

# **Multiplex Resources (Kazakhstan) Limited**

**Company Number 03773661**

**Annual Report and Financial Statements For The Year Ended  
30 September 2015**

TUESDAY



\*A5M9PY6Y\*

A34

20/12/2016

#204

COMPANIES HOUSE

# **Multiplex Resources (Kazakhstan) Limited**

## **Annual report and financial statements for the year ended 30 September 2015**

### **Contents**

Director's report	2
Independent auditors' report	4
Profit and loss account	6
Statement of total recognised gains and losses	7
Balance Sheet	8
Notes to the financial statements	9

---

### **Directors**

The directors of the company who were in office during the year were:

Antony William Paul Sage

The sole director at the date of signing the financial statements was Antony William Paul Sage.

### **Registered office**

Third Floor One London Square, Cross Lanes, Guildford, Surrey, GU1 1UN

### **Company Number**

03773661

### **Independent Auditors**

Lubbock Fine  
Chartered Accountants and Statutory Auditors  
Paternoster House  
65 St Paul's Churchyard  
London  
EC4M 8AB

# Multiplex Resources (Kazakhstan) Limited

## Annual report and financial statements for the year ended 30 September 2015

### Director's report for the year ended 30 September 2015

The director presents his report and the audited financial statements of the company for the year ended 30 September 2015.

### Results and dividends

The profit and loss account is set out on page 6 and shows the loss for the year.

The company's loss for the financial year is US \$101,146 (2014: US \$77,146).

The director did not propose the payment of a dividend (2014: nil).

### Principal activities

The company's principal activity is the exploration and evaluation of mineral resources. There has been no change in the company's principal activities in the year under review.

### Business review, key performance indicators and future developments

Danae Resources Pty Ltd ("Danae") is the sole shareholder of the company. The company is reliant on the sole shareholder Danae for funding in order to fund its working capital and future obligations with respect to restoration activities. The company's ultimate parent, Cape Lambert Resources Limited has offered to support the company and the sole director remains confident that additional funding will be obtained in order to meet the company's funding obligations.

### Principal risks and uncertainties

At the balance sheet date, the company was a subsidiary of Danae. The reporting of risks and uncertainties is undertaken at a group level and discussed in the group's annual report.

### Directors

The directors who served during the year are set out below.

Antony William Paul Sage

The sole director at the date of signing the financial statements was Antony William Paul Sage.

No director held any interest in the share capital of the company at any time during the year.

### 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 prepared 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

# **Multiplex Resources (Kazakhstan) Limited**

## **Annual report and financial statements for the year ended 30 September 2015**

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.

### **Disclosure of information to auditors**

The sole director in office 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
- the director has taken all the steps that they ought to have taken as a director in order to make himself aware of any relevant information and to establish that the company's auditor is aware of that information.

### **Auditors**

Under section 487(2) of the Companies Act 2006, Lubbock Fine will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, which ever is earlier.

In preparing this report, the director has taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Antony William Paul Sage  
Director

Date: 16 December 2016

# **Multiplex Resources (Kazakhstan) Limited**

## **Annual report and financial statements for the year ended 30 September 2015**

### **Independent Auditor's Report to the Shareholders of Multiplex Resources (Kazakhstan) Limited**

We have audited the financial statements of Multiplex Resources (Kazakhstan) Limited for the year ended 30 September 2015. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, 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 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 Director's Responsibilities Statement, the director is 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 Practices Board's Ethical Standards for Auditors. Because of the matter described in the Basis of Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **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 the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Basis for disclaimer of opinion on financial statements**

The audit evidence available to us was limited because of inadequacies in the accounting records of the company in relation to debtors at both the 1 October 2013 and 30 September 2014, and the profit and loss accounts for the years ended 30 September 2014 and 30 September 2015.

As a result of the above, we are unable to conclude in respect of the existence and recoverability of debtors at 1 October 2013 and 30 September 2014, and the accuracy of the profit and loss account for the years ended 30 September 2014 and 30 September 2015.

