

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**  
**FOR**  
**FBC MINING (BA) LIMITED**

Haines Watts Audit EM Limited  
10 Stadium Business Court  
Millennium Way  
Derby  
DE24 8HP

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FOR THE YEAR ENDED 28 FEBRUARY 2023**

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**FBC MINING (BA) LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

<b>Directors:</b>	J M Plant G M Quenby
<b>Registered office:</b>	4 Cork Street First Floor London W1S 3LB
<b>Registered number:</b>	09090405 (England and Wales)
<b>Auditors:</b>	Haines Watts Audit EM Limited 10 Stadium Business Court Millennium Way Derby DE24 8HP

**FBC MINING (BA) LIMITED (REGISTERED NUMBER: 09090405)**

**BALANCE SHEET  
28 FEBRUARY 2023**

	<b>Notes</b>	<b>2023 \$</b>	<b>2022 \$</b>
<b>Fixed assets</b>			
Intangible assets	4	3,156,757	3,156,757
Tangible assets	5	-	-
Investments	6	<u>1,509,129</u>	<u>1,509,129</u>
		<u>4,665,886</u>	<u>4,665,886</u>
<b>Current assets</b>			
Debtors	7	2,770,509	2,664,315
Cash at bank		<u>-</u>	<u>40,603</u>
		<u>2,770,509</u>	<u>2,704,918</u>
<b>Creditors</b>			
Amounts falling due within one year	8	<u>(1,070,014)</u>	<u>(821,888)</u>
<b>Net current assets</b>		<u>1,700,495</u>	<u>1,883,030</u>
<b>Total assets less current liabilities</b>		<u>6,366,381</u>	<u>6,548,916</u>
<b>Capital and reserves</b>			
Called up share capital		9,957,387	9,957,387
Retained earnings		<u>(3,591,006)</u>	<u>(3,408,471)</u>
		<u>6,366,381</u>	<u>6,548,916</u>

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

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

The financial statements were approved by the Board of Directors and authorised for issue on 29 February 2024 and were signed on its behalf by:

G M Quenby - Director

# **FBC MINING (BA) LIMITED (REGISTERED NUMBER: 09090405)**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023**

### **1. STATUTORY INFORMATION**

FBC Mining (BA) 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.

The presentation currency of the financial statements is the US Dollar (\$).

### **2. ACCOUNTING POLICIES**

#### **Basis of preparing the financial statements**

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.

After reviewing the company's projections and forecasts, 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.

#### **Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Exploration license are being amortised evenly over their estimated useful life of nil years.

Exploration & evaluation costs are being amortised evenly over their estimated useful life of nil years.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 33% on cost
Equipment	- 33% on cost

#### **Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

#### **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.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 FEBRUARY 2023**

**2. ACCOUNTING POLICIES - continued**

**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.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into US dollar at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into US dollar at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**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.

**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.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 FEBRUARY 2023**

**2. ACCOUNTING POLICIES - continued**

**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.

**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 non-puttable 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 transaction price, net of transaction costs, 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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 Profit and Loss Account.

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.

**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 available 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 available 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 offset against expenditure during the same period.

**Finance costs**

**FBC MINING (BA) LIMITED (REGISTERED NUMBER: 09090405)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 FEBRUARY 2023**

**2. ACCOUNTING POLICIES - continued**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 2 (2022 - 2 ) .

**4. INTANGIBLE FIXED ASSETS**

	<b>Exploration license \$</b>	<b>Exploration &amp; evaluation costs \$</b>	<b>Totals \$</b>
<b>Cost</b>			
At 1 March 2022 and 28 February 2023	<u>150,000</u>	<u>3,006,757</u>	<u>3,156,757</u>
<b>Net book value</b>			
At 28 February 2023	<u>150,000</u>	<u>3,006,757</u>	<u>3,156,757</u>
At 28 February 2022	<u>150,000</u>	<u>3,006,757</u>	<u>3,156,757</u>

**5. TANGIBLE FIXED ASSETS**

	<b>Fixtures and fittings \$</b>	<b>Equipment \$</b>	<b>Totals \$</b>
<b>Cost</b>			
At 1 March 2022 and 28 February 2023	<u>3,948</u>	<u>11,291</u>	<u>15,239</u>
<b>Depreciation</b>			
At 1 March 2022 and 28 February 2023	<u>3,948</u>	<u>11,291</u>	<u>15,239</u>
<b>Net book value</b>			
At 28 February 2023	<u>-</u>	<u>-</u>	<u>-</u>
At 28 February 2022	<u>-</u>	<u>-</u>	<u>-</u>



**FBC MINING (BA) LIMITED (REGISTERED NUMBER: 09090405)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 FEBRUARY 2023**

**6. FIXED ASSET INVESTMENTS**

	Shares in group undertakings \$
<b>Cost</b>	
At 1 March 2022 and 28 February 2023	<u>8,479,953</u>
<b>Provisions</b>	
At 1 March 2022 and 28 February 2023	<u>6,970,824</u>
<b>Net book value</b>	
At 28 February 2023	<u>1,509,129</u>
At 28 February 2022	<u>1,509,129</u>

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023 \$	2022 \$
Amounts owed by group undertakings	2,768,083	2,656,121
Other debtors	2,426	1,791
Prepayments and accrued income	-	6,403
	<u>2,770,509</u>	<u>2,664,315</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023 \$	2022 \$
Trade creditors	28,012	75,570
Amounts owed to group undertakings	1,008,033	705,819
Accruals and deferred income	33,969	40,499
	<u>1,070,014</u>	<u>821,888</u>

**9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Shiran Wynter ACA (Senior Statutory Auditor)  
for and on behalf of Haines Watts Audit EM Limited

**10. RELATED PARTY DISCLOSURES**

Amounts owed from other related parties at the year end amounted to \$2,768,083 (2022 - \$2,656,121). Amounts owed to other related parties at the year end amounted to \$1,008,033 (2022 - \$705,819).

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**11. ULTIMATE CONTROLLING PARTY**

The company's immediate parent is FBC Mining (Holdings) Limited. Cyrus Capital Partners, L.P. is considered to be ultimate controlling party. The registered address and principal place of business is 65 East 55th Street, 35th Floor, New York, NY 10022.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.