

**Company Registration No. 4834745**

**Ferro Nickel Marketing Limited**

**Report and Financial Statements**

**31 December 2012**



# **Ferro Nickel Marketing Limited**

## **Report and financial statements 2012**

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# **Ferro Nickel Marketing Limited**

## **Report and financial statements 2012**

### **Officers and professional advisers**

#### **Directors**

A W Hodges  
N Jordan  
E L Morales  
K R Tucker

#### **Secretary**

A W Hodges

#### **Registered Office**

20 Carlton House Terrace  
London, United Kingdom  
SW1Y 5AN

#### **Bankers**

The Bank of New York Mellon  
40th Floor, One Canada Square  
London  
E14 5AL

#### **Auditor**

Deloitte LLP  
Chartered Accountants  
London

# Ferro Nickel Marketing Limited

## Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 December 2012. The results of the year are set out on page 8.

### Principal activity

Ferro Nickel Marketing Limited's (the "Company") principal activity has been the trading and marketing of nickel purchased from Minera Loma de Niquel ("MLdN"), a fellow subsidiary of Anglo American plc incorporated in the Bolivarian Republic of Venezuela ("Venezuela"). The Company earns a 2% target margin on sale of goods purchased from MLdN. On 10 November 2012, the term of certain remaining concessions of MLdN expired and the mining and processing activities of that entity ceased permanently (as set out in Note 3) and as a result the Company's Nickel marketing activities are currently suspended. However, the Company continues to manage its receivable and payable balances and inter-company transactions, while management assesses the Company's future prospects within the Anglo American plc group.

The directors consider that the key performance indicators for the Company are the level of turnover and the gross margin. Turnover decreased by 49% as a result of lower sales volumes and nickel prices, which reduced by approximately 23% during 2012. A gross margin of 2% for 2012 was achieved in line with the target and sales contracts.

The Company has entered into the following export in-kind arrangements with MLdN:

#### *Payment in-kind arrangement*

Under this arrangement, the Company agreed to procure certain supplies, equipment and/or services on behalf of MLdN with a 2.5% commission earned on the cost of items procured. Additionally, the agreement allows for payments to be made to third party suppliers for goods and services it has acquired. Repayments are made by MLdN with nickel shipments which the Company then sells to third parties at the 2% target margin.

#### *Loan in-kind arrangement*

The Company has entered into two revolving facility agreements with MLdN – a US dollar facility for payment of freight and insurance and other US dollar denominated transactions and a Venezuelan Bolivar VEF facility to fund local operations in Venezuela. In order to fund these loans, the Company has established similar facility agreements with Anglo American Capital plc. The facilities have a combined limit of US\$41 million. The principal and interest arising under these loans are paid by nickel shipments which the Company then sells to third parties at the 2% target margin.

In November 2012, Anglo American Services UK Limited issued a guarantee to the Company for a maximum value of US\$51.8 million, to be called on in the event MLdN fails to make any payment under the US dollar facility agreement.

In light of the cessation of MLdN's mining and processing activities the currently outstanding balances under these funding arrangements are no longer considered recoverable (refer to Note 3 and 7) for further details.

### Financial risk management policies and objectives

#### *Currency risk*

All purchases from MLdN and all sales are denominated in US dollars and accordingly, the directors consider that there is limited currency risk.

#### *Cash flow and Credit risk*

The Company's principal financial assets are bank balances, trade receivables and loans receivable from group undertakings. The credit risk on liquid funds is limited as the counterparties are banks with high credit-ratings, assigned by international credit-rating agencies. The directors consider that there is limited cash flow or credit risk attached to the trade debtors on the basis that the Company has long-standing relationships with selected solvent customers, who have an established track record in the market. There is no provision for doubtful debt. Loans receivable from group undertakings are primarily loans to MLdN under the loan-in-kind arrangement described.

# **Ferro Nickel Marketing Limited**

## **Directors' Report (continued)**

above, the credit risk on this loan was crystallized during the year with the cessation of MLdN's mining and processing activities and the remaining amount outstanding was fully impaired (refer to Note 3)

### *Liquidity risk*

The directors consider that the Company is subject to some liquidity risk as current liabilities are greater than current assets on the balance sheet, however this is mitigated by a letter of support issued from Anglo American plc in support of the Company

### *Price risk*

The Company has historically sold nickel at prevailing market prices, subject to final pricing adjustments after delivery to the customer and has therefore been exposed to changes in market prices for nickel. The Company is no longer exposed to price risk following the cessation of MLdN's mining and processing operations

