

Registered number: 121709

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A.R.H. INVESTMENTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019



A.R.H. INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	C Howells (resigned 27 September 2019) E Klonarides S Mayet (resigned 29 March 2019) W K B Ward-Brew M P Donnelly R G Churr (appointed 3 April 2019)
Company secretary	Anglo American Corporate Secretary Limited Intertrust Corporate Services (Jersey) Limited Ogier Global Company Secretary (Jersey) Limited
Registered number	121709
Registered office	3rd Floor 44 Esplanade St Helier Jersey JE4 9WG
Administration office	20 Carlton House Terrace London United Kingdom SW1Y 5AN
Independent auditors	Deloitte LLP Hill House 1 Little New St London United Kingdom EC4A 3TR
Bankers	Barclays Bank plc 1 Churchill Place Canary Wharf London United Kingdom E14 5HP

A.R.H. INVESTMENTS LIMITED

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A.R.H. INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and the audited financial statements for the year ended 31 December 2019

Principal activity

The principal activity of A.R.H. Investments Limited (the "Company") is as an investment holding company.

Dividends paid

There were no dividends paid in the year under review (2018 - \$NIL).

Results

The Statement of comprehensive income for the year is set out on page 7.

Directors

The directors who served during the year and up to the date of this report were:

C Howells (resigned 27 September 2019)
E Klonarides
S Mayet (resigned 29 March 2019)
W K B Ward-Brew
M P Donnelly
R G Churr (appointed 3 April 2019)

Future developments

The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

Following the end of 2019 the novel coronavirus (COVID-19) has been declared a pandemic by the World Health Organisation. The emergence of COVID-19 is considered a non-adjusting post balance sheet event as defined in IAS 10 Events after the reporting period since it represents a set of conditions which only arose after the balance sheet date. The impact of COVID-19 on the world economy and the Company's future financial performance remains uncertain. Depending on the extent and severity of the pandemic, there may be a material impact on the Company's accounting estimates in future periods.

A.R.H. INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Going concern

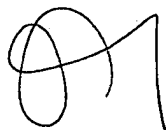
The Company's ability to operate as a going concern is assessed in conjunction with Anglo American plc and its subsidiaries (together the "Group") as its viability is dependent upon the ability of the Group companies to settle their intercompany balances with the Company and to provide funds for working capital needs. Anglo American Services (UK) Ltd have confirmed that they intend to provide financial resources, where requested, for at least 12 months from the date of signing these financial statements, whilst the Company remains a subsidiary of Anglo American plc.

The directors of the Company therefore feel that the Company will have sufficient funds, taking account of possible changes in trading performance (including specifically the potential impact of COVID-19 on the cash flows of the Company, Anglo American Services (UK) Ltd and Anglo American plc) and amounts owed by other Group companies, to conclude that the Company can adopt the going concern basis for the foreseeable future.

Auditors

At the 2020 Annual General Meeting of Anglo American plc, the Company's ultimate parent company, PricewaterhouseCoopers LLP were appointed as external auditor to the Group. Accordingly Deloitte LLP will not be seeking re-appointment as auditor of the Company at the conclusion of their current term of office. There are no circumstances connected with the resignation of Deloitte LLP as external auditor which should be brought to the attention of members or creditors of the Company.

This report was approved by the board on 15 May 2020 and signed on its behalf.



Claire Murphy

For and on behalf of
Anglo American Corporate Secretary Limited
Secretary

A.R.H. INVESTMENTS LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors are responsible for preparing the annual report and the audited 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

The directors are responsible for keeping proper accounting records that 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 (Jersey) Law 1991. 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.

A.R.H. INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A.R.H. INVESTMENTS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of A.R.H. Investments Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its loss for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework" and
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements which comprise:

- the Statement of comprehensive income;
- the Balance sheet;
- the Statement of changes in equity; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

A.R.H. INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A.R.H. INVESTMENTS LIMITED

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Companies (Jersey) Law 1991 we are required to report in respect of the following matters if, in our opinion:

- proper accounting records have not been kept, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

A.R.H. INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A.R.H. INVESTMENTS LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. 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.

Paul Barnett

Paul Barnett FCA

for and on behalf of

Deloitte LLP

Hill House
1 Little New St
London
United Kingdom
EC4A 3TR
15 May 2020

A.R.H. INVESTMENTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 \$	2018 \$
Other finance (expense)/income	9	(181,727)	1,216,017
Exceptional items	8	181,727	(1,216,017)
		<hr/>	<hr/>
OPERATING PROFIT	4	-	-
Interest expense	6	(26)	(22)
		<hr/>	<hr/>
LOSS BEFORE TAX		(26)	(22)
Tax on loss	7	-	-
		<hr/>	<hr/>
LOSS FOR THE FINANCIAL YEAR		(26)	(22)
		<hr/>	<hr/>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(26)</u>	<u>(22)</u>

The notes on pages 11 to 20 form part of these financial statements.

