Mauritania Ventures Limited

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2016

(Company No. 5654728)

Mauritania Ventures Limited

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Mauritania Ventures Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS
Michael Nott (Chairman)
Sandy Archibald
Ralph Brown
David Jumpsen

SECRETARY
Ben Harber – appointed 26 August 2016

REGISTERED OFFICE
6th Floor
60 Gracechurch Street
London
United Kingdom
EC3V 0HR

PRINCIPAL BANKERS
Allied Irish Bank (GB)
10 Berkeley Square
London W1J 6AA

Mauritania Ventures Limited

DIRECTORS' REPORT

The directors present their report and the audited financial statements of Mauritania Ventures Limited (the "Company") for the year ended 30 November 2016.

RESULTS AND DIVIDENDS

The loss for the period, after taxation, amounted to £697 (2015: £2;283 loss).

The directors do not recommend the payment of a dividend (2015: £Nil).

DIRECTORS

The membership of the Board at 30 November 2016 is set out below.

Michael Nott
Sandy Archibald
Ralph Brown
David Jumpsen

All directors served throughout the period and subsequently.

The directors' report has been prepared in accordance with the special provisions of Section 415A of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors
and signed on behalf of the Board

M. C. Nott

Michael Nott
Director
28 July 2017

Mauritania Ventures Limited

DIRECTORS' RESPONSIBILITIES STATEMENT

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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;

- make judgments and accounting estimates that are reasonable and prudent;

- 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.

Mauritania Ventures Limited

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 NOVEMBER 2016

	Note	2016	2015
		£	£
Turnover from continuing operations		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(697)	(2,283)
Loss on ordinary activities before taxation		(697)	(2,283)
Tax on loss on ordinary activities	4	-	-
Retained loss on ordinary activities after taxation	10	(697)	(2,283)

There are no recognised gains or losses for the period, other than the loss for the period. The operating loss is attributable to continuing operations.

Mauritania Ventures Limited

BALANCE SHEET

30 NOVEMBER 2016

	Note	2016	2015
		£	£
Fixed assets			
Intangible fixed assets	5	569,217	569,183
		569,217	569,183
Current assets			
Cash at bank and in hand		-	-
Debtors	6	95	95
		95	95
Creditors: amounts falling due within one year	7	(516,812)	(516,081)
Net current assets		(516,812)	(515,986)
Total assets less current liabilities		52,500	53,197
Capital and reserves			
Called up share capital	8	100,000	100,000
Profit and loss account	9	(47,500)	(46,803)
Equity shareholders' funds	9	52,500	53,197

These financial statements were approved by the Board of Directors on July 2017.

Signed on behalf of the Board of Directors

M. C. Nott

Michael Nott
Director 28/JULY/2017

Company No. 5654728

Mauritania Ventures Limited

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 NOVEMBER 2016

	Note	2016	2015
		£	£
Net cash outflow from operating activities	**10**	(345)	(3,229)
Capital expenditure			
Payments for intangible assets	**5**	(34)	(7,200)
Financing			
New loans	**11**	396	10,334
Decrease in cash in the year	**11**	(17)	(95)

Mauritania Ventures Limited

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Principles under the historical cost convention. The principal accounting policies of the Company are set out below.

Going concern

The company is reliant on its shareholders to continue to provide loan funding and to provide additional funding to enable it to meet its future operating and other expenditure. The directors expect the shareholders to continue to provide such support for the foreseeable future. As such, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Company's exploration asset - £569,217

The capitalisation and impairment assessment of exploration costs requires management to make estimates and assumptions as to the future events and circumstances, especially in relation to whether an economically viable extraction operation can be established. In making such judgements, the directors take comfort from the findings from exploration activities undertaken, the fact the company intends to continue these activities and expects to be able to raise additional funding to enable it to continue the exploration activities. Such estimates are subject to change and following initial capitalisation, should it become apparent that recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to the profit and loss account.

