

2880545

**COMMONWEALTH & BRITISH SERVICES LIMITED**

**Directors Report and Financial Statements**  
(With Auditors' Report Thereon)

For the period from 14 December 1993 (Date of incorporation)  
to 31 December 1994



# **COMMONWEALTH & BRITISH SERVICES LIMITED**

## **Company Directory**

**31 December 1994**

---

### **Directors**

Howard B. Miller  
Alan W. Brooks  
Anthony J. Williams

### **Secretary**

Cornhill Secretaries Limited

### **Registered Office**

39 Cheval Place, London, SW7 1EU

### **Auditors**

Moore Stephens  
Chartered Accountants  
St Paul's House, Warwick Lane  
London, EC4P 4BN

### **Company Solicitors**

Nabarro Nathanson  
50 Stratton Street  
London, W1X 6NX

### **Bankers**

National Westminster Bank  
186 Brompton Road  
London, SW3 1HH

# **COMMONWEALTH & BRITISH SERVICES LIMITED**

## **Directors Report**

**31 December 1994**

---

**The directors present their report and the audited financial statements for the period ended 31 December 1994.**

### **1. Review of activities**

The Company was incorporated in England on 14 December 1993 under the name of Shelfco (No.950) Limited. On 7 October 1994 the Company changed its name to Commonwealth & British Services Limited.

The Company acts primarily as a service company to Commonwealth & British Minerals Limited.

Commonwealth & British Minerals Limited is a mining company and pursuant to a Group Services Agreement Commonwealth & British Services Limited earns revenue based on its service expenditure.

A loss was incurred during the financial period under review, however the directors consider the state of affairs of the Company satisfactory. The loss was incurred through initial start up expenditure. In future years all expenditure should be recoverable and paid to the company along with a service fee of an additional 15 percent.

### **2. Results and Dividends**

The loss for the financial year amounted to £415,919. The directors recommend that no dividend be paid.

### **3. Changes in Directors**

Mikjon Limited	Appointed	14 December 1993
Mikjon Limited	Resigned	28 September 1994
Howard B. Miller	Appointed	28 September 1994
Alan W. Brooks	Appointed	28 September 1994
Anthony J. Williams	Appointed	25 October 1994

### **4. Directors Interests**

The directors had no interest directly in the share or debenture capital of the company. The holding company is overseas and disclosure of their interest in the holding company is not required. Interests of holding company directors are given in the financial statements of that company.

# **COMMONWEALTH & BRITISH SERVICES LIMITED**

## **Directors Report**

**31 December 1994**

---

### **5. Fixed Assets**

Acquisitions during the period are set out in note 4 on page 11.

### **6. Auditors**

The auditors for the forthcoming financial year have not been determined. A resolution for the appointment of the auditors by the directors and authorisation for the directors to fix the auditors remuneration will be submitted to the companys first annual general meeting.

**By Order of the Board**

A. J. Williams

A. J. Williams  
**Director**

## **COMMONWEALTH & BRITISH SERVICES LIMITED**

### **Statement of Directors' Responsibilities**

**31 December 1994**

---

Company law requires the directors to prepare financial statements for each financial period which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 proper accounting records which 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 1985. 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.

**Report of the Auditors to the Members of  
Commonwealth & British Services Limited**

We have audited the financial statements set out on pages 6 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

**Respective Responsibilities of the Directors and Auditors**

As described on page 4 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of Opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st December 1994 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

St Paul's House  
London, EC4P 4BN

*Moore Stephens*  
**MOORE STEPHENS**


Registered Auditors  
Chartered Accountants

**03 MAR 1995**

**Commonwealth & British Services Limited**  
**Balance Sheet**  
as at 31 December 1994

	NOTE	
<b>Fixed Assets - Tangible Assets</b>	<b>4</b>	<b>112,033</b>
<b>Current assets</b>		
Cash at bank and in hand		951,784
Debtors	<b>5</b>	<u>221,145</u>
<b>Total current assets</b>		<b>1,172,929</b>
Creditors; amounts falling due within one year	<b>6</b>	(1,700,880)
<b>Net Current Liabilities</b>		<u>(527,951)</u>
<b>Total assets less current liabilities</b>		<u><u>(£415,918)</u></u>
<b>Capital and Reserves</b>		
Called up share capital		<sup>1</sup>
Profit and Loss Account		<u>(415,919)</u>
		<u><u>(£415,918)</u></u>

