

Mineral Development Services Limited

Directors' Report and Financial Statements

Year Ended

31 December 2010

Company Number 4571228

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Mineral Development Services Limited

Report and financial statements for the year ended 31 December 2010

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Directors

S R Lawrence

Secretary

Cornhill Secretaries Limited

Company number

4571228

Registered Office and Business Address

150 Aldersgate Street
London
EC1A 4AB

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

Mineral Development Services Limited

Report of the directors for the year ended 31 December 2010

The directors present their report together with the audited financial statements for the year ended 31 December 2010

Results

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

Principal activities

The principal activity of the company continued to be that of the design, consulting and other services internationally relating to mineral processing plants

Dividend

An interim dividend of £186,482 was declared and paid during the year

Directors

The directors of the company during the year were as follows

S R Lawrence
S C Lawrence (resigned – 26 October 2010)

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 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.

Mineral Development Services Limited

Report of the directors for the year ended 31 December 2010 (continued)

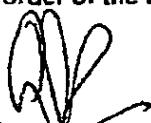
Auditors

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



S R Lawrence
Director

Date 22 September 2011

Mineral Development Services Limited

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MINERAL DEVELOPMENT SERVICES LIMITED

We have audited the financial statements of Mineral Development Services Limited for the year ended 31 December 2010 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 (APB'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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 31 December 2010 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 period for which the financial statements are prepared is consistent with the financial statements.

Mineral Development Services 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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime

BDO LLP

John Everingham (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
United Kingdom
Date *20 September 2011*

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

Mineral Development Services Limited

Profit and loss account for the year ended 31 December 2010

	Note	2010 £	Unaudited 2009 £
Turnover	2	81,500	55,000
Cost of sales		-	-
Gross profit		81,500	55,000
Administrative expenses		(82,645)	(6,944)
Operating (loss) /profit	3	(1,145)	48,056
Other interest receivable and similar income	4	17	-
(Loss)/profit on ordinary activities before taxation		(1,128)	48,056
Taxation on profit from ordinary activities	5	22,828	(9,611)
Profit on ordinary activities after taxation	10/11	21,700	38,445

All amounts relate to continuing activities

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

The notes on pages 7 to 10 form part of these financial statements


Mineral Development Services Limited

Balance sheet at 31 December 2010

Company number 4571228	Note	2010 £	2010 £	Unaudited 2009 £	Unaudited 2009 £
Current assets					
Debtors	7	52,943		20,745	
Cash at bank and in hand		39,026		348,018	
		<u>91,969</u>		<u>368,763</u>	
Creditors: amounts falling due within one year	8	<u>(70,267)</u>		<u>(182,277)</u>	
Net current assets			21,702		186,482
Total assets less current liabilities			<u>21,702</u>		<u>186,484</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account	10		<u>21,700</u>		<u>186,482</u>
Shareholders' funds	11		<u>21,702</u>		<u>186,484</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 22 September 2011.


Director
S R Lawrence

The notes on pages 7 to 10 form part of these financial statements.

Mineral Development Services Limited

Notes forming part of the financial statements
for the year ended 31 December 2010

1 Accounting policies

Accounting convention

The financial statements are prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards, which have been applied consistently (except as otherwise stated)

The financial statements have been prepared under the historical cost convention

Going concern

The financial statements have been prepared on a going concern basis, despite the fact that the company has incurred a loss before taxation of £1,128. The going concern basis has been supported by a letter of financial support from its holding company, DRA Limited, whereby the company's holding company will continue to provide financial support and resources in order for the company to continue trading in the foreseeable future and to meet its liabilities as they fall due, and for a period of at least twelve months from the date of signing of these financial statements

The following principal accounting policies have been applied

Turnover

Turnover represents services provided to external customers at invoiced amounts less value added tax. Turnover is recognised when the risks and rewards of providing the services has passed to the customer

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling 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

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom

Mineral Development Services Limited

Notes forming part of the financial statements
for the year ended 31 December 2010 (*continued*)

3	Operating (loss) /profit	2010	Unaudited
		£	2009
			£
	This has been arrived at after charging/(crediting)		
	Foreign exchange losses	1,974	-
		<u> </u>	<u> </u>
	Audit fees have been borne by another group related company		
4	Other interest receivable and similar income	2010	Unaudited
		£	2009
			£
	Interest received on bank accounts	17	-
		<u> </u>	<u> </u>
5	Taxation	2010	Unaudited
		£	2009
			£
	<i>UK Corporation tax</i>		
	Current tax on profits of the year	-	(9,611)
	Prior year over provision of taxation	22,828	
		<u> </u>	<u> </u>
6	Dividends	2010	Unaudited
		£	2009
			£
	<i>Ordinary shares</i>		
	Declared and paid in the year of £93,241 per share	186,482	-
		<u> </u>	<u> </u>
7	Debtors	2010	Unaudited
		£	2009
			£
	Trade debtors	42,500	10,300
	Loans to group related companies	10,443	10,443
	Other debtors	-	2
		<u> </u>	<u> </u>
		52,943	20,745
		<u> </u>	<u> </u>

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

Mineral Development Services Limited

Notes forming part of the financial statements
for the year ended 31 December 2010 (*continued*)

8 Creditors: amounts falling due within one year	2010	Unaudited
	£	2009 £
Taxation and social security	100	33,020
Trade creditors	30,967	-
Other creditors	1,462	2,999
Loan payable to director – SL Lawrence	444	-
Loans payable to group related companies	37,294	146,258
	<u>70,267</u>	<u>182,277</u>

9 Share capital	Allotted, called up and fully paid			Unaudited
	2010 Number	Unaudited 2009 Number	2010 £	2009 £
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

10 Statement of movement on profit and loss account	2010	Unaudited
	£	2011 £
At beginning of year	186,482	148,037
Profit on ordinary activities after taxation	21,700	38,445
Dividend	(186,482)	-
	<u>21,700</u>	<u>186,482</u>
At end of year	<u>21,700</u>	<u>186,482</u>

Mineral Development Services Limited

Notes forming part of the financial statements
for the year ended 31 December 2010 (continued)

11 Reconciliation of movements in shareholders' (deficit)/funds	2010 £	Unaudited 2009 £
Profit on ordinary activities after taxation	21,700	38,445
Dividend	(186,482)	-
	<hr/>	<hr/>
Net (decrease)/addition to shareholders' funds	(164,782)	38,445
	<hr/>	<hr/>
Opening shareholders' funds	186,484	148,039
	<hr/>	<hr/>
Closing shareholders' funds	21,702	186,484
	<hr/>	<hr/>

12 Related party transactions

The company is a wholly owned subsidiary of DRA Limited. Amounts due from DRA Limited amounted to £10,443 (2009 £10,443) and amounts payable amounted to £37,294 (2009 0). Loan payable to Famioli Magic Trust controlled by the company director of £0 (2009 £146,258). In addition, refer note 8 for loans payable to the director.

13 Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement on the grounds that it is a "small entity" under the Companies Act 2006.

14 Ultimate parent company

At 31 January 2011, the company's holding company is DRA Limited, incorporated in Guernsey, and ultimate parent company was Metopex (Pty) Limited, incorporated in South Africa.