The Group has submitted an application to the Mauritanian Authorities to take out a new permit over a reduced area within the original permit area, which includes the centre of the previously discovered and announced high-tenor uranium anomalies. The application is currently being processed by the Mauritania authorities. Once a new permit is issued, the Company and its shareholders) will then consider their options with regards to funding the next stage of exploration.

The continued development of the Mauritania exploration activities is dependent on the grant of a new licence. An emphasis of matter was included in the auditor's report in the Group consolidated accounts on this point.

Future exploration is also dependent on the availability of funding. Should the company's shareholders be unable or unwilling to fund future exploration expenditure, the company would need to obtain funding from other sources. Should future funding not be available, the deferred exploration costs relating to this project of £569,217 will need to be written off. However, based on their experience, the directors consider that it is likely that the company will gain sufficient funding.

Mauritania Ventures Limited

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Deferred Taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Intangible Assets

All costs associated with exploration are capitalised on a project-by-project basis pending determination of the feasibility of the project. Costs include appropriate technical and administrative expenses. If a project is successful, the related expenditures will be amortised over the estimated life of the commercial reserves. Where a permit is relinquished, a project abandoned, or is considered to be of no further commercial value to the Company, the related costs will be written off.

2. DIRECTORS AND EMPLOYEES

There were no employees during the period, or previous period, apart from the directors and the directors did not draw any fees or salaries.

3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging:

	2016	2015
	£	£
This is stated after charging:		
(Gain)/loss on foreign exchange	-	(34)

The auditor's remuneration for audit and tax compliance services has been borne by the Company's parent company Alba Mineral Resources plc.

4. TAX CHARGE ON LOSS ON ORDINARY ACTIVITIES

a) Analysis of charge in the period

	2016	2015
	£	£
United Kingdom corporation tax at 20.00% (2015: 20.33%)	-	-
Deferred taxation	-	-
	-	-

4. TAX CHARGE ON LOSS ON ORDINARY ACTIVITIES (continued)

b) Factors affecting tax charge for the year

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (20.00%). The differences are explained below:

Factors affecting the tax charge for the period:	2016	2015
	£	£
(Loss) on ordinary activities before tax	(697)	(2,283)
(Loss) multiplied by standard rate of tax	(139)	(464)
Effects of:		
Expenses not deductible for tax:		
Loss carried forward/(utilised)	139	464
	-	-

A deferred tax asset has not been recognised in respect of tax losses and accelerated capital allowances as there is insufficient evidence that the potential asset will be recovered. The amount of the asset not recognised, calculated at a rate of 18% is £7,542 (2015: £7,417, calculated at a rate of 18%).

5. INTANGIBLE FIXED ASSETS

Deferred development expenditure	**Mining Properties**	**Total**
	£	£
Cost		
At 1 December 2015	569,183	569,183
Additions	34	34
At 30 November 2016	569,217	569,217
Depreciation		
At 1 December 2015 and 30 November 2016	-	-
Net book value at 30 November 2016	569,217	569,217
Net book value at 30 November 2015	569,183	569,183

As detailed in Note 1, the permit to which this expenditure relates has expired and the expenditure only has value to the company if the permit is renewed.

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NOTES TO THE FINANCIAL STATEMENTS

6. DEBTORS

	2016	2015
	£	£
Amounts due from fellow group companies	95	95
	95	95

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Bank overdraft	-	17
Accruals	352	-
Amounts owed to group undertakings	263,387	261,991
Other loans	253,073	254,073
	516,812	516,081

8. CALLED UP SHARE CAPITAL

	2016 Number of shares	2016 £	2015 Number of shares	2015 £
Allotted, called up and fully paid				
Ordinary shares of £1 each	100,000	100,000	100,000	100,000

9. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	Share capital	Profit and loss	Total
	£	£	£
At 1 December 2015	100,000	(46,803)	53,197
Loss for the year	-	(697)	(697)
At 30 November 2016	100,000	(57,500)	52,500