

Metalloyd Holdings Limited

Report and Financial Statements

Year ended 30 April 2016

Company Number 06669282

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Metalloyd Holdings Limited

Report and financial statements
For the year ended 30 April 2016

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Directors

Jean Baudois
Melvin Wilde (resigned 24 October 2016)

Registered office

5th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP

Company number

06669282

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU.

Metalloyd Holdings Limited

Strategic report

(expressed in thousands of USD)

The Directors of Metalloyd Holdings Limited present their strategic report for the year ended 30 April 2016.

Overview of the Company and going concern

Metalloyd Holdings Limited ("MHL" or the "Company") is a holding company and is holding only one investment. During the year the value of the investment in RBRG Trading (UK) Limited was fully provided against due to uncertainties over the subsidiary's future and the fact that on 27 November 2017, RBRG Trading (UK) Limited was placed into compulsory liquidation following a petition by HM Revenue and Customs and the Official Receiver was appointed by the High Court of Justice, Chancery Division, Companies Court. Due to the net liability position of MHL and the significance of the material uncertainties over the future plans of the Company the Directors have prepared the financial statements on a basis other than going concern.

Business review and future prospects

The Company had no trading activities during the current year and only hold one asset, 100% shares of RBRG Trading (UK) Limited ("RBRG").

The Company results for the year are set out on page 6.

The key financial performance indicators for the year with comparatives are as follows:

	Year ended 30 April 2016	Year ended 30 April 2015
Impairment	(4,500)	(1,500)
Loss before interest and taxation	(4,505)	(1,504)
Net liabilities	(25,045)	(20,540)

No dividend will be paid to the shareholders (2015 - Nil).

On behalf of the Board


Jean Baudois
Director

15 June 2018

Metalloyd Holdings Limited

Directors' report

(expressed in thousands of USD)

The Directors of Metalloyd Holdings Limited present their report and the audited financial statements of the Company for the year ended 30 April 2016.

Strategic report

A full review of the activity of the business, key performance indicators and future developments is included in the Strategic report.

Dividends

No dividend was declared or paid to the shareholders (2015 - Nil).

Internal Control

The Directors acknowledge their 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

Directors

The Directors of the Company during the year were:

Jean Baudois

Melvin Wilde (resigned 24 October 2016)

Post balance sheet events

We have included details of the post balance sheet events in Note 12.

Going concern

The accounts are prepared on a basis other than going concern as detailed in the strategic report.

Financial risk management

No exposure to price risk, credit risk, liquidity risk and cash flow risk. The only risk comes from the value of the participation in to RBRG and the interest rate if any loans are bearing interests.

Metalloyd Holdings Limited

Directors' report (*continued*)

(expressed in thousands of USD)

Director's responsibilities

The Directors are responsible for preparing the strategic report, 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 year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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. As explained in the strategic report, due to the net liability position of the Company and the significance of the material uncertainties over the future plans of the Company the Directors have prepared the financial statements on a basis other than going concern.

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.

Auditors

BDO LLP have expressed their willingness to continue in office.

On behalf of the Board


Jean Baudois
Director

15 June 2018

Metalloyd Holdings Limited

Independent auditor's report

(expressed in thousands of USD)

TO THE MEMBERS OF METALLOYD HOLDINGS LIMITED

We have audited the financial statements of Metalloyd Holdings Limited for the year ended 30 April 2016 which comprise the statement of comprehensive loss, the statement of changes in equity, the statement of financial position, the statement of cash flows and the related notes. 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.

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.

Respective responsibilities of Directors and Auditors

As explained more fully in the statement of Directors' responsibilities, 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 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

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 30 April 2016 and of its result for the year then ended;
- have been properly prepared in accordance with IFRSs adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Emphasis of matter – Going Concern and Basis of Preparation

- We draw attention to Note 1 to the financial statements which explains that due to the net liability position of the Company and the significance of the material uncertainties over the future plans of the Company the Directors have prepared the financial statements on a basis other than going concern.

Metalloyd Holdings Limited

Independent auditor's report (*continued*)

(expressed in thousands of USD)

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 by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

BDO LLP

*Vanessa-Jayne Bradley (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

15 June 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Metalloyd Holdings Limited

Statements of comprehensive loss For the years ended 30 April 2016 and 2015

(expressed in thousands of USD)

	Notes	Year ended 30 April 2016	Year ended 30 April 2015
Revenue		-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative expenses	5	(5)	(4)
Impairment losses	7	(4,500)	(1,500)
		<hr/>	<hr/>
Loss from operations		(4,505)	(1,504)
Finance expense		-	-
		<hr/>	<hr/>
Loss before tax		(4,505)	(1,504)
Tax expense	6	-	-
		<hr/>	<hr/>
Loss and total comprehensive expense attributable to the owners of the business		(4,505)	(1,504)
		<hr/>	<hr/>

The notes on pages 10 to 15 form part of these financial statements.

