Toledo Mining Corporation plc

Registered Number: 05055833

Annual Report

For the year ended 30 June 2017

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Strategic report
For the year ended 30 June 2017

During the year, the Directors evaluated a number of potential opportunities, none of which were deemed economic in current market conditions and pursued. The Directors remain focused on acquiring interests in nickel and other base metals mining and processing projects, globally. The company has not traded during the year.

Extended prior accounting period not directly comparable
The Company's comparative accounting period was for the 18 months ended 30 June 2016 and is not directly comparable to the accounting period for the year ended 30 June 2017.

Results
The reported results for the current and prior periods are not directly comparable due to the varying 12 and 18 month lengths of the respective accounting periods. Loss before taxation for the year ended 30 June 2017 was £6,241 (18 months to 30 June 2016 loss £85,896). The loss per share was £3.08 (18 months to 30 June 2016 loss per share £42.36).

Developments during the year
There were no developments in the year. The Directors continue to negotiate and evaluate potential projects but were unable to secure a material transaction during the period.

Principal risks and uncertainties facing the Group
The principal risks faced by the Group are as follows:

- The Company's ability to obtain sufficient funds through the issue of equity or debt from external sources in order to continue to fund its investment in project acquisition, exploration costs and other operating expenditure.
- The exploration for, and development of, mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. There can be no guarantee that the estimates of quantities and grades of minerals disclosed will be available to extract. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions.
- The operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of the Company. These may include geological, geotechnical and seismic factors, environmental hazards, industrial accidents, occupational and health hazards, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions, explosions and other acts. These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability.
- The Company's future success is dependent on the continued services of and financial support of its board and key management. The board and key management are the majority and controlling shareholders of the Company.
- The selling price of base metals, on which the Company's acquisition strategy is focused, will be exposed to movements in prices quoted on the London Metal Exchange.
- Some or all of the operating and exploration licences issued in respect of the projects acquired may be subject to conditions which, if not satisfied, may lead to the revocation of such licences.
- The Company may have minority interests in the companies, partnerships and ventures in which it invests and may be unable to exercise control over the operations of such companies.
- The operations of the Company may be located in geographic regions where there may be a number of associated risks over which it will have no control. These may include economic, social or political instability or change, terrorism, hyperinflation, currency non-convertibility or instability, changes of laws affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, and exploration licensing.

- The Company's total return and net assets may be significantly affected by currency movements.

Approval
The Strategic report was approved by the Board on 20 December 2017.

By order of the Board:

A Harvey
Director
Toledo Mining Corporation plc
20 December 2017

Report of the directors
For the period 1 July 2016 to 30 June 2017

Results for the period
The Company has reported a consolidated post-tax loss for the year ended 30 June 2017 of £6,241 (18 months to 30 June 2016 post-tax loss of £85,896).

Prior period not comparable
The reported results are not directly comparable due to the varying 12 and 18 month lengths of the respective accounting periods. The prior period consolidated balance sheet and cash flows have not been restated to include the acquired subsidiary.

Dividend
The directors do not recommend any dividend payment.

Directors and their interests
The directors who served during the period and their interests in the Company's ordinary shares were as follows:

	At 30 June 2017	At 30 June 2016
C Thanassoulas	304	304
A Harvey	507	507
V Kolesnikov	507	507

Directors' remuneration
No remuneration has been paid to directors after 31 March 2015.

	Year ended 30 June 2017 £	18 months to 30 June 2016 £
C Thanassoulas	-	3,000

Political and charitable donations
No political or charitable donations were made during the year.

Risk management
See note 20 to the financial statements.

Future Developments
The Company's management are negotiating to acquire new interests in nickel, and other base metal, mining and metal processing projects, and are assessing options to raise new capital both privately and through public markets.

Events since the balance sheet date
There have been no material events since the balance sheet date.

Auditors

Reappointment of auditors
Sawin & Edwards have indicated their willingness to continue in office. A resolution to reappoint as auditors Sawin & Edwards for the ensuing period will be proposed at the next Annual General Meeting.

