

MIDLAND RESOURCES UK LIMITED

**Company Registration Number:
03447405 (England and Wales)**

Report of the Directors and Unaudited Financial Statements

Period of accounts

Start date: 01st January 2010

End date: 31st December 2010

SUBMITTED

MIDLAND RESOURCES UK LIMITED

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MIDLAND RESOURCES UK LIMITED

Company Information for the Period Ended 31st December 2010

Director:	D R Roe E Shifrin
Company secretary:	Mrs M E Calvert
Registered office:	Jubilee Works Clifton Street Miles Platting Manchester M40 8HN
Company Registration Number:	03447405 (England and Wales)

MIDLAND RESOURCES UK LIMITED

Directors' Report Period Ended 31st December 2010

The directors present their report with the financial statements of the company for the period ended 31st December 2010

Principal activities

The principal activity of the company in the period under review was:

Acting as a sales agent for entities participating in the international trade in ferrous metals.

Directors

The directors shown below have held office during the whole of the period from

01st January 2010 to 31st December 2010

D R Roe

E Shifrin

Auditors Due to the curtailing of operations, the company is exempt from the statutory requirement for audit of its financial statements. The above report has been prepared in accordance with the special provisions for small companies within Part 15 of the Companies Act 2006.

The above report has been prepared in accordance with the special provisions in part 15 of the Companies Act 2006

This report was approved by the board of directors on 28 March 2011

And Signed On Behalf Of The Board By:

Name: D R Roe

Status: Director

MIDLAND RESOURCES UK LIMITED

Profit and Loss Account

for the Period Ended 31st December 2010

	Notes	2010 £	2009 £
Turnover:		0	0
Cost of sales:		0	0
Gross profit or (loss):		<u>0</u>	<u>0</u>
Administrative expenses:	3,	292,909	254,557
Other operating income:		293,000	255,000
Operating profit or (loss):	2	<u>91</u>	<u>443</u>
Interest payable and similar charges:		7	7
Profit or (loss) on ordinary activities before taxation:		<u>84</u>	<u>436</u>
Profit or (loss) for the financial year:		<u><u>84</u></u>	<u><u>436</u></u>

The notes form part of these financial statements

MIDLAND RESOURCES UK LIMITED

Statement of total recognised gains and losses 31st December 2010

Statement of total recognised gains and losses

The company does not have any gains and losses other than Profit and Loss for the period to report.

MIDLAND RESOURCES UK LIMITED

Balance sheet As at 31st December 2010

	Notes	2010 £	2009 £
Fixed assets			
Intangible assets:	4	193,473	193,473
Tangible assets:	5	0	8,956
Total fixed assets:		<u>193,473</u>	<u>202,429</u>
Current assets			
Cash at bank and in hand:		24,290	6,509
Total current assets:		<u>24,290</u>	<u>6,509</u>
Creditors			
Creditors: amounts falling due within one year	6	211,533	202,792
Net current assets (liabilities):		<u>(187,243)</u>	<u>(196,283)</u>
Total assets less current liabilities:		<u>6,230</u>	<u>6,146</u>
Total net assets (liabilities):		<u><u>6,230</u></u>	<u><u>6,146</u></u>

The notes form part of these financial statements

MIDLAND RESOURCES UK LIMITED

Balance sheet As at 31st December 2010 continued

	Notes	2010 £	2009 £
Capital and reserves			
Called up share capital:	7	250,000	250,000
Profit and Loss account:		(243,770)	(243,854)
Total shareholders funds:		<u>6,230</u>	<u>6,146</u>

For the year ending 31 December 2010 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements were approved by the Board of Directors on 28 March 2011

SIGNED ON BEHALF OF THE BOARD BY:

Name: D R Roe
Status: Director

The notes form part of these financial statements

MIDLAND RESOURCES UK LIMITED

Notes to the Financial Statements for the Period Ended 31st December 2010

1. Accounting policies

Basis of measurement and preparation of accounts

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) and with applicable Accounting Standards. Any material departures from Accounting Standards are described below.

