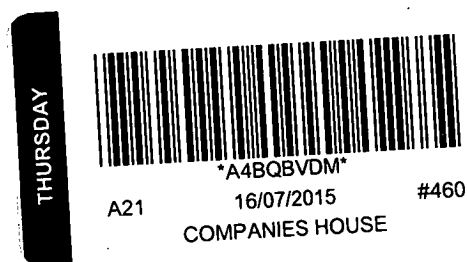


Company Registration No. 03040758 (England and Wales)

**SALINAS GOLDMINE LIMITED**  
**DIRECTOR'S REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2014**



**DAVIES • GIMBER • BROWN LLP**  
**CHARTERED ACCOUNTANTS**

**DGB**

# **SALINAS GOLDMINE LIMITED**

## **COMPANY INFORMATION**

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<b>Director</b>	G Bilton
<b>Secretary</b>	Alan Pereira
<b>Company number</b>	03040758
<b>Registered office</b>	Gallinar Pilgrims Close Westhumble Dorking Surrey RH5 6AR
<b>Accountants</b>	Davies Gimber Brown LLP Manor House 1 The Crescent Leatherhead Surrey KT22 8DH

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# **SALINAS GOLDMINE LIMITED**

## **CONTENTS**

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	<b>Page</b>
Director's report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4 - 5
Notes to the financial statements	6 - 9

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# **SALINAS GOLDMINE LIMITED**

## **DIRECTOR'S REPORT**

### **FOR THE YEAR ENDED 31 OCTOBER 2014**

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The Director presents his report and financial statements for the year ended 31 October 2014.

#### **Principal activities**

The principal activity of the Company continued to be that of investment.

#### **Director**

The following Director has held office since 1 November 2013:

G Bilton

#### **Statement of Director's responsibilities**

The Director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has 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 Director must not approve the financial statements unless he is 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 Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 Director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

G Bilton

Director

10 July 2015

# **SALINAS GOLDMINE LIMITED**

## **CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF SALINAS GOLDMINE LIMITED FOR THE YEAR ENDED 31 OCTOBER 2014**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Salinas Goldmine Limited for the year ended 31 October 2014 set out on pages 3 to 9 from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at [icaew.com/membershandbook](http://icaew.com/membershandbook).

This report is made solely to the Board of Directors of Salinas Goldmine Limited, as a body, in accordance with the terms of our engagement letter dated 29 April 2010. Our work has been undertaken solely to prepare for your approval the financial statements of Salinas Goldmine Limited and state those matters that we have agreed to state to the Board of Directors of Salinas Goldmine Limited, as a body, in this report in accordance with AAF 2/10 as detailed at [icaew.com/compilation](http://icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Salinas Goldmine Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Salinas Goldmine Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Salinas Goldmine Limited. You consider that Salinas Goldmine Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Salinas Goldmine Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



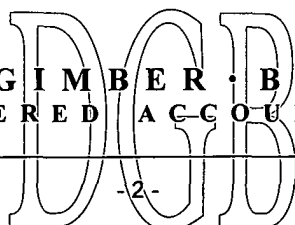
**Davies Gimber Brown LLP**

**Chartered Accountants**

*13 July 2015*

Manor House  
1 The Crescent  
Leatherhead  
Surrey  
KT22 8DH

**DAVIES • GIMBER • BROWN LLP**  
**CHARTERED ACCOUNTANTS**



# SALINAS GOLDMINE LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2014

	Notes	2014 £	2013 £
Administrative expenses		(34,339)	(141,578)
<b>Operating loss</b>	<b>2</b>	(34,339)	(141,578)
Exceptional items			
Loan and interest provisions	<b>14</b>	(239,125)	(9,505,480)
<b>Loss on ordinary activities before interest</b>		(273,464)	(9,647,058)
Investment income	<b>3</b>	-	10,831,567
Other interest receivable and similar income	<b>3</b>	239,125	235,499
Amounts written back to (off) investments	<b>4</b>	-	(1,091,907)
<b>(Loss)/profit on ordinary activities before taxation</b>		(34,339)	328,101
Tax on (loss)/profit on ordinary activities	<b>5</b>	-	-
<b>(Loss)/profit for the year</b>	<b>11</b>	(£34,339)	£328,101