By order of the Board

A Harvey
Director
Toledo Mining Corporation plc
20 December 2017

Statement of directors' responsibilities

For the year ended 30 June 2017

The directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent Company financial statements for each financial period. Under that law the Directors have elected to prepare the Group and parent Company financial statements in accordance with International Financial Reporting 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 Group and parent Company and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

a) select suitable accounting policies and then apply them consistently
b) make judgments and accounting estimates that are reasonable and prudent
c) state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the Group and parent Company financial statements
d) prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and parent 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 the Group 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the Company's auditors are unaware. They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors' report
To the members of Toledo Mining Corporation Plc

Opinion
We have audited the financial statements of Toledo Mining Corporation Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2017 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and parent Company Balance Sheet, the Consolidated and parent Company Statements of Changes in Equity, the Consolidated and parent Company Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.[3]

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2017 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The directors are responsible for the other information. The other information comprises the information included in the Strategic Report and the Report of the Directors other than the financial

statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Emphasis of Matter – going concern

In forming our opinion on the financial statements, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the Group's ability to continue as a going concern. The cash flow forecast indicates that the Group has adequate unpaid capital not yet called to discharge its liabilities in the normal course of business. The Directors believe that it is appropriate to prepare the financial statements on a going concern basis as they have control of the Group's outgoings which can be managed within available funding. They have considered this factor in relation to a period of not less than 12 months from the approval of these financial statements, and have concluded that it remains appropriate to prepare the financial statements on a going concern basis. 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 by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 6 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Keeley Edwards FCCA (Senior Statutory Auditor)

For and on behalf of Sawin & Edwards, Statutory Auditor

52 Kingsway Place
Sans Walk
London
EC1R 0LU

20 December 2017

Consolidated income statement
For the year ended 30 June 2017

	Notes	Year Ended 30 June 2017 £	18 months Ended 30 June 2016 £
Revenue	3	-	-
Gross profit		-	-
Administration expenses		(6,241)	(65,602)
Goodwill written off		-	(20,294)
Loss from operations	4	(6,241)	(85,896)
Loss before taxation		(6,241)	(85,896)
Income tax	7	-	-
Loss for the year/period		(6,241)	(85,896)
Loss per share			
Basic	8	£ 3.08	£ 42.36

The Company has taken advantage of section 408 of the Companies Act 2006 not to publish its own income statement account.

Consolidated statement of comprehensive income
For the year ended 30 June 2017

	Year Ended 30 June 2017 £	18 months Ended 30 June 2016 £
Loss for the year/period	(6,241)	(85,896)
Other comprehensive expense for the period	-	-
Total comprehensive expense for the year/period	(6,241)	(85,896)

Consolidated balance sheet
As at 30 June 2017

	Notes	30 June 2017 £	31 June 2016 £
Current assets			
Trade and other receivables	10	1,288	35
Cash and cash equivalents	12	10,948	18,234
Total current assets		12,236	18,269
TOTAL ASSETS		12,236	18,269
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables	13	23,456	23,248
Total current liabilities		23,456	23,248
Total liabilities		23,456	23,248
Equity			
Share capital	14	100,893	100,893
Capital distribution account	15	91	91
Retained loss	16	(112,204)	(105,963)
Equity attributable to equity holders of the parent			
Total equity		(11,220)	(4,979)
TOTAL EQUITY AND LIABILITIES		12,236	18,269

The financial statements were approved by the Board of directors on 20 December 2017 and signed on their behalf by:

A Harvey
Director
Toledo Mining Corporation plc

Company balance sheet
As at 30 June 2017

	Notes	30 June 2017 £	30 June 2016 £
Investments			
Investments in subsidiary	9	4	4
		4	4
Current assets			
Trade and other receivables	10	5,994	2,242
Cash and cash equivalents	12	10,865	18,276
Total current assets		16,859	20,518
Total assets		16,863	20,522
Equity and liabilities			
Current liabilities			
Trade and other payables	13	3,166	2,958
Total current liabilities		3,166	2,958
Total liabilities		3,166	2,958
Equity			
Share capital	14	100,893	100,893
Capital distribution account	15	91	91
Retained loss	16	(87,287)	(83,420)
Equity attributable to equity holders of the parent			
Total equity		13,697	17,564
TOTAL EQUITY AND LIABILITIES		16,863	20,522

