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FC 23789

**IVANHOE FUNDING LLC**

**Report and Financial Statements  
For the year ended 31 March 2007**

THURSDAY



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03/07/2008

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COMPANIES HOUSE

**REGISTERED NUMBER: FC023789**

## IVANHOE FUNDING LLC

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2007

	Notes	Year ended 31 March 2007 £	Year ended 31 March 2006 £
Interest receivable and similar income		-	-
Interest payable and similar expense		-	-
Other gain / (loss)	3	(687,567)	475,937
Gain / (loss) on ordinary activities before taxation		<u>(687,567)</u>	<u>475,937</u>
Tax on ordinary activities	4	-	-
Gain / (loss) on ordinary activities after taxation		<u>(687,567)</u>	<u>475,937</u>
Retained gain / (loss) carried forward		<u>(687,567)</u>	<u>475,937</u>

All recognised gains and losses are included in the profit and loss account. The gain/(loss) on ordinary activities before taxation and gain/(loss) on ordinary activities after taxation is derived from continuing activities. The notes on pages 3 to 5 form an integral part of these financial statements.

# IVANHOE FUNDING LLC

## BALANCE SHEET AS AT 31 MARCH 2007

	Notes	2007 £	2006 £
<b>CURRENT ASSETS</b>			
Cash		5,548,559	6,236,126
CREDITORS Amounts falling due within one year	5	(52,833,034)	(52,833,034)
<b>NET LIABILITIES</b>		<u>(47,284,475)</u>	<u>(46,596,908)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	499,000	499,000
Profit and loss account		(54,693,847)	(54,006,280)
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>		<u>(53,194,847)</u>	<u>(53,507,280)</u>
Called up share capital	6	6,910,372	6,910,372
<b>TOTAL NON-EQUITY SHAREHOLDERS' FUNDS</b>		<u>6,910,372</u>	<u>6,910,372</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>	7	<u>(47,284,475)</u>	<u>(46,596,908)</u>

A reconciliation of movement in shareholders' funds is given in Note 7.

The notes on pages 3 to 5 form an integral part of these financial statements

The financial statements on pages 1 to 5 were approved by the Board of Directors on 6<sup>th</sup> June 2008.

  
Director

# IVANHOE FUNDING LLC

## NOTES TO THE FINANCIAL STATEMENTS

### 1 ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, the accounting policies set out below and in accordance with applicable accounting standards of the Accounting Standards Board and pronouncements of the Urgent Issues Task Force.

#### Overseas company

The financial statements have been prepared in accordance with the Companies Act 1985 applicable to overseas companies. The company has taken advantage of the modifications and exemptions from disclosure that are set out in the Overseas Companies (Accounts) (Modifications and Exemptions) Order 1990.

#### Foreign Exchange

Transactions denominated in foreign currencies are translated into sterling at average rates of exchange during the period unless a contracted rate applied. Assets and liabilities are translated at the exchange rate ruling at the balance sheet date except where rates of exchange are fixed under contractual arrangements. Exchange differences are taken to the profit and loss account as they arise.

### 2. DIRECTORS' EMOLUMENTS

The directors did not receive any emoluments in respect of their services to the Company during the period.

### 3. OTHER INCOME

	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Foreign exchange gain/(loss)	(687,567)	475,937
	<u>(687,567)</u>	<u>475,937</u>

## IVANHOE FUNDING LLC

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 4. TAX ON PROFIT ON ORDINARY ACTIVITIES

The UK corporation tax charge is based on an effective UK corporation tax rate of 30%. The effective tax rate is different than the standard tax rate as a result of non-taxable items, prior year adjustments, and unutilized tax losses. These differences are explained below

Profit/(loss) on ordinary activities before taxation	(687,567)	475,937
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2005 30%)	206,270	142,781
Unutilized tax (gain)/loss	(206,270)	(142,781)
Current tax charge	-	-

#### 5. CREDITORS: Amounts falling due within one year

	2007 £	2006 £
Amounts due to related party	52,833,034	52,833,034
	52,833,034	52,833,034

Amounts due to a related party comprises an amount owing to a shareholder, The Bank of New York, for funds provided to the company to enable the company to meet UK corporation tax payment obligations

# IVANHOE FUNDING LLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 6. CALLED UP SHARE CAPITAL

	2007 £	2006 £
Authorised:		
Attributable to equity interests		
375,000 ordinary 'A' shares of £1 each	375,000	375,000
124,000 ordinary 'B' shares of £1 each	124,000	124,000
Attributable to non-equity interests:		
6,910,372 preference shares of £1 each	6,910,372	6,910,372
Allotted and fully paid		
Attributable to equity interests:		
375,000 ordinary 'A' shares of £1 each	375,000	375,000
124,000 ordinary 'B' shares of £1 each	124,000	124,000
Attributable to non-equity interests:		
6,910,372 preference shares of £1 each	6,910,372	6,910,372

The 'A' and 'B' ordinary shares have 51% and 49% voting rights respectively.

The holders of the 6,910,372 Preference shares are entitled to dividends at the rate of 4 0% per annum. The Preference shares are not redeemable and confer no right on the holders or on the Company to require their redemption.

In the event of a winding up the holders of the Preference shares are entitled to a sum equal to par plus accrued dividends in priority to all other shareholders. The Preference shares have no voting rights.

### 7. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Gain / (loss) for the year	(687,567)	475,937
Increase/(Decrease) in shareholders' funds	(687,567)	475,937
Opening shareholders' funds	(46,596,908)	(47,072,845)
Closing shareholders' funds	(47,284,475)	(46,596,908)