Due to the inadequacies of the accounting records we are unable to quantify the effect of any potential adjustments.

# Multiplex Resources (Kazakhstan) Limited

## Annual report and financial statements for the year ended 30 September 2015

### Disclaimer of opinion on financial statements

Because of the significance of the matters described in the Basis for Disclaimer of Opinion on Financial Statements paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

### Opinion on other matter prescribed by the Companies Act 2006

Notwithstanding our disclaimer of an opinion on the financial statements, in our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Emphasis of matter - Going Concern

In forming our opinion on the financial statements, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. There is a material uncertainty as to whether this support will continue to be provided which may cast a significant doubt over the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

### Matters on which we are required to report on exception

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit;
- we were unable to determine whether adequate accounting records have been kept; and
- returns adequate for our audit have not been received from branches not visited by us.

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:

- 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.



**Stephen Banks** (Senior Statutory Auditor)

For and on behalf of

**Lubbock Fine**

Chartered Accountants

& Statutory Auditor

Date: 20 December 2016

Paternoster House  
65 St Paul's Churchyard  
London EC4M 8AB

# Multiplex Resources (Kazakhstan) Limited

## Annual report and financial statements for the year ended 30 September 2015

### Profit and Loss Account for the year ended 30 September

	Note	2015 US\$	2014 US\$ (restated)
Administrative expenses		(111,125)	(77,146)
Foreign Exchange		9,979	-
Operating loss	2	<u>(101,146)</u>	<u>(77,146)</u>
Interest payable and similar charges		-	-
Loss on ordinary activities before taxation		<u>(101,146)</u>	<u>(77,146)</u>
Tax on loss on ordinary activities		-	-
Loss for the financial year		<u>(101,146)</u>	<u>(77,146)</u>

The notes on pages 9 to 13 form part of these financial statements.

# Multiplex Resources (Kazakhstan) Limited

## Annual report and financial statements for the year ended 30 September 2015

### Statement of total recognised gains and losses for the year ended 30 September

	2015 US\$	2014 US\$ (restated)
Loss for the financial year attributable to the shareholders	(101,146)	(77,146)
Other movements in profit and loss reserve	6,854	(326,837)
Total recognised gains and losses relating to the year	<u>(94,292)</u>	<u>(403,982)</u>
Prior year adjustment	-	28,900
Total gains and losses recognised since the last annual report	<u>(94,292)</u>	<u>(375,082)</u>

The notes on pages 9 to 13 form part of these financial statements.



# Multiplex Resources (Kazakhstan) Limited

## Annual report and financial statements for the year ended 30 September 2015

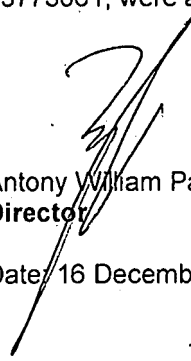
### Balance Sheet as at 30 September

	Note	2015 US\$	2014 US\$
Property, plant and equipment		120	311
Total non-current assets		120	311
Current assets			
Cash at bank and in hand	4	1,307	2,021
Debtors	5	-	59,755
Total current assets		1,307	61,776
Creditors: amounts falling due within one year	6	(34,804)	(26,259)
Closure provision	7	(142,723)	(212,162)
Net current liabilities		(176,220)	(176,645)
Total assets less current liabilities		(176,100)	(176,334)
Capital and Reserves			
Called up Share Capital	9	79	79
Share premium account	10	6,104,645	6,104,645
Capital contribution account	10	11,173,351	11,078,825
Profit and loss account	10	(17,454,175)	(17,359,883)
Total shareholders' funds		(176,100)	(176,334)

The notes on pages 9 to 13 form part of these financial statements.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements of Multiplex Resources (Kazakhstan) Limited, registration number 03773661, were approved by the Board of Directors and were signed on its behalf by:

  
Antony William Paul Sage  
Director

Date: 16 December 2016

# Multiplex Resources (Kazakhstan) Limited

## Annual report and financial statements for the year ended 30 September 2015

### Notes to the financial statements

#### 1. Accounting policies

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The principal accounting policies, which have been applied consistently throughout the year are set out below.