The financial statements were approved by the Board of directors on 20 December 2017 and signed on their behalf by:

A Harvey
Director
Toledo Mining Corporation plc

Company number 05055833

Consolidated statement of changes in equity
For the year 30 June 2017

Year ended 30 June 2017	Share capital £	Capital Distribution account £	Retained Profit/ (loss) £	Total £
Balance at 1 July 2016	100,893	91	(105,963)	(4,979)
Total comprehensive expense for the period				
Loss	-	-	(6,241)	(6,241)
Total other comprehensive expense	-	-	-	-
Total comprehensive expense for the period	-	-	(6,241)	(6,241)
Balance at 30 June 2017	100,893	91	(112,204)	(11,220)

Consolidated statement of changes in equity (continued)
For the year ended 30 June 2017

18 months ended 30 June 2016	Share capital £	Capital Distribution account £	Retained Profit/ (loss) £	Total £
Balance at 1 Jan 2015	100,893	91	(20,067)	80,917
Total comprehensive expense for the period				
Loss	-	-	(85,896)	(85,896)
Total other comprehensive expense	-	-	-	-
Total comprehensive expense for the period	-	-	(85,896)	(85,896)
Balance at 30 June 2016	100,893	91	(105,963)	(4,979)

Company statement of changes in equity
For the year ended 30 June 2017

Year ended 30 June 2017	Share capital £	Capital distribution account	Retained loss £	Total £
Balance at 1 July 2016	100,893	91	(83,420)	17,564
Total comprehensive expense for the period				
Loss	-	-	(3,867)	(3,867)
Balance at 30 June 2017	100,893	91	(87,287)	13,697

18 months ended 30 June 2016	Share capital £	Capital distribution account	Retained loss £	Total £
Balance at 1 Jan 2015	100,893	91	(20,067)	80,917
Total comprehensive expense for the period				
Loss	-	-	(63,353)	(63,353)
Balance at 30 June 2016	100,893	91	(83,420)	17,564

Consolidated cash flow statement
For the year 30 June 2017

	Notes	Year ended 30 June 2017 £	18 months ended 30 June 2016 £
Net cash outflow from operating activities	17	(7,286)	(54,981)
Investing activities			
Goodwill acquired		-	(20,294)
Net cash inflow from investing activities		-	(20,294)
Net decrease in cash and cash equivalents		(7,286)	(75,275)
Cash and cash equivalents – opening balances		18,234	93,509
Cash and cash equivalents – closing balances	12	10,948	18,234

Company cash flow statement
For the year ended 30 June 2017

	Notes	Year ended 30 June 2017 £	18 months ended 30 June 2016 £
Net cash outflow from operating activities	17	(7,411)	(72,978)
Investing activities			
Investment in subsidiary undertakings	9	-	(4)
Net cash inflow from investing activities		-	(4)
Net decrease in cash and cash equivalents		(7,411)	(72,982)
Cash and cash equivalents – opening balances		18,276	91,258
Cash and cash equivalents – closing balances	12	10,865	18,276

1. General information

Toledo Mining Corporation plc is a company incorporated in England and Wales under the Companies Act 1985. The Company's registered office is c/o Thrings LLP, Fifth Floor, Kinnaird House, 1 Pall Mall East, London, SW1Y 5AU. The registration number of the Company is 05055833.

The principal activity of the Group is the investment in and exploration and development of mining projects.

The Group's principal activity is carried out in Pounds Sterling. The financial statements are presented in Pounds Sterling as this is the currency of the country (the UK) where the Company is incorporated.

The Board of directors has authorised the issue of these financial statements on the date of the statement as set out on page 12.

2. Accounting policies

Basis of accounting
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the European Union

The financial statements have been prepared on the historical cost basis except that certain financial instruments are accounted for at fair values. The principal accounting policies adopted are set out below.

