Registered number: 09090405

FBC MINING (BA) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2021

FBC MINING (BA) LIMITED
REGISTERED NUMBER: 09090405

BALANCE SHEET
AS AT 28 FEBRUARY 2021

	Note		28 February 2021 $		29 February 2020 $
Fixed assets					
Intangible assets	4		**3,156,757**		*3,155,152*
Tangible assets	5		**-**		-
Investments	6		**1,509,129**		*1,509,129*
			4,665,886		*4,664,281*
Current assets					
Debtors: amounts falling due within one year	7	**2,736,661**		*4,733,207*	
Cash at bank and in hand		**19,276**		*19,688*	
		2,755,937		*4,752,895*	
Creditors: amounts falling due within one year	8	**(547,295)**		*(517,368)*	
Net current assets			**2,208,642**		*4,235,527*
Net assets			**6,874,528**		*8,899,808*
Capital and reserves					
Called up share capital			**9,957,387**		*12,060,197*
Profit and loss account			**(3,082,859)**		*(3,160,389)*
			6,874,528		*8,899,808*

BALANCE SHEET (CONTINUED)
AS AT 28 FEBRUARY 2021

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the Statement of Comprehensive Income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

....
J M Plant
Director

Date: 22 December 2021

The notes on pages 3 to 10 form part of these financial statements.

1. General information

FBC Mining (BA) Limited is a private Company, limited by shares, domiciled in England and Wales, registration number 09090405. The registered office is 2-4 Cork Street, 1st Floor, London, W1S 3LB.

The principal activity of the Company during the year continued to be that of mining and exploration.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

After reviewing the Company's projections and forecasts, taking into account the effects of the global pandemic and lockdown measures, the directors have a reasonable expectation that the Company has adequate resources and support to continue in operational existence for the foreseeable future. Group members have confirmed their intention to support FBC Mining (BA) Limited for a period of 12 months from the signing of the financial statements. The Company therefore continues to adopt the going concern basis in preparing its financial information.

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is United States Dollar ($).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2. Accounting policies (continued)

2.3 Exploration and development costs

Expenditure on the acquisition cost, exploration and evaluation of interests in licences including related overheads is capitalised. Such costs are carried forward in the Balance Sheet under tangible and intangible fixed assets where such costs are expected to be recouped through successful development and exploration of the area of interest or alternatively by its sale.

Project development costs include costs directly attributable to the construction of a mine and the related infrastructure, and are depreciated commencing when the assets are avaliable for use over the estimated life of the reserves on a unit of production basis, as defined in the Bankable Feasibility Study. Development properties are tested for impairment as discussed below.

The assets are not considered avaliable for use until the project reaches and sustains commercial production. Commercial production is calculated as 70% of the target production for the project once it is fully operational. Any sales revenue recognised during the period prior to commercial production is ofset against expenditure during the same period.

2.4 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2. Accounting policies (continued)

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- 33% straight line per annum
Computer equipment	- 33% straight line per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at transaction price, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2. Accounting policies (continued)

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at transaction price, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The average monthly number of employees, including directors, during the year was 2 *(2020 - 4)*.

4. Intangible assets

	Capitalised exploration and evaluation costs	Exploration license	Total
	$	$	$
Cost			
At 1 March 2020	**3,005,152**	**150,000**	**3,155,152**
Additions	**1,605**	**-**	**1,605**
At 28 February 2021	**3,006,757**	**150,000**	**3,156,757**
Net book value			
At 28 February 2021	**3,006,757**	**150,000**	**3,156,757**
At 29 February 2020	*3,005,152*	*150,000*	*3,155,152*

5. Tangible fixed assets

	Office equipment	Computer equipment	Total
	$	$	$
Cost or valuation			
At 1 March 2020	**3,948**	**11,291**	**15,239**
At 28 February 2021	**3,948**	**11,291**	**15,239**
Depreciation			
At 1 March 2020	**3,948**	**11,291**	**15,239**
At 28 February 2021	**3,948**	**11,291**	**15,239**
Net book value			
At 28 February 2021	**-**	**-**	**-**
At 29 February 2020	-	-	-

6. Fixed asset investments

	Investments in subsidiary companies $
Cost or valuation	
At 1 March 2020	**8,479,953**
At 28 February 2021	**8,479,953**
Impairment	
At 1 March 2020	**6,970,824**
At 28 February 2021	**6,970,824**
Net book value	
At 28 February 2021	**1,509,129**
At 29 February 2020	*1,509,129*

7. Debtors

	28 February 2021 $	*29 February* 2020 *$*
Amounts owed by group undertakings	**2,724,958**	*2,439,916*
Other debtors	**5,300**	-
Called up share capital not paid	**-**	*2,286,888*
Prepayments and accrued income	**6,403**	*6,403*
	2,736,661	*4,733,207*

8. Creditors: Amounts falling due within one year

	28 February 2021 $	*29 February 2020 $*
Bank overdrafts	**522**	-
Trade creditors	**32,275**	*27,326*
Amounts owed to group undertakings	**378,000**	*449,488*
Other taxation and social security	-	*55*
Other creditors	**95,999**	-
Accruals and deferred income	**40,499**	*40,499*
	547,295	*517,368*

9. Post balance sheet events

Covid-19 has been noted as an ongoing post balance sheet event. Please refer to the basis of preparation of financial statements accounting policy at 2.1 for further information.

There have been no other significant events affecting the Company since the year end.

10. Controlling party

The Company's immediate parent is FBC Mining (Holdings) Limited. The parent Company preparing consolidated accounts for the smallest Group of which the Company is a member is FBC Holdings SARL, a Company incorporated in Luxembourg, the registered office for which is 46A, Avenue J.F. Kennedy L, 1855, Luxembourg.

11. Auditors' information

The auditors' report on the financial statements for the year ended 28 February 2021 was unqualified.

The audit report was signed on 22 December 2021 by Shiran Wynter ACA (Senior Statutory Auditor) on behalf of MHA MacIntyre Hudson.