

COMPANY REGISTRATION NUMBER 3770913

**ANGLO-SLOVAK MINERALS LIMITED**  
**FINANCIAL STATEMENTS**  
**31 MAY 2010**



# **ANGLO-SLOVAK MINERALS LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 MAY 2010**

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**ANGLO-SLOVAK MINERALS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

A D N Balme  
R De P Lonsdale-Hands

**Company secretary**

Laytons Secretaries Limited

**Registered office**

Fifth Floor  
Carmelite  
50 Victoria Embankment  
Blackfriars  
London  
EC4Y 0LS

**Bankers**

National Westminster Bank Plc  
PO Box 12263  
1 Princes Street  
London  
EC2R 8PH

# **ANGLO-SLOVAK MINERALS LIMITED**

## **THE DIRECTORS' REPORT**

**YEAR ENDED 31 MAY 2010**

The directors present their report and the financial statements of the company for the year ended 31 May 2010

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The company did not trade during the year. On 30 November 2009 the assets and liabilities of the company were transferred to Ortac Resources Plc, the company's immediate holding company.

### **RESULTS AND DIVIDENDS**

The profit for the year amounted to £11,531. The directors have not recommended a dividend.

### **FINANCIAL INSTRUMENTS**

Financial risk management objectives and policies

- a) Interest rate risk - the company has no borrowings at present
- b) Liquidity risk - the company is reliant on loans from the parent company

### **DIRECTORS**

The directors who served the company during the year were as follows:

A D N Balme  
R De P Lonsdale-Hands

Directors' shareholdings in the parent company are disclosed in the accounts of that company.

### **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 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,

## ANGLO-SLOVAK MINERALS LIMITED

### THE DIRECTORS' REPORT (continued)

YEAR ENDED 31 MAY 2010

- 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Registered office  
Fifth Floor  
Carmelite  
50 Victoria Embankment  
Blackfriars  
London  
EC4Y 0LS

Signed by order of the directors



LAYTONS SECRETARIES LIMITED  
Company Secretary

Approved by the directors on 9/5/11

**ANGLO-SLOVAK MINERALS LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**

**ANGLO-SLOVAK MINERALS LIMITED**

**YEAR ENDED 31<sup>ST</sup> MAY 2010**

We have audited the financial statements of Anglo-Slovak Minerals Limited for the year ended 31 May 2010 which comprise the Profit and Loss Account, 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 shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders 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 Directors' Responsibilities Statement set out on pages 2 to 3, 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 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**

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 directors, and the overall presentation of the financial statements.

**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 May 2010 and of its profit for the period 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.

**Fundamental uncertainty - Going concern**

In forming our opinion we have considered the adequacy of the disclosures made in the financial statements concerning the support of the parent company which would require the parent to raise additional finance. The financial statements have been prepared on a going concern basis, the validity of which depends on the ability of the parent company to raise future finance. The financial statements do not include any adjustments which would result from any inability to raise such finance. Details of this are disclosed in note 1 to the accounts. Our opinion is not qualified in this respect.

**ANGLO-SLOVAK MINERALS LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**ANGLO-SLOVAK MINERALS LIMITED** *(Continued)*

**YEAR ENDED 31<sup>ST</sup> MAY 2010**

**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

**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



MR LEE LEDERBERG (Senior Statutory Auditor)

For and on behalf of  
EDWARDS VEEDER (OLDHAM) LLP  
Chartered Accountants  
& Statutory Auditor

Block E, Brunswick Square  
Union Street  
Oldham  
OL1 1DE

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**ANGLO-SLOVAK MINERALS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 MAY 2010**

	2010 £	2009 £
<b>TURNOVER</b>	—	—
Administrative expenses	(11,531)	(31,914)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<u>11,531</u>	<u>31,914</u>
Tax on profit on ordinary activities	—	—
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<u>11,531</u>	<u>31,914</u>
Balance brought forward	(129,752)	(161,666)
Balance carried forward	<u>(118,221)</u>	<u>(129,752)</u>

The company did not trade during the year

The company has no recognised gains or losses other than the results for the  
year as set out above



## ANGLO-SLOVAK MINERALS LIMITED

## BALANCE SHEET

31 MAY 2010

	Note	2010 £	£	2009 £	£
<b>FIXED ASSETS</b>					
Investments	4		—		75,000
<b>CURRENT ASSETS</b>					
Debtors	5	277,386		296,852	
Cash at bank		—		—	
		<u>277,386</u>		<u>296,852</u>	
<b>CREDITORS: Amounts falling due within one year</b>	6	—		997	
<b>NET CURRENT ASSETS</b>			<u>277,386</u>		<u>295,855</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>277,386</u>		<u>370,855</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	7		—		105,000
			<u>277,386</u>		<u>265,855</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	9		38,393		38,393
Share premium account	10		357,214		357,214
Profit and loss account			<u>(118,221)</u>		<u>(129,752)</u>
<b>SHAREHOLDERS' FUNDS</b>	11		<u>277,386</u>		<u>265,855</u>