New standards and interpretations not yet applied
The following standards, amendments to standards and interpretations have been identified as those which may impact the Group in the period of initial application. They are available for early adoption at 30 June 2017 but have not been applied in preparing the financial report:

		Effective date
IFRS 9	Financial Instruments	1 January 2018

The directors do not anticipate that adoption of this standard will have a material impact on the Group's financial position or performance.

Going concern
The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Group relies on the Directors who, with management, are the majority shareholders and ultimate controlling party, and will be responsible for raising the funding necessary for future project investment and working capital.

The cash flow forecast indicates that the Group has adequate funds to discharge its liabilities in the normal course of business. The Directors believe that it is appropriate to prepare the financial statements on a going concern basis as they have control of the Group's outgoings which can be managed within available funding. They have considered this factor in relation to a period of not less than 12 months from the approval of these financial statements, and have concluded that it remains appropriate to prepare the financial statements on a going concern basis.

Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and all Group undertakings. Control is achieved when the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recognised as goodwill. Goodwill arising is tested for impairment and written off to the income statement when the value is not considered recoverable.

Any deficiency of the cost of acquisition below the fair value of the identifiable net assets acquired (i.e. discount on acquisition) is credited to the income statement in the period of acquisition.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Taxation
The income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement, because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the original recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

No recognition has been made for the deferred tax asset arising in respect of current losses as the Directors are of the opinion that this may not be realisable in the foreseeable future.

Financial instruments
Financial assets and financial liabilities are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents
Cash and cash equivalents comprise cash held at bank and on short term deposits.

Trade payables
Trade payables are not interest bearing and are stated at their nominal value.

Loans
Shareholder and director loans are initially recognised at transaction value and subsequently measured at their settlement value.

Trade receivables
Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Investments
Investments are recognised and derecognised on a trade date where a purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at cost, including transaction costs.

Investments are classified as held-for-trading and are measured at subsequent reporting dates at fair value. Where securities are held for trading purposes, gains and losses arising from changes in fair value are included in net profit or loss for the period.

Equity instruments
Equity instruments issued by the Company are recorded at the proceeds received except where those proceeds appear to be less than the fair value of the equity instruments issued, in which case the equity instruments are recorded at fair value. The difference between the proceeds received and the fair value is reflected in the share based payments reserve.

The costs of issuing new equity are charged against the share premium account.

Pension costs
The Company has no employees and made no contributions to pension schemes.

Critical accounting judgments and key sources of estimation uncertainty
In the process of applying the Group's accounting policies above, management necessarily makes judgments and estimates that have a significant effect on the amounts recognised in the financial statements. Changes in the assumptions underlying the estimates could result in a significant impact to the financial statements. The most critical of these accounting judgment and estimation areas is as follows:

Impairment of assets
The Group reviews the carrying amounts of assets as at each balance sheet date, or if events or changes in circumstance indicate that the carrying amount may not be recoverable, to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount or value in use is estimated. Determining the value in use requires the determination of future cash flows expected to be generated from the continued use and ultimate disposal of the asset. This requires the Company to make estimates and assumptions that can materially affect the financial statements. Any resulting impairment loss could have a material adverse impact on the Group's financial position and results of operations.

3. **Segmental analysis**

Loss before tax is attributable to the principal activities of the Group.

Segmental information on a geographical basis is set out below:

Year ended 30 June 2017

	UK £	Total £
Revenue from external customers	-	-
Loss for the period	6,241	6,241
Total assets	12,236	12,236
Total liabilities	23,456	23,456

18 months ended 30 June 2016

	UK £	Total £
Revenue from external customers	-	-
Loss for the period	85,896	85,896
Total assets	18,269	18,269
Total liabilities	23,248	23,248

4. **Loss from operations**

Loss from operations is stated after charging:

	Year ended 30 June 2017 £	18 months ended 30 June 2016 £
Auditors remuneration:		
-auditing of the financial statements of the Group pursuant to legislation	4,400	5,900
- taxation compliance services	500	500
Directors' fees and emoluments (see note 6)	-	3,000

5. **Particulars of employees**

The company and Group has no employees.