Turnover policy

Turnover is the aggregate value of sums received and receivables for consultancy fees and commissions.

Tangible fixed assets depreciation policy

Depreciation is provided on all tangible fixed assets in order to write off the cost of the fixed assets over their estimated useful lives as follows: Land and buildings 10 percent straight line Leasehold improvements 20 percent straight line Computer equipment 33 1/3 percent straight line Fixtures and fittings 20 percent straight line

Other accounting policies

Operating leases Rental payments under operating leases are charged directly to the profit and loss account in a straight line basis over the lease term. Pension Costs The company operates a defined contribution pension scheme. All pension costs are written off to the profit and loss account when they are incurred.

2 . Operating profit or (loss)

Profit before tax as stated after charging the following.

	2010	2009
	£	£
Depreciation - owned assets:	8,956	8,960

3 . Directors' remuneration

	2010	2009
	£	£
Directors' remuneration:	142,000	142,000
TOTAL:	<u>142,000</u>	<u>142,000</u>

4. Intangible assets

	Goodwill	Other	Total
Cost	£	£	£
At 01st January 2010:	-	193,473	193,473
At 31st December 2010:	<u>-</u>	<u>193,473</u>	<u>193,473</u>
Amortisation	£	£	£
At 01st January 2010:	-	0	0
Provided during the period:	-	0	0
At 31st December 2010:	<u>-</u>	<u>0</u>	<u>0</u>
Net book value	£	£	£
At 31st December 2010:	<u>-</u>	<u>193,473</u>	<u>193,473</u>
At 31st December 2009:	<u>-</u>	<u>193,473</u>	<u>193,473</u>

The company holds 9 percent of the ordinary share capital of Joint Stock Commercial Bank Industrialbank, a company registered in the Ukraine.

5. Tangible assets

	Land and buildings	Plant Machinery	Fixtures and fittings	Office Equipment	Motor vehicles	Total
Cost	£	£	£	£	£	£
At 01st January 2010:	89,596	-	-	-	-	89,596
At 31st December 2010:	<u>89,596</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,596</u>
Depreciation						
At 01st January 2010:	80,640	-	-	-	-	80,640
Charge for year:	8,956	-	-	-	-	8,956
At 31st December 2010:	<u>89,596</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,596</u>
Net book value						
At 31st December 2010:	<u>0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0</u>
At 31st December 2009:	<u>8,956</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,956</u>

6. Creditors: amounts falling due within one year

	2010	2009
	£	£
Trade creditors:	3,361	475
Taxation and social security:	6,891	-
Other creditors:	201,281	202,317
Total:	<u>211,533</u>	<u>202,792</u>

Other creditors represents the amount due to related undertakings.

7. Called up share capital

Allotted, called up and paid

Previous period			2009
Class	Number of shares	Nominal value per share	Total
Ordinary shares:	250,000	1	250,000
Total share capital:			<u>250,000</u>
Current period			2010
Class	Number of shares	Nominal value per share	Total
Ordinary shares:	250,000	1	250,000
Total share capital:			<u>250,000</u>

Authorised share capital amounted to 1,000,000 ordinary shares of 1 GBP each in 2010 and 2009.

8. Related party disclosures

Name of the ultimate controlling party during the period:	Midland Resources Holding Limited
Name of related party:	Midland Resources Holding Limited
Relationship:	Group Company
Description of the transaction:	Funding through interest free loan
Balance at 01st January 2010	202,317
Balance at 31st December 2010	<u>201,281</u>

Midland Resources Holding Limited provided funding for the company through an interest free loan. The balance due to MRS at 31 December 2010 was 201,281.04 GBP after irrevocable waiver of 293,000 GBP of the loan balance at 31 December 2010 (2009: 202,316.86 GBP). This portion of the loan balance was waived by the company's principals, after consultation with shareholders, in order to maintain the solvency of the company. This loan waiver is shown in the Profit and Loss Account as other income.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.