Approved by the board on March 3, 1995

  
H. B. Miller Director

  
A. J. Williams Director

**Commonwealth & British Services Limited**

**Profit and Loss Account**

Period from 14 December 1993 to 31 December 1994

	NOTE	
Turnover		199,598
Administration expenses	2	<u>620,917</u>
<b>Operating Loss</b>		<b>(421,319)</b>
Interest Receivable		<u>5,400</u>
<b>Net Loss at end of period</b>		<b><u><u>£415,919</u></u></b>



**Commonwealth & British Services Limited****Cashflow Statement**

Period from 14 December 1993 to 31 December 1994

	NOTE	
Net cash inflows from operating activities	8	33,470
Returns on investments and servicing of finance		5,400
<b>Investing Activities</b>		
Purchase of tangible fixed assets		(159,612)
		<u>(120,742)</u>
<b>Financing</b>		
Issue of ordinary share capital		1
Loan from parent company		323,025
Loan from fellow subsidiary		749,500
		<u>1,072,526</u>
<b>Increase in cash and cash equivalents</b>		<u><u>£951,784</u></u>

# COMMONWEALTH & BRITISH SERVICES LIMITED

## Notes to Financial Statements

31 December 1994

---

### 1. Principal accounting policies

The accompanying financial statements are prepared in accordance with generally accepted accounting principles in the United Kingdom. These financial statements have been prepared on the going concern basis, which assumes the realisation of assets and liquidation of liabilities in the normal course of business. As at 31 December 1994, the company had insufficient funds to meet its liabilities. The largest liability of the company is a loan from another company in the same group of companies and its second largest liability is a loan from its parent company. These loans are considered subordinate loans by the lenders.

The following are the significant accounting policies adopted by the Company:

#### (a) *Basis of accounting*

The financial statements have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards.

#### (b) *Depreciation of tangible fixed assets*

Tangible fixed assets are being depreciated on the straight line basis over their estimated useful economic lives, which are as follows:

Computer equipment	4 years
Furniture and fittings	7 years
Refurbishment expenses	6 months

Fixed assets are shown in the balance sheet at net book value.

#### (c) *Accruals*

Income and expenditure is accounted for on an accruals basis.

#### (d) *Foreign exchange*

Foreign currency assets and liabilities are translated at exchange rates in effect at the balance sheet date. Income and expenses are translated at historical rates in effect at the date of the transaction. Exchange gains or losses are included in the profit and loss account.

#### (e) *Cash and cash equivalents*

For the purposes of the cash flow statement the Company considers time deposits with an original maturity of ninety days or less as equivalent to cash.

# COMMONWEALTH & BRITISH SERVICES LIMITED

## Notes to Financial Statements

31 December 1994

### 2. Operating Loss

Operating loss is stated after charging :-

Auditors' remuneration	£ 29,118
Directors' emoluments	100,000
Depreciation	47,579

### 3. Staff Costs

Staff costs during the period were as follows:

Wages and salaries	£ 64,272
Social security costs	6,389
	<hr/>
	£ 70,661

The average weekly number of persons employed by the company during the period was:

Administration Employees	6
--------------------------	---

Staff costs charged to the company and other group companies include the following emoluments in respect of directors of the company:-

Fees	£ -
Other emoluments	174,972
	<hr/>
	£ 174,972

Directors' emoluments, excluding pension contributions, are as follows:-

The highest paid director	£ 100,000
---------------------------	-----------

The number of other directors whose emoluments were within the ranges was:-

	<u>Number</u>
£10,001 - £15,000	1
£60,001 - £65,000	<u>1</u>

# COMMONWEALTH & BRITISH SERVICES LIMITED

## Notes to Financial Statements

31 December 1994

### 4. Tangible fixed assets

	<u>Cost of Additions</u>	<u>Accumulated Depreciation &amp; Charge for period</u>	<u>Net Book Value at 31/12/94</u>
Furniture & fittings	18,053	(1,020)	17,033
Computer equipment	63,398	(7,479)	55,919
Refurbishment	78,161	(39,080)	39,081
	<u>159,612</u>	<u>(47,579)</u>	<u>£112,033</u>

### 5. Debtors

Other debtors	173,360
Prepayments	47,785
	<u>£ 221,145</u>

### 6. Creditors; amounts falling due within one year

Trade creditors	72,276
Other creditors	215,144
Accruals and deferred income	340,935
Due to parent company	323,025
Due to fellow subsidiary	749,500
	<u>1,700,880</u>

### 7. Share capital

As at 31 December 1994 the Company's share capital consists of:

Authorised share capital	
1,000 ordinary equity shares of par value £1 each	£1,000
	<u>£1,000</u>