6. Directors' emoluments and fees

The Company employed three directors during the period, with aggregate emoluments in respect of qualifying services as follows:

	Year ended 30 June 2017	18 months ended 30 June 2016
	£	£
Directors' fees [1][2]	-	3,000
	-	3,000

	Year ended 30 June 2017	18 months ended 30 June 2016
Highest paid director	£	£
Director's emoluments[1]	-	3,000

Notes

(1) Directors remuneration for the 18 months ended 30 June 2016 of £3,000 is comprised C Thanassoulas fees 1 January to 31 March 2015.

(2) No fees have been paid to Directors since 31 March 2015 and no Director is currently contractually entitled to receive any emoluments.

7. Income tax expense

	Group Year ended 30 June 2017	Group 18 months ended 30 June 2016
	£	£
Taxation charge	-	-
Current tax reconciliation		
Loss for the year/period before taxation	(6,241)	(85,896)

	Group Year ended 30 June 2017	Group 18 months ended June 2016
	£	£
Loss for the period multiplied by standard rate of UK corporation tax 20%	(1,248)	(17,179)
Effects of:		
Expenses not deductible for tax purposes	20	339
Increase in potential tax credits	1,228	16,840
Taxation charge	-	-
Potential UK tax credits available multiplied by standard rate of UK corporation tax 20%	20,660	19,431

Potential UK tax credits available have been restricted to losses incurred since change of control on 19 December 2014. No recognition has been made of the deferred tax asset in respect of the losses shown above as the directors are of the opinion that this may not be realisable in the foreseeable future.

8. Loss per share

Basic loss per share has been calculated by dividing the loss after taxation for the year ended 30 June 2017 of £6,241 attributable to the equity holders of the parent company by the weighted average number of ordinary shares in issue at 30 June 2017 of 2,028 shares (period 1 January 2015 to 30 June 2016 loss after taxation of £85,896, weighted average number of shares 2,028).

There were no convertible instruments which might give rise to dilution at 30 June 2017 and 30 June 2016.

9. Investment in subsidiary undertakings

Company	**30 June 2017**	**30 June 2016**
	£	**£**
Cost		
Balance brought forward	4	-
Acquisition	-	4
Impairment charge	-	-
Balance carried forward	4	4

Subsidiary undertaking	**Country of incorporation**	**Holding**	**Proportion of voting shares held**	**Nature of business**
London Nickel plc	England & Wales	Ordinary shares	100%	Nickel mining and processes

On 21 December 2015 the Company acquired for £4 consideration, 100% of London Nickel plc ('LNP'). The Company acquired 6,000,000 ordinary shares of £0.01 each 25% paid-up. At the date of acquisition LNP had net liabilities of £20,290 representing amounts loaned by its four shareholders, giving rise to goodwill of £20,294 (which has been fully impaired in the period).

A Harvey, C Thanassoulas and V Kolesnikov each held 1,500,000 LNP shares. A Harvey and V Kolesnikov are directors of LNP. The loans are not interest bearing and each lender has undertaken to not demand repayment of his loan until such time the Group has cash exceeding its working capital requirement.

10. Trade and other receivables – current

	Group 30 June 2017	**Company 30 June 2017**	**Group 30 June 2016**	**Company 30 June 2016**
	£	**£**	**£**	**£**
Prepayments and other receivables	636	636	-	-
Receivable from related parties	-	4,706	-	2,207
Other taxes recoverable (see note 11)	652	652	35	35
	1,288	5,994	35	2,242

11. Other taxes recoverable

	Group 30 June 2017	**Company 30 June 2017**	**Group 30 June 2016**	**Company 30 June 2016**
	£	**£**	**£**	**£**
VAT	652	652	35	35
	652	652	35	35

12. Cash and cash equivalents

	Group 30 June 2017 £	Company 30 June 2017 £	Group 30 June 2016 £	Company 30 June 2016 £
Cash held in trust bank account	-	-	860	860
Cash at bank and in hand	10,948	10,865	17,374	17,416
	10,948	10,865	18,234	18,276

13. Trade and other payables

	Group 30 June 2017 £	Company 30 June 2017 £	Group 30 June 2016 £	Company 30 June 2016 £
Trade payables	62	62	54	54
Accruals	5,000	2,900	5,000	2,900
Other payables	18,394	204	18,194	4
	23,456	3,166	23,248	2,958

Group other payables includes an amount of £9,051 (30 June 2016 £9,051) payable to the Directors of the Company, relating to loans to LNP of £9,048 (30 June 2016 £9,048) and acquisition consideration of £3 (30 June 2016 £3); the balance of £9,143 (30 June 2016 £9,143) is payable to a non-controlling shareholder of the Company.