### *Supplier payment policy*

The Company is responsible for agreeing the terms under which transactions with its suppliers are conducted, reflecting local and industry norms. The Company values its suppliers and recognises the benefits to be derived from maintaining good relationships with them and acknowledges the importance of paying invoices promptly. Historically, the primary supplier has been MLdN, a fellow subsidiary of Anglo American plc, where transactions have been settled within 120 days in line with the terms set by CADIVI, the foreign exchange controls authority of the Venezuelan government

### *Operational risk*

On 27 December 2011, MLdN requested the renewal of its remaining concessions in Venezuela (Camedas N° 1, Camedas N° 3 and San Antonio N° 1) (the "Remaining Concessions") from the Oil and Mine Ministry (previously, the MIBAM). On 17 May 2012, this request was rejected. As a result, on 10 November 2012, the term of the Remaining Concessions expired and the mining and processing activities of MLdN ceased permanently

In light of this, MLdN took action to terminate the employment of the majority of its employees and is in the process of winding up operations in an orderly manner. The Company's marketing activities are currently suspended in light of this although the Company continues to manage its receivable and payable balances and inter-company transactions while management assesses the Company's future prospects within the Anglo American plc group

### **Future prospects**

The directors expect the Company to continue to operate in the foreseeable future

### **Going concern**

The Company's business activities, together with the factors likely to affect its future development are set out above. The financial position of the Company is described in the balance sheet on page 9

While Nickel marketing activities have currently been suspended (as explained above), the Company continues to manage its receivable and payable balances and inter-company transactions and there is no intention to liquidate the Company (and no event has occurred that would require such to take place). In addition, the Company has received a letter of support from Anglo American plc in support of the Company. Whilst the situation at MLdN gives rise to a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern, the directors of the Company nevertheless have a reasonable expectation that the Company will continue in operation for the foreseeable future, being at least the next twelve months. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

### **Dividend**

No dividends were paid during the 2012 year (2011: nil)

# **Ferro Nickel Marketing Limited**

## **Directors' Report (continued)**

### **Directors**

The following served as directors throughout the year and to the present time except where noted below

B R Beamish (Resigned 22 August 2012)

A W Hodges

N Jordan

A Mata (Resigned 19 August 2013)

E L Morales

K R Tucker

### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have expressed their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be reappointed as auditor in the absence of an Annual General Meeting

Approved by the Board of Directors  
and signed on behalf of the Board

  
A W Hodges

Secretary

28 November 2013

# **Ferro Nickel Marketing Limited**

## **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 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, and
- 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.

## **Independent auditor's report to the members of Ferro Nickel Marketing Limited**

We have audited the financial statements of Ferro Nickel Marketing Limited for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. 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 auditor**

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 Practice Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 2012 and of its loss 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.

### **Emphasis of matter - going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in the Directors' Report and note 1 of the financial statements concerning the Company's ability to continue as a going concern. The Directors' Report explains that on 27 December 2011, Minera Loma de Niquel (MLdN), the Company's sole supplier of nickel for onward marketing, requested the renewal of its remaining concessions in Venezuela from the Oil and Mine Ministry. On 17 May 2012 this request was rejected. As a result, on 10 November 2012, the term of the mining concessions held by MLdN expired and the mining and processing activities of MLdN ceased permanently. Although Nickel marketing activities are currently suspended, the Company continues to manage its receivable and payable balances and inter-company transactions while management assesses the Company's future prospects within the Anglo American plc group and has received a letter of support from Anglo American plc. These conditions, along with other matters as set forth in the Directors' Report, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the Company was unable to continue as a going concern.



## **Independent auditor's report to the members of Ferro Nickel Marketing Limited (continued)**

### **Opinion on other matter 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

### **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



Christopher Thomas  
(Senior Statutory Auditor)  
**for and on behalf of Deloitte LLP**  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

28 November 2013

## Ferro Nickel Marketing Limited

### Profit and loss account Year ended 31 December 2012

	Notes	2012 US\$	2011 US\$
Turnover	2	147,297,635	290,010,001
Cost of sales		(144,514,512)	(284,209,801)
<b>Gross profit</b>		<b>2,783,123</b>	<b>5,800,200</b>
Administrative expenses		-	(73,265)
Other operating expenses		(1,762,296)	(6,411,283)
Other operating income		1,152,468	714,102
Exceptional Items	3	(71,413,918)	-
<b>Operating (loss)/profit</b>		<b>(69,240,623)</b>	<b>29,754</b>
Net financing income	4	2,576,011	1,534,629
<b>(Loss)/Profit on ordinary activities before tax</b>	5	<b>(66,664,612)</b>	<b>1,564,383</b>
Tax on loss/profit on ordinary activities	6	(1,042,845)	(1,569,425)
<b>Loss on ordinary activities after tax</b>		<b>(67,707,457)</b>	<b>(5,042)</b>