#### *Going concern*

The financial statements have been prepared on the going concern basis. In reaching his conclusion that it is appropriate to prepare the financial statements on this basis, the director has considered the matters below.

On 3<sup>rd</sup> May, 2013:

- to terminate exploration activities on the project, and
- to start the process of cancellation of the Subsoil Use Contract with the Kazakhstani Government, and
- to complete its obligations in relation to the rehabilitation of the site, disposal of core, samples and other physical assets, and
- to report all technical data to the government as required by its contract obligations; and
- to close the Almaty Branch Office; and then
- to wind up the company.

In relation to these obligations, the company has informed the relevant Kazakhstani agencies and ministries of the board's decision (letters registered 23<sup>rd</sup> and 24<sup>th</sup> May, 2013), and it has prepared a draft technical program for the necessary liquidation of activities completed on and around the Vostok prospects/deposits.

These rehabilitation works will be completed in accord with the requirements of the Subsoil Use Contract and the company expects that the completion of these works will take a considerable time and require significant on-going expenditures.

The final scope of these works will only be known after approval of the draft program with the Kazakhstani authorities.

The exploration data collected under the Subsoil Use Contract since 2003 will then be handed to the state, as required by legislation in Kazakhstan, and the branch in Kazakhstan, that operated the Vostok Copper Project since its inception in 2003, will be liquidated.

The settlement of these Kazakhstani obligations will clear the way for the board to de-register the company in London.

Following the execution of the share sale agreement on 20<sup>th</sup> March 2014, the company has secured funding commitments from Danae and Vale to ensure that all working capital needs and restoration obligations will be met by way of a signed dissolution agreement between all parties.

The company's ultimate parent, Cape Lambert Resources Limited has offered to support the company and the sole director remains confident that additional funding will be obtained in order to meet the company's funding obligations. The director recognises that there is a material uncertainty as to whether the above support will continue to be provided. Should this support not continue to be provided this will cast a significant doubt over the ability of the company to continue as a going concern.

# Multiplex Resources (Kazakhstan) Limited

## Annual report and financial statements for the year ended 30 September 2015

### Accounting policies (continued)

#### *Going concern (continued)*

The accounts are prepared on a going concern basis and will continue to be prepared on a going concern basis until it is clear the company will wind up.

#### *Foreign currency*

The functional currency of the company is in US Dollars.

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction.

Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

#### *Deferred taxation*

The charge for taxation is based on the profit for the year and takes into account deferred taxation.

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

#### *Fixed assets*

All fixed assets are initially recorded at cost.

#### *Depreciation*

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office equipment	- 15% on a straight line basis
------------------	--------------------------------

# Multiplex Resources (Kazakhstan) Limited

## Annual report and financial statements for the year ended 30 September 2015

### Accounting policies (continued)

#### *Exploration and evaluation expenditure*

Costs arising from exploration and evaluation activities are defined as an intangible asset and are accumulated separately for each area of interest and are only carried forward where such costs are expected to be recouped through successful development, or through sale, or where exploration and evaluation activities have not, at the reporting date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. Such expenditure comprises net direct costs and an appropriate allocation of indirect expenditure. Accumulated costs in respect of areas of interest are written off in the income statement when the above criteria do not apply or when the director assesses that the carrying value may exceed the recoverable amount. Costs carried forward in respect of an area of interest that is abandoned are written off in the period in which the decision to abandon is made.

If it is decided to develop the area to which the intangible relates, exploration expenditure is transferred to tangible fixed assets.

#### *Amortisation*

Once production commences, carried forward expenditure in respect of an area of interest is amortised on a unit of production basis by reference to the reserves of that area of interest.