14. Called up share capital

Company	£49.75 Ordinary Shares		£49.75 Ordinary Shares	
Ordinary shares	Number 30 June 2017	£ 30 June 2017	Number 30 June 2016	£ 30 June 2016
Authorised	2,028	100,893	2,028	100,893
Allotted and fully paid	2,028	100,893	2,028	100,893

The Company has one class of ordinary share which carries no right to fixed income.

Ordinary share capital	30 June 2017 £	30 June 2016 £
Balance brought and carried forward	100,893	100,893

15. Capital distribution account

Group and company

	30 June 2017 £	30 June 2016 £
Balance brought forward and carried forward	91	91

16. Profit and loss account

	Group 30 June 2017 £	Company 30 June 2017 £
Accumulated losses brought forward	105,963	83,420
Loss for the year	6,241	3,867
Balance carried forward	112,204	87,287

17. Cash flows from operating activities

Group	30 June 2017 £	30 June 2016 £
Net loss from operations	(6,241)	(85,896)
Adjustments for:		
Goodwill written off	-	20,294
Operating cash flows before movements in working capital	(6,241)	(65,602)
(Increase)/decrease in trade and other receivables	(1,253)	18,440
Subsidiary undertaking liabilities acquired	-	20,290
Increase/(decrease) in trade and other payables	208	(28,109)
Cash outflow from operations	(7,286)	(54,981)

Company	30 June 2017 £	30 June 2016 £
Net loss from operations	(3,867)	(63,353)
Operating cash flows before movements in working capital	(3,867)	(63,353)
(Increase)/decrease in trade and other receivables	(3,752)	16,233
Increase/(decrease) in trade and other payables	208	(25,858)
Cash outflow from operations	(7,411)	(72,978)

18. Controlling party

The Company is controlled by its Directors, who hold 65% of the issued ordinary share capital.

19. Related party transactions

GHCP Services Ltd is controlled by A Harvey. During the year, the Company was charged £Nil (30 June 2016: £49,349 by GHCP Services Ltd; £45,000 for corporate secretarial and administration services, £3,245 for travel and £1,104 for rent recharged to the Company. At 30 June 2017, funds held in trust by GHCP Services Ltd on behalf of the company amounted to £Nil (30 June 2016: £860). At 30 June 2017 the Company owed to GHCP Services Ltd £200 (30 June 2016: £Nil).

During the prior period between 1 Jan to 31 March 2015, the Company was charged fees of £3,000 by C Thanassoulas for services as Director and Chairman of the Company. No fees were charged by C Thanassoulas between 1 April 2015 and 30 June 2017.

On 21 December 2015 the Company paid consideration of £1.00 for 1,500,000 25% paid-up ordinary £0.01 shares in London Nickel Plc, to each of A Harvey, C Thanassoulas and V Kolesnikov.

At 30 June 2017, London Nickel Plc owed in aggregate the amount of £9,051 (30 June 2016 £9,051) to A Harvey, C Thanassoulas and V Kolesnikov.

A Harvey and V Kolesnikov are also directors of Autini Resources Limited (a company registered in the Republic of Ireland). During the year ended 30 June 2017, expenses incurred on behalf of the company amounted to £636 (30 June 2016: £Nil). At 30 June 2017, the amount owed by Autini Resouces Limited to Toledo Mining Corporation Plc amounted to £636 (30 June 2016: £Nil).

20. Financial assets and liabilities

The Group's financial instruments comprise cash and cash equivalents and various items such as other receivables, trade payables and other payables that arise directly from its operations.

The main purpose of these financial instruments is to finance the Group's operations.

