REGISTERED NUMBER: 06895552 (England and Wales)

Unaudited Financial Statements

for the Year Ended 31 December 2018

for

Hycroft (UK) Limited

Contents of the Financial Statements
for the year ended 31 December 2018

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3
Chartered Accountants' Report	5

Hycroft (UK) Limited

Company Information
for the year ended 31 December 2018

DIRECTOR:	S Myers
REGISTERED OFFICE:	1 Charterhouse Mews London EC1M 6BB
REGISTERED NUMBER:	06895552 (England and Wales)
ACCOUNTANTS:	ansteybond 1-2 Charterhouse Mews London EC1M 6BB

Hycroft (UK) Limited (Registered number: 06895552)

Balance Sheet
31 December 2018

	Notes	2018 £	2018 £	2017 £	2017 £
FIXED ASSETS					
Investments	3		400,000		400,000
CURRENT ASSETS					
Debtors	4	200,462		200,462	
Cash at bank		-		327	
		200,462		200,789	
CREDITORS					
Amounts falling due within one year	5	2,839,388		2,769,390	
NET CURRENT LIABILITIES			(2,638,926)		(2,568,601)
TOTAL ASSETS LESS CURRENT LIABILITIES			(2,238,926)		(2,168,601)
CAPITAL AND RESERVES					
Called up share capital			1		1
Retained earnings			(2,238,927)		(2,168,602)
SHAREHOLDERS' FUNDS			(2,238,926)		(2,168,601)

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 21 June 2019 and were signed by:

S Myers - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the year ended 31 December 2018

1. STATUTORY INFORMATION

Hycroft (UK) Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Going concern
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

As at the year end date the parent company, Hycroft LLC, have confirmed that they will continue to support the company. This should enable to company to continue in operational existence for the foreseeable future.

On this basis, it is considered appropriate to prepare the financial statements on a going concern basis.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Cash and cash equivalents
In company's statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with banks.

3. FIXED ASSET INVESTMENTS

	Other investments £
COST	
At 1 January 2018	
and 31 December 2018	400,000
NET BOOK VALUE	
At 31 December 2018	400,000
At 31 December 2017	400,000

continued...

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Amounts owed by group undertakings	200,462	200,462

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	1	1
Amounts owed to group undertakings	2,827,767	2,757,769
Other creditors	11,620	11,620
	2,839,388	2,769,390

6. RELATED PARTY DISCLOSURES

As at December 2018, the balance due from Hycroft LLC amounted to £200,462 (2017: £200,462).

During the year, the Company settled certain operating expenses totalling £26 (2017: £2,393) on behalf of Hycroft LLP, a subsidiary undertaking. A net loss of £70,024 (2017: £661,014) was allocated to the Company.

At at 31 December 2018, £2,827,767 was due from the Company to Hycroft LLP (2017: £2,757,769).

7. ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking and controlling party of the Company is Hycroft LLC, a Company incorporated in the United States of America.

Chartered Accountants' Report to the Director on the Unaudited Financial Statements of Hycroft (UK) Limited

The following reproduces the text of the report prepared for the director in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Director are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Hycroft (UK) Limited for the year ended 31 December 2018 which comprise the Income Statement, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at http://www.icaew.com/en/membership/regulations-standards-and-guidance.

This report is made solely to the director of Hycroft (UK) Limited in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Hycroft (UK) Limited and state those matters that we have agreed to state to the director of Hycroft (UK) Limited in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hycroft (UK) Limited and its director for our work or for this report.

It is your duty to ensure that Hycroft (UK) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Hycroft (UK) Limited. You consider that Hycroft (UK) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Hycroft (UK) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

ansteybond
1-2 Charterhouse Mews
London
EC1M 6BB

Date: ....