#### *Rehabilitation costs*

Where exploration and evaluation activity gives rise to a liability that meets appropriate recognition criteria, the cost is carried forward as described above. The capitalised cost is amortised upon commencement of production on a unit of production basis.

#### *Impairment*

The company determines whether the carried forward exploration, evaluation and development costs are impaired at least at each financial reporting date. This requires an estimation of the remaining reserves and mine life and assumptions about the success of the company's exploration pursuits in order to estimate the recoverable amount of the cash-generating unit.

#### *Financial Instruments*

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# Multiplex Resources (Kazakhstan) Limited

## Annual report and financial statements for the year ended 30 September 2015

### 2. Operating loss

	30 Sept 2015 US\$	30 Sept 2014 US\$
This is arrived at after charging		
Auditors' remuneration	15,000	21,110

### 3. Taxation on loss on ordinary activities

	30 Sept 2015 US\$	30 Sept 2014 US\$
Current tax charge for year	-	-

There is an unrecognised deferred tax asset in respect of trading losses not utilised of US\$3,020,910 (2014: US\$3,006,460). A deferred tax asset has not been recognised as the branch is in the process of liquidation and, therefore, the losses will not be utilised in the future.

### 4. Cash at bank and in hand

	30 Sept 2015 US\$	30 Sept 2014 US\$
Cash at bank and in hand	1,307	2,021

### 5. Debtors

	30 Sept 2015 US\$	30 Sept 2014 US\$
Other debtors	-	59,755

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

	30 Sept 2015 US\$	30 Sept 2014 US\$
Trade creditors	11,799	5,149
Accruals	23,005	21,110
	34,804	26,259

### 7. Provisions

	30 Sept 2015 US\$	30 Sept 2014 US\$
Brought forward at 1 October 2013	212,162	245,568
Movement in year due to FX variations	(69,439)	(33,406)
	142,723	212,162

# Multiplex Resources (Kazakhstan) Limited

## Annual report and financial statements for the year ended 30 September 2015

### 8. Prior year adjustment

The company has restated its comparative information for the year ended 30 September 2014 to correctly account for the foreign exchange difference on the translation of the company's Kazakh branch as at 30 September 2014. The effect of this adjustment is to decrease company losses for the year ended 30 September 2014 by £338,837. Given this is instead treated as an other reserve movement there is no effect on the profit and loss reverse as at 30 September 2014.

### 9. Called up share capital

	30 Sept 2015 Number	Allotted and fully paid 30 Sept 2014 Number	30 Sept 2015 US\$	30 Sept 2014 US\$
Ordinary class A shares of £1 each	6	6	12	12
Ordinary class B shares of £1 each	34	34	67	67
	<u>40</u>	<u>40</u>	<u>79</u>	<u>79</u>

### 10. Reserves

	Share premium account US\$	Capital contribution account US\$	Profit and loss account US\$
Balance brought forward as at 1 September 2014	6,104,645	11,078,825	(17,359,883)
Capital contributions	-	94,526	-
Loss for the year	-	-	(101,146)
Other movements	-	-	6,854
At 30 September 2015	<u>6,104,645</u>	<u>11,173,351</u>	<u>(17,454,175)</u>

### 11. Transactions with related parties

a) During the year Danae Resources Pty Limited, the parent company, contributed \$94,526 (2014 - \$39,529) through transfer of cash and payment of purchase invoices on behalf of the company, to fund branch operations in Kazakhstan. This was recognised as capital contribution.

b) In the prior year Mineral Securities (UK) Limited, the parent undertaking of Danae Resources Pty Limited charged the company £15,000 for accounting services.

### 12. Parent undertaking

The company's immediate parent company is Danae Resources Pty Limited, a company registered in Australia. The company's ultimate parent undertaking is Cape Lambert Resources Limited, a company registered in Australia.

Cape Lambert Resources Limited is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements. The consolidated financial statements of Cape Lambert Resources Limited are available from the company's registered office at 32 Harrogate Street, West Leederville, Western Australia, 6004.