The Board regularly reviews and agrees policies for managing the level of risk arising from the Group's financial instruments. These are summarised below:

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company and Group.

The carrying amounts of financial assets recognised in the balance sheet best represents the Company and Group's maximum exposure to credit risk at the reporting date. The credit quality of all financial assets that are neither past due nor impaired is appropriate and is consistently monitored in order to identify any potential adverse changes in credit quality. There are no financial assets that have had renegotiated terms that would otherwise, without that renegotiation, have been past due or impaired at the balance sheet date.

Liquidity risk
Liquidity risk is the risk that the Company and Group will not be able to meet its financial obligations as they fall due.

The Company and Group's policy throughout the period has been to ensure that it has adequate liquidity to meet its liabilities when due by careful management of its working capital. The following are the contractual maturities of financial liabilities:

Group

30 June 2017	Carrying amount	Cash flows	3 months or less	Greater than 3 months
	£	£	£	£
Trade and other payables	18,456	18,456	18,456	-
	18,456	18,456	18,456	-

30 June 2016	Carrying amount	Cash flows	3 months or less	Greater than 3 months
	£	£	£	£
Trade and other payables	18,248	18,248	18,248	-
	18,248	18,248	18,248	-

Company

30 June 2017

	Carrying amount £	Cash flows £	3 months or less £	Greater than 3 months £
Trade and other payables	266	266	266	-
	266	266	266	-

30 June 2016

	Carrying amount £	Cash flows £	3 months or less £	Greater than 3 months £
Trade and other payables	58	58	58	-
	58	58	58	-

Market risk
Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates, interest rates and equity prices will affect the Company's and Group's income or the value of its holdings in financial instruments.

Commodity price risk
The principal activity of the Company and the Group is the development of nickel mining properties and the principal market risk facing the Group is an adverse movement in the commodity price of nickel.

Any long-term adverse movement in this price would affect the commercial viability of mining properties and hence the viability of the Company and the Group as a whole.

Extent and nature of financial instruments
The financial assets and liabilities held by the Company and Group at the period end are shown below together with their fair values. Fair values have been arrived at after due and careful consideration by the Company's Directors.

Group	30 June 2017 £	30 June 2017 £	30 June 2016 £	30 June 2016 £
Assets	Carrying amount	Net fair value	Carrying amount	Net fair value
Trade and other receivables	636	636	-	-
Other taxes recoverable	652	652	35	35
Cash at bank and in hand	10,948	10,948	18,234	18,234
	12,236	12,236	18,269	18,269

	30 June 2017 £	30 June 2017 £	30 June 2016 £	30 June 2016 £
Liabilities	Carrying amount	Net fair value	Carrying amount	Net fair value
Trade and other payables	18,456	18,456	18,248	18,248
	18,456	18,456	18,248	18,248

Company	30 June 2017 £	30 June 2017 £	30 June 2016 £	30 June 2016 £
Assets	**Carrying amount**	**Net fair value**	**Carrying amount**	**Net fair value**
Trade and other receivables	5,342	5,342	2,207	2,207
Other taxes recoverable	652	652	35	35
Cash at bank and in hand	10,865	10,865	18,276	18,276
	16,859	16,859	20,518	20,518

Company	30 June 2017 £	30 June 2017 £	30 June 2016 £	30 June 2016 £
Liabilities	**Carrying amount**	**Net fair value**	**Carrying amount**	**Net fair value**
Trade and other payables	266	266	58	58
	266	266	58	58

Capital management
The Company's capital consists wholly of ordinary shares. There are no other categories of shares in issue and the Company does not use any other financial instruments as capital substitutes or quasi capital. The Company manages its issued capital by considering future capital requirements of the Group which were largely dictated by the exploration and development of the mining properties in the Philippines and the head office overhead costs of the Company in London. The Company's board of directors as a whole manages the capital by considering the need to raise further capital to meet the above costs on a rolling twelve months basis so as to enable the accounts to be prepared on a going concern basis but without unnecessary dilution of existing shareholder interests. The board always places a priority on maximising the return to existing shareholders before raising further capital.

There are no externally imposed capital requirements on the Company.

Details of the ordinary share capital are set out in note 14.