370	3,228,693
	<hr/>	<hr/>

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

A & M Minerals and Metals Limited

Notes forming part of the financial statements
for the year ended 30 June 2014 (*continued*)

8 Creditors: amounts falling due within one year

	2014 \$	2013 \$
Bank loan and overdrafts (secured)	88,966	-
Trade creditors	65,108	83,710
Amounts due to related group undertakings	2,461,378	901,965
Taxation and social security	134,602	70,285
Corporation tax	28,782	52,114
Accruals and deferred income	435,366	624,308
	<u>3,214,202</u>	<u>1,732,382</u>

The bank loans and overdrafts are secured on the group's freehold property, stocks and trade debtors, and by cross guarantees with certain other group companies.

9 Share capital

	2014 Number	Allotted, called up and fully paid 2013 Number	2014 \$	2013 \$
Ordinary shares of 10 pence each	<u>6,000,000</u>	<u>6,000,000</u>	<u>1,059,600</u>	<u>1,059,600</u>

10 Profit and loss account

	\$
At 1 July 2013	545,447
Profit for year	134,362
	<u>679,809</u>
At 30 June 2014	

11 Reconciliation of movements in shareholders' funds

	2014 \$	2013 \$
Profit for the year	134,362	111,006
Opening shareholders' funds	1,605,047	1,494,041
	<u>1,739,409</u>	<u>1,605,047</u>
Closing shareholders' funds		

A & M Minerals and Metals Limited

Notes forming part of the financial statements for the year ended 30 June 2014 (continued)

12 Commitments under operating leases

As at 30 June 2014, the company had annual commitments under non-cancellable operating leases in respect of land and buildings as set out below:

	2014 \$	2013 \$
In more than five years	66,462	58,952

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

13 Contingent liabilities

The company has a joint and several liability for VAT under a group registration scheme. At the balance sheet date \$24,212 (2013 - \$1,125) 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.

14 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.

15 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.

16 Ultimate parent company and ultimate controlling party

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. The ultimate controlling party of the company is Mr S S Lim.

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 2014

	2014 \$	2014 \$	2013 \$	2013 \$
Turnover		1,949,256		2,338,130
Administrative expenses				
Staff costs	1,319,553		1,372,734	
Establishment costs	126,853		105,963	
Communication costs	19,895		16,721	
Travel and entertainment	82,239		55,398	
Legal and professional	168,320		185,825	
Bank charges	12,162		10,069	
Miscellaneous expenses	76,091		79,334	
Branch overheads	141,141		269,154	
Foreign exchange (gains)/losses	(160,142)		81,025	
		(1,786,112)		(2,176,223)
Profit on ordinary activities before taxation		163,144		161,907
Taxation charge on profit from ordinary activities		(28,782)		(50,901)
Profit on ordinary activities after taxation		134,362		111,006