Metalloyd Holdings Limited

Statements of changes in equity As at 30 April 2016 and 2015

(expressed in thousands of USD)

	Share capital	Retained earnings	Total equity
As at 1 May 2014	2	(19,038)	(19, 036)
Loss for the year and total comprehensive expense	-	(1,504)	(1,504)
As at 30 April 2015	2	(20,542)	(20,540)
As at 1 May 2015			
Loss for the year and total comprehensive expense	-	(4,505)	(4,505)
As at 30 April 2016	2	(25,547)	(25,545)

Reserve

Description and purpose

Share capital

Amount subscribed for share capital at nominal value.

Retained earnings

All other net gains and losses and transactions not recognised elsewhere.

The notes on pages 10 to 15 form part of these financial statements.

Metalloyd Holdings Limited

Statements of financial position As at 30 April 2016 and 2015

(expressed in thousands of USD)

<i>Company number 06669282</i>	Notes	2016	2015
Assets			
Non-current assets			
Investment in subsidiary	7	-	4,500
Total non-current assets		-	4,500
Total assets		-	4,500
Liabilities			
Non-current liabilities			
Loan intercompany	9	25,000	25,000
Total non-current liabilities		25,000	25,000
Current liabilities			
Trade and other payables	8	45	40
Total current liabilities		25,000	25,000
Total liabilities		25,045	25,040
Net liabilities		(25,045)	(20,540)
Issued capital and reserves attributable to equity holders of the parent			
Share capital	10	2	2
Retained earnings		(25,047)	(20,542)
Total equity		(25,045)	(20,540)

The financial statements were approved and authorised for issue by the Board of Directors on 15 June 2018 and were signed on its behalf by:

On behalf of the Board


Jean Baudois
Director

15 June 2018

The notes on pages 10 to 15 form part of these financial statements.

Metalloyd Holdings Limited

Statements of cash flows For the years ended 30 April 30, 2016 and 2015

(expressed in thousands of USD)

Cash flows Statements

The Company does not have any cash or cash equivalents or cash movements to present.

All significant transactions are intercompany related and non-cash.

The notes on pages 10 to 15 form part of these financial statements.

Metalloyd Holdings Limited

Notes to the financial statements For the years ended 30 April 2016 and 2015

(expressed in thousands of USD)

1 Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs) issued by the International Accounting Standards Board (IASB) as adopted by European Union ("adopted IFRSs").

Accounting convention

The financial statements have been prepared on a historical cost basis.

Going concern

Due to the net liability position of the Company and the significance of the material uncertainties over the future plans of the Company the Directors have prepared the financial statements on a basis other than going concern.

Changes in accounting policies - New standards, interpretations and amendments not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations applicable to the Company were issued but not yet effective:

- IAS 32 (amendment) - Offsetting Financial Assets and Liabilities
- IAS 36 (amendment) - Impairment of Assets

Management considers that the adoption of these Standards and Interpretations in future years will have no material impact on the financial statements of the Company. However, additional disclosures in the financial statements may be required.

Investment in subsidiary

The carrying value of the Company's investment in its subsidiary is stated at historical cost less any allowance for impairment.

Foreign currencies

The financial statements have been presented in United States dollars (USD), as this is the functional currency of the Company.

Financial assets

The Company classifies its financial assets Loans and receivables. These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms of the receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Metalloyd Holdings Limited

Notes to the financial statements For the years ended 30 April 2016 and 2015 (continued)

(expressed in thousands of USD)

1 Accounting policies (continued)

Financial assets (continued)

From time to time, the Company elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate.

Financial liabilities

The Company classifies its financial liabilities as other financial liabilities. Other financial liabilities include the following items:

- The borrowings are currently only intercompany transaction.
- Trade payables and other payables which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's ordinary shares are classified as equity instruments.

2 Critical accounting estimates and judgements

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Carrying value of investments:

Investments in controlled entities are reviewed for impairment whenever events or changes in circumstance indicate that the carrying value may not be fully recoverable or at least annually. If an asset's recoverable amount is less than the asset's carrying amount, an impairment loss is recognised. Estimates are reviewed regularly by management.

Metalloyd Holdings Limited

Notes to the financial statements For the years ended 30 April 2016 and 2015 (*continued*)

(expressed in thousands of USD)

3 Financial instruments - Risk Management

The Company is exposed through its operations to the following financial risks:

- Liquidity risk
- Interest rate risk

The Company is not exposed to currency risks as all the transaction are intercompany and dominated in USD which is the functional currency of the Company.

Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Other payables
- Loans from related parties

A summary of the financial instruments held by category is provided below:

Financial assets

There are no financial assets

Financial liabilities

	Financial liabilities at amortised cost	
	2016	2015
Trade and other payables	45	40
Loan intercompany	25,000	25,000
	<hr/>	<hr/>
	25,045	25,040
	<hr/>	<hr/>

General objectives, policies and processes

The board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below:

Metalloyd Holdings Limited

Notes to the financial statements For the years ended 30 April 2016 and 2015 (continued)

(expressed in thousands of USD)

3 Financial instruments - Risk Management (continued)

Interest rate risk

The Company's interest rate risk arises primarily from the related party borrowing. But as the loan is not interest bearing the risk doesn't exist. See note 11.

Liquidity risk

The liquidity risk is not relevant for this Company as the Company do not have any bank account.

4 Staff costs

Directors' and key management personnel remuneration

No Directors' emoluments were payable for the year (2015 – USD nil). There were no employees in 2016 (2015 – nil). Key management personnel are considered to be the directors of the Company and at present the Company only has a sole director. And there was no remuneration for the directors of the Company

5 Administrative expenses

2016 2015

This is arrived at after charging:

- Audit services	(5)	(4)
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6 Tax expense

2016 2015

UK corporation tax
Current year
Prior Year

-	-
-	-
<hr/>	<hr/>
-	-

There is no tax for the year

Metalloyd Holdings Limited

Notes to the financial statements For the years ended 30 April 2016 and 2015 (continued)

(expressed in thousands of USD)

7 Investment in subsidiary

The only subsidiary of Metalloyd Holdings Limited, which is presented in these financial statements as investment, is as follows:

Name	Country incorporation	Proportion of ownership interest	
		2016	2015
RBRG Trading (UK) Limited	England	100%	100%

Company

	Investment in subsidiary
Cost as at May 1, 2015	4,500
Impairment during the current year	(4,500)
Net value of Investments as at 30 April 2016	-

8 Trade and other payables

	2016	2015
Payables and Accruals	45	40
	<u>45</u>	<u>40</u>

9 Loan Intercompany

	2016	2015
Loan intercompany non-current	25,000	25,000
	<u>25,000</u>	<u>25,000</u>

A long term loan with TFB (Mortgages) Limited was drawn 8 August 2008, and was initially repayable 8 August 2013. On 30 March 2011, the loan was exchanged for a convertible loan note agreement. On 30 April 2014, this loan has been transferred to Gerald UK Limited under a sales and purchase agreement. This loan is as at 30 April 2016 and 2015 an intercompany loan for the Company. Subsequent to year end the intercompany loan has been restructured (see subsequent events note 12).

10 Share capital

	2016 Number	2016 USD	2015 Number	2015 USD
Ordinary shares of USD 1 each	1,000	2	1,000	2
	<u>1,000</u>	<u>2</u>	<u>1,000</u>	<u>2</u>

Metalloyd Holdings Limited

Notes to the financial statements For the years ended 30 April 2016 and 2015 (continued)

(expressed in thousands of USD)

11 Related party transactions

During the year the Company didn't entered into new transactions with related parties. Subsequent to year end the intercompany loan has been restructured (see subsequent events note 12). After year end this intercompany loan has been restructured (see subsequent events note 12).

12 Subsequent events

Under the terms of the original sale and purchase agreement (April 2014 SPA), Gerald Group had a put option whereby they could elected to sell RBRG Trading (UK) Limited and its immediate parent company back to the former shareholders, BC Minerals and Metals Limited, a company registered in British Virgin Islands. Gerald Group exercised this option on 13 July 2016 on RBRG Trading (UK) Limited and its immediate parent company, the Companies were sold to BC Minerals and Metals Limited according to a new sale and purchase agreement (SPA July 2016).

As mentioned in note 9, the intercompany loan has been restructured subsequent to year-end with a USD 17,124 payable to RBRG and USD 7,876 payable to Gerald UK Limited, who further waived the payable.

On 27 November 2017, the subsidiary RBRG Trading (UK) Limited was placed into compulsory liquidation following a petition by HM Revenue and Customs and the Official Receiver was appointed by the High Court of Justice, Chancery Division, Companies Court.

13 Ultimate and controlling party

The Company's parent company was as at the closing date of these financials 30 April 2016 Gerald UK Limited, a company incorporated in and registered in England and Wales. Gerald UK Limited holding's company is Gerald Holdings Limited, a company incorporated in and registered in England and Wales. Copies of the financial statements of Gerald UK Limited and Gerald Holdings Limited are publicly available.

Following the sale of the immediate parent entity in July 2016 the immediate parent undertaking is BC Minerals and Metals Limited, which is also the Company's current ultimate parent and controlling party.