There are no recognised gains or losses in shareholders' funds in either year other than the loss for the year  
Consequently no statement of total recognised gains and losses has been presented

# Ferro Nickel Marketing Limited

## Balance sheet 31 December 2012

	Notes	2012 US\$	2011 US\$
<b>Non-current assets</b>			
Loan receivable from group undertakings due after one year	7	-	41,532,813
<b>Current assets</b>			
Debtors due within one year	8	289,536,092	363,602,675
Cash at bank and in hand		32,503,495	19,752,576
<b>Total current assets</b>		<b>322,039,586</b>	<b>383,355,251</b>
Creditors amounts falling due within one year	9	(370,462,470)	(405,603,491)
<b>Net current liabilities</b>		<b>(48,422,884)</b>	<b>(22,248,240)</b>
<b>Total assets less current liabilities</b>		<b>(48,422,884)</b>	<b>19,284,573</b>
<b>Net (liabilities)/assets</b>		<b>(48,422,884)</b>	<b>19,284,573</b>
<b>Capital and reserves</b>			
Called up share capital	10	2	2
Profit and loss account	11	(48,422,886)	19,284,571
<b>Total Shareholders' (deficit)/funds</b>		<b>(48,422,884)</b>	<b>19,284,573</b>

The financial statements of Ferro Nickel Marketing Limited (registered number 4834745) were approved by the Board of Directors on 28/11/2013

Signed on behalf of the Board of Directors

A W Hodges  
Director

28 November 2013

# **Ferro Nickel Marketing Limited**

## **Notes to the accounts Year ended 31 December 2012**

### **1 Accounting policies**

The financial statements are prepared in accordance with applicable United Kingdom laws and accounting standards. Accounting policies adopted are consistent with those adopted in the prior period and are described below.

#### **Going concern**

The annual report and accounts have been prepared on a going concern basis of accounting for the reasons set out in the Directors' Report on page 2.

#### **Basis of Preparation**

The financial statements are prepared under the historical cost convention.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

#### **Functional and reporting currency**

As permitted by UK company law, the Company reports in US dollars, the currency in which its business is conducted. Transactions in currencies other than US dollars ("foreign exchange") are recorded in US dollars at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated into US dollars at the rates prevailing on the balance sheet date. All differences are taken to the income statement.

#### **Cash flow statement**

As permitted by Financial Reporting Standards 1 (Revised 1996) "Cash flow statements", the Company has not prepared a cash flow statement because it is a wholly-owned subsidiary and consolidated financial statements in which the Company is included are publicly available.

#### **Turnover**

Turnover represents the net invoice value of goods provided to third parties and is recognised at the actual date of delivery when title passes to the customer or at the bill of lading date. Turnover and pre-tax profit, all of which is attributable to nickel trading to customers in Europe, Asia and North America.

As permitted by SSAP 25, turnover segmental analysis is not required as the Company is a wholly owned subsidiary and the parent company provides segmental information in which the Company is included, and such information is publicly available.

#### **Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

#### **Financial Instruments**

FRS 25 requires entities to provide a range of qualitative and quantitative disclosures about the financial instruments they hold or have issued. Under FRS 26, all derivatives and all financial assets and financial liabilities that are held for trading are to be recognised and measured at fair value.

The Company is a wholly owned indirect subsidiary undertaking of Anglo American plc, which complies with IFRS 7 – Financial Instruments Disclosures. Consequently the Company has taken advantage of the exemption given to subsidiaries in FRS 29 (2D) and has not applied FRS 29 – Financial Instruments Disclosures during the year.

# Ferro Nickel Marketing Limited

## Notes to the accounts

### Year ended 31 December 2012

#### Trade receivables

Trade receivables do not carry any interest and are stated at their nominal value, which equates to their fair value net of an appropriate allowance for estimated irrecoverable amounts. Such allowances are raised based on an assessment of debtor ageing, past experience or known customer circumstances.

#### Trade payables

Trade payables are not interest bearing and are stated at their nominal value.

## 2. Turnover

Turnover represents amounts derived from the provision of goods and services which fell within the Company's ordinary activities.