# SALINAS GOLDMINE LIMITED

## BALANCE SHEET

AS AT 31 OCTOBER 2014

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	6		964		1,446
Investments	7		-		-
			<u>964</u>		<u>1,446</u>
<b>Current assets</b>					
Debtors	8	-		99,247	
Cash at bank and in hand		4,991		23,503	
		<u>4,991</u>		<u>122,750</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(10,726,240)</u>		<u>(10,810,142)</u>	
<b>Net current liabilities</b>			<u>(10,721,249)</u>		<u>(10,687,392)</u>
<b>Total assets less current liabilities</b>			<u>(£10,720,285)</u>		<u>(£10,685,946)</u>
<b>Capital and reserves</b>					
Called up share capital	10		2		2
Profit and loss account	11		<u>(10,720,287)</u>		<u>(10,685,948)</u>
<b>Shareholders' funds</b>			<u>(£10,720,285)</u>		<u>(£10,685,946)</u>

# **SALINAS GOLDMINE LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 OCTOBER 2014**

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For the financial year ended 31 October 2014 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The Member has not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The Director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on ..... 10 July 2015

.....  
G Bilton  
Director

Company Registration No. 03040758



# SALINAS GOLDMINE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2014

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

As at the year end the Company has significant net liabilities. The shares acquired during the previous year may generate future revenue. However, there can be no certainty of this.

Further liabilities, other than those relating to the costs of maintaining the Company which will be met by the Director/shareholder if these cannot be met from working capital, are not being incurred.

As stated in note 9, Santon Capital Limited has a charge over the assets of the Company and it is possible that this charge could be exercised.

Notwithstanding the above, the Director considers it appropriate to prepare the financial statements on the going concern basis on the assumption that over an extended period of time the loans to other entities will be repaid.

#### 1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	25% on a straight line basis
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#### 1.3 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.

<b>2 Operating loss</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Operating loss is stated after charging:		
Depreciation of tangible assets	482	482
	<u>          </u>	<u>          </u>
 <b>3 Investment income</b>	 <b>2014</b>	 <b>2013</b>
	<b>£</b>	<b>£</b>
Profit on disposal of unlisted investments	-	10,882,443
Interest on loans to group company	-	(50,876)
Other interest	239,125	235,499
	<u>£239,125</u>	<u>£11,067,066</u>

# SALINAS GOLDMINE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2014

4	Amounts written off investments	2014 £	2013 £
	Amounts written off fixed asset investments:		
	- permanent diminution in value	-	£1,091,907

This relates to the full provision against the shares in Brazahav which were acquired by the Company on sale of its subsidiary.

#### 5 Taxation

The Company has excess management expenses of £30,000 (2013 £Nil) and schedule DVI losses of £9,600,000 (2013 £10,500,000) to carry forward.

6	Tangible fixed assets	Computer equipment £
	<b>Cost</b>	
	At 1 November 2013 & at 31 October 2014	1,928
	<b>Depreciation</b>	
	At 1 November 2013	482
	Charge for the year	482
	At 31 October 2014	964
	<b>Net book value</b>	
	At 31 October 2014	£964
	At 31 October 2013	£1,446

# SALINAS GOLDMINE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2014

#### 7 Fixed asset investments

	Listed investments £
<b>Cost</b>	
At 1 November 2013 & at 31 October 2014	1,091,907
<b>Provisions for diminution in value</b>	
At 1 November 2013 & at 31 October 2014	1,091,907
<b>Net book value</b>	
At 31 October 2014	-
At 31 October 2013	-

This relates to the full provision against the shares in Brazahav which were acquired by the Company on sale of its subsidiary.

8 Debtors	2014 £	2013 £
Other debtors	-	£99,247

9 Creditors: amounts falling due within one year	2014 £	2013 £
Other creditors	£10,726,240	£10,810,142

Included within other creditors is £7,459,605 due to Santon Capital Limited which has a debenture over the assets of the Company.

10 Share capital	2014	2013
<b>Allotted, called up and fully paid</b>		
2 Ordinary shares of £1 each	£2	£2

# SALINAS GOLDMINE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2014

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### 11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 November 2013	(10,685,948)
Loss for the year	(34,339)
	<hr/>
Balance at 31 October 2014	(£10,720,287)
	<hr/>

### 12 Control

The Company is controlled by the Director G Bilton who owns 100% of the share capital of the Company.

### 13 Related party transactions

Included in other creditors is £230,000 (2013: £230,000) due to the Director, G Bilton.

### 14 Exceptional items

The exceptional item is the provision against the Retained Debt owed by Morrinho as a result of the sale of the Company's subsidiary to Brazahav last year.