These financial statements were approved by the directors and authorised for issue on 9/5/10, and are signed on their behalf by



A D N BALME

Company Registration Number 3770913

**ANGLO-SLOVAK MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MAY 2010**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The financial statements have been prepared on a going concern basis which presumes the realisation of assets and discharge of liabilities in the normal course of business. The company had no operating revenues but during the year made a profit of £11,531 due to gains on retranslation of loans to subsidiaries. The company's ability to continue as a going concern is dependent on the ability of the parent company to continue to support this company, and ultimately the attainment of profitable operations.

**Consolidation**

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

**Cash flow statement**

The directors have taken advantage of the exemption in FRS 1 from including a cash flow statement in the financial statements on the grounds that the company is a wholly owned subsidiary and its parent company publishes a consolidated cash flow statement.

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**ANGLO-SLOVAK MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MAY 2010**

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**Investments**

Investments in subsidiaries held as fixed assets are stated at cost less provision for any permanent diminution in value.

**2. OPERATING PROFIT**

Operating profit is stated after charging/(crediting)

	2010 £	2009 £
Auditor's remuneration		
- as auditor	-	3,000
Net profit on foreign currency translation	<u>(11,531)</u>	<u>(72,863)</u>

**3. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to

	2010 No	2009 No
Number of management staff	<u>-</u>	<u>2</u>

**ANGLO-SLOVAK MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MAY 2010**

**4. INVESTMENTS**

	<b>Total £</b>
<b>COST</b>	
At 1 June 2009	<b>75,000</b>
Transfer to Ortac Resources plc	<b>(75,000)</b>
At 31 May 2010	<u>—</u>
<b>NET BOOK VALUE</b>	
At 31 May 2010	<u>—</u>
At 31 May 2009	<u><b>75,000</b></u>

Under the provision of section 248 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity

**5. DEBTORS**

	<b>2010 £</b>	<b>2009 £</b>
Amounts owed by group undertakings	<b>277,386</b>	296,469
VAT recoverable	<u>—</u>	<u>383</u>
	<u><b>277,386</b></u>	<u>296,852</u>

The debtors above include the following amounts falling due after more than one year

	<b>2010 £</b>	<b>2009 £</b>
Amounts owed by group undertakings	<u><b>277,386</b></u>	<u>296,469</u>

**6. CREDITORS: Amounts falling due within one year**

	<b>2010 £</b>	<b>2009 £</b>
Trade creditors	<u>—</u>	<u>997</u>
	<u>—</u>	<u>997</u>

**7. CREDITORS: Amounts falling due after more than one year**

	<b>2010 £</b>	<b>2009 £</b>
Amounts owed to group undertakings	<u>—</u>	<u>105,000</u>

**ANGLO-SLOVAK MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MAY 2010**

**8. RELATED PARTY TRANSACTIONS**

The company is a wholly owned subsidiary of Ortac Resources Plc. There is no individual with ultimate control of Ortac Resources Plc.

The balances with group companies at the year end were as follows

Bellmin s r o	–	188,828
St Stephan Gold s r o	–	106,633
Ortac Resources Plc – VAT current a/c	–	1,008
Ortac Resources Plc – loan a/c	277,386	(105,000)

**9. SHARE CAPITAL****Authorised share capital:**

	2010	2009
	£	£
5,000,000 Ordinary shares of £0.01 each	<u>50,000</u>	<u>50,000</u>

**Allotted, called up and fully paid:**

	2010	£	2009	£
	No		No	
Ordinary shares of £0.01 each	<u>3,839,300</u>	<u>38,393</u>	<u>3,839,300</u>	<u>38,393</u>

**10. SHARE PREMIUM ACCOUNT**

	2010	2009
	£	£
Balance brought forward/carried forward	<u>357,214</u>	<u>357,214</u>

**11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2010	£	2009	£
	£		£	
Profit for the financial year		11,531		31,914
Opening shareholders' funds		265,855		233,941
Closing shareholders' funds		<u>277,386</u>		<u>265,855</u>

**12. ULTIMATE PARENT COMPANY**

The company is a wholly owned subsidiary of Ortac Resources Plc, a company registered in England and Wales. On 15 September 2010 the entire share capital of Ortac Resources Plc was acquired by Ortac Resources Limited, a company registered in the British Virgin Islands.