	2012 US\$	2011 US\$
Sales	147,297,635	290,010,001

## 3. Exceptional Items

The exceptional items identified below have been classified as operating as they do not meet the requirements of FRS 3 Reporting Financial Performance and there are no tax effects resulting from these exceptional items.

	2012 US\$	2011 US\$
Impairment of amounts owed by MLdN	92,751,302	-
Offset of amounts owed to MLdN	(15,973,167)	-
Offset of amount to be repaid by MLdN via Loma de Niquel Holdings	(5,364,217)	-
	71,413,918	-

The Company historically sold ferronickel purchased from Minera Loma de Niquel ("MLdN"), however during 2012 MLdN ceased its mining and processing activities as a result of the expiry of its remaining concessions. In light of this, MLdN's Directors have agreed for the Company to offset the amounts it owed to MLdN against the outstanding loan balance due to the Company, resulting in a reduction in the loan balance of \$15,973,167. In addition, as a result of events subsequent to year end the Directors are aware that \$5,364,217 will be repaid by MLdN to the Company via Loma de Niquel Holdings Limited (LdNH).

A summary of the events leading to MLdN's concession expiry are set out below.

#### *Prior to 1 January 2011*

On 7 and 30 January 2008, the Venezuelan Ministry of Basic Industries and Mining (the "MIBAM") published resolutions in Official Gazette N° 38844 and Extraordinary Official Gazette N° 5869, terminating 13 of MLdN's Concessions, including Cofemina N° 1, Cofemina N° 2, Cofemina N° 4, Cofemina N° 5, Cofemina N° 6, Cofemina N° 7, Camedas N° 2, Camedas N° 4, Camedas N° 5, El Tigre, San Onofre N° 1, San Onofre N° 2 and San Onofre N° 3, (the "Terminated Concessions"), alleging MLdN's non-compliance with certain obligations ("special advantages") under the Terminated Concessions.

In connection therewith, on 28 January and 21 February 2008, MLdN filed appeals in respect of the Terminated Concessions. No response was ever received.

# Ferro Nickel Marketing Limited

## Notes to the accounts

### Year ended 31 December 2012

#### *1 January 2011 to 31 December 2012 – end of operations*

On 27 December 2011, MLdN requested the renewal of its remaining concessions (Camedas N° 1, Camedas N° 3 and San Antonio N° 1) (the “Remaining Concessions”) from the Oil and Mine Ministry (previously, the MIBAM). On 17 May 2012, this request was rejected. As a result, on 10 November 2012, the Remaining Concessions expired and the mining and processing activities of MLdN ceased permanently.

In light of this, MLdN took action to terminate the employment of the majority of its employees and is in the process of winding up operations in an orderly manner. The Company’s marketing activities are currently suspended in light of this although the Company continues to manage its receivable and payable balances and inter-company transactions while management assesses the Company’s future prospects within the Anglo American plc group.

These events have prompted a review of the carrying value of remaining balances with MLdN, the outcome of which is the recording of an impairment totalling \$71,413,918, in respect of amounts owed to the Company by MLdN, which are no longer considered recoverable.

#### 4. Net financing income

	2012 US\$	2011 US\$
Interest income on loans receivable from group undertakings	3,889,691	2,699,331
Interest expense on loans payable to group undertakings	(1,307,943)	(1,071,692)
Other financing	(5,737)	(93,010)
	<u>2,576,011</u>	<u>1,534,629</u>

#### 5. Loss/Profit on ordinary activities before tax

Loss/Profit/ on ordinary activities before tax is stated after charging

	2012 US\$	2011 US\$
Net foreign exchange (losses)/gain	(41,538)	33,834
Fees payable to the Company’s auditor for the audit of the Company’s annual accounts	(9,000)	(8,750)

The Company has no employees (2011: none). The directors receive no emoluments in respect of their services in connection with the Company (2011: nil).

# Ferro Nickel Marketing Limited

## Notes to the accounts

### Year ended 31 December 2012

6. Taxation on loss/profit on ordinary activities	2012 US\$	2011 US\$
<b>Current tax</b>		
UK corporation tax on loss/profit for the year	774,293	1,569,425
Foreign tax	344,293	-
Adjustments in respect of previous periods	(75,741)	-
Total current tax charge	1,042,845	1,569,425
<b>Deferred tax.</b>		
Origination and reversal of timing differences	-	-
<b>Total tax charge on loss/profit on ordinary activities</b>	<b>1,042,845</b>	<b>1,569,425</b>

#### Factors affecting tax charge for the year

The tax assessed on the result for the year differs from that which would result from applying the standard effective rate of corporation tax in the UK of 24.5% (2011: 26.5%) to the profit/loss on ordinary activities. The differences are explained below:

	2012 US\$	2011 US\$
(Loss)/Profit on ordinary activities before tax	(66,664,612)	1,564,383
(Loss)/Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011: 26.5%)	(16,332,829)	414,561
Expenses not deductible for tax purposes	17,107,122	1,154,864
Foreign tax suffered	344,293	-
Adjustments in respect of prior periods	(75,741)	-
Current tax charge for the year	1,042,845	1,569,425

#### Factors that may affect future tax charges

The Finance Act 2011 provided for a reduction in the main rate of UK corporation tax from 26% to 25%, effective from 1 April 2012, which was substantively enacted on 5 July 2011. This reduced rate was reflected in the calculation of deferred tax at 31 December 2011.

The 2012 UK Budget (delivered on 21 March 2012) reduced the main rate of UK corporation tax by a further 1% to 24%, with effect from 1 April 2012. Additionally, a further reduction in the corporation tax rate to 23%, effective from 1 April 2013, was substantively enacted on 3 July 2012. This reduced rate has been reflected in the calculation of deferred tax at the balance sheet date.

Further reductions in the main tax rate to 21% from 1 April 2014 and 20% from 1 April 2015 were announced in the UK Government's 2012 Autumn Statement and the 2013 UK Budget respectively. However, these further reductions to the tax rate were not substantively enacted at the balance sheet date and are therefore not reflected in these financial statements.

# Ferro Nickel Marketing Limited

## Notes to the accounts

### Year ended 31 December 2012

#### 7. Loans receivable from group undertakings after one year

All loans receivable after one year relate to the two revolving facility agreements with MLdN. In light of the expiry of the Remaining Concessions (refer to Note 3) it is considered sufficiently uncertain as to whether value will be received for these amounts outstanding and as a result a provision has been recorded to adjust the carrying value of these assets to nil.

#### 8. Debtors: due within one year

	2012 US\$	2011 US\$
Loans receivable from group undertakings	284,052,443	332,093,913
Amount owed by group undertakings	5,483,649	7,352,778
Trade debtors	-	23,930,795
Other debtors	-	225,189
	<u>289,536,092</u>	<u>363,602,675</u>

#### 9. Creditors: amounts falling due within one year

	2012 US\$	2011 US\$
Accruals and deferred income	9,000	141,975
Trade creditors	2,695,086	-
Loan payable to group undertakings	10,058,517	35,690,309
Trading amounts owed to group undertakings	353,772,167	366,711,771
Group relief payable	3,927,700	3,059,436
	<u>370,462,470</u>	<u>405,603,491</u>

Interest rate on loan payable to group undertakings is 1 month LIBOR plus Anglo American Capital plc's weighted average cost of debt plus an additional margin of 80 basis points.

#### 10. Called up share capital

	2012 US\$	2011 US\$
<b>Authorised:</b>		
50,000,000 Ordinary shares of US\$1.00 each	<u>50,000,000</u>	<u>50,000,000</u>
<b>Called up, allotted and fully paid</b>		
2 Ordinary shares of US\$1.00 each	<u>2</u>	<u>2</u>



## Ferro Nickel Marketing Limited

### Notes to the accounts

#### Year ended 31 December 2012

##### 11. Movement in profit and loss account

	2012 US\$	2011 US\$
At 1 January	19,284,571	19,289,613
(Loss)/Profit for the financial year	(67,707,457)	(5,042)
As at 31 December	<u>(48,422,886)</u>	<u>19,284,571</u>

##### 12. Related party transactions

At 31 December 2012, Anglo American plc is the Company's ultimate parent company. The Company has taken advantage of the exemption granted by paragraph 3 (c) of Financial Reporting Standard 8 not to disclose related party transactions with Anglo American group companies.

##### 13. Events occurring after end of year

There were no significant events since the balance sheet date.

##### 14. Ultimate parent company

The immediate parent company is Anglo American Finance (UK) Limited, a company incorporated in the United Kingdom and registered in England and Wales.

The ultimate parent company and ultimate controlling company is Anglo American plc, a company incorporated in the United Kingdom and registered in England and Wales. Copies of the group accounts for Anglo American plc, which is the parent undertaking of the largest and smallest groups of which the Company is a member and for which group accounts are prepared, are available from Anglo American plc at 20 Carlton House Terrace, London SW1Y 5AN.