The results relate to continuing operations of the Company.

A.R.H. INVESTMENTS LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2019**

	Note	2019 \$	As restated 2018 \$
FIXED ASSETS			
Investments	10	7,404,098	7,222,371
		<u>7,404,098</u>	<u>7,222,371</u>
Creditors: amounts falling due within one year	11	(1,201)	(1,175)
NET CURRENT LIABILITIES		<u>(1,201)</u>	<u>(1,175)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,402,897</u>	<u>7,221,196</u>
Creditors: amounts falling due after more than one year		(7,404,098)	(7,222,371)
NET LIABILITIES		<u><u>(1,201)</u></u>	<u><u>(1,175)</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	55,002	55,002
Share premium account	15	59,998	59,998
Profit and loss account	15	(116,201)	(116,175)
SHAREHOLDERS' DEFICIT		<u><u>(1,201)</u></u>	<u><u>(1,175)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf 15 May 2020.



E Klonarides
Director

The notes on pages 11 to 20 form part of these financial statements.

A.R.H. INVESTMENTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 January 2019	55,002	59,998	(116,175)	(1,175)
COMPREHENSIVE LOSS FOR THE YEAR				
Loss for the year	-	-	(26)	(26)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	-	-	(26)	(26)
AT 31 DECEMBER 2019	55,002	59,998	(116,201)	(1,201)

A.R.H. INVESTMENTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 January 2018	55,002	59,998	(116,153)	(1,153)
COMPREHENSIVE LOSS FOR THE YEAR				
Loss for the year	-	-	(22)	(22)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	<u>-</u>	<u>-</u>	<u>(22)</u>	<u>(22)</u>
AT 31 DECEMBER 2018	<u>55,002</u>	<u>59,998</u>	<u>(116,175)</u>	<u>(1,175)</u>

A.R.H. INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

A.R.H. Investments Limited is a private company limited by shares, incorporated in Jersey and centrally managed and controlled from the United Kingdom.

The nature of the Company's operations and principal activities is set out in the Directors' report.

The address of the registered office is given on the Company Information page.

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 Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies (Jersey) Law 1991.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

2.3 Impact of new international reporting standards, amendments and interpretations

IFRS 16

There are no material adjustments required to be made to the Company's financial statements as a result of the application of IFRS 16.

The Company has applied IFRS 16 using the modified retrospective approach, under which the

A.R.H. INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Impact of new international reporting standards, amendments and interpretations (continued)

cumulative effect of initial application is recognised in retained earnings at 1 January 2019.

2.4 Going concern

The Company's ability to operate as a going concern is assessed in conjunction with Anglo American plc and its subsidiaries (together the "Group") as its viability is dependent upon the ability of the Group companies to settle their intercompany balances with the Company and to provide funds for working capital needs. Anglo American Services (UK) Ltd have confirmed that they intend to provide financial resources, where requested, for at least 12 months from the date of signing these financial statements, whilst the Company remains a subsidiary of Anglo American plc.

The directors of the Company therefore feel that the Company will have sufficient funds, taking account of possible changes in trading performance (including specifically the potential impact of COVID-19 on the cash flows of the Company, Anglo American Services (UK) Ltd and Anglo American plc) and amounts owed by other Group companies, to conclude that the Company can adopt the going concern basis for the foreseeable future.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.6 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Fair value through profit or loss

All of the Company's financial assets are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.6 Financial instruments (continued)

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVOCI. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Financial liabilities

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

2.7 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

A.R.H. INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.8 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD as this is the currency in which the Company primarily transacts, invests and earns income.

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'.

2.9 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.10 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.11 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

A.R.H. INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. Judgments in applying accounting policies and key sources of estimation uncertainty

There are no critical judgments made by the directors in applying the Company's accounting policies other than assessing investments for impairment.

Impairment of investments in subsidiaries

Determining whether the Company's debt and equity investments in subsidiaries have been impaired requires estimations of the recoverable amount of the investments. Recoverable amount is the higher of fair value less costs of disposal and value in use. The value in use calculations require the Company to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. If the recoverable amount of an investment is estimated to be less than its carrying amount, the carrying amount of the investment is reduced to its recoverable amount. An impairment loss is recognised in the income statement. If the recoverable amount of an investment is estimated to be more than its carrying value, the carrying amount of the investment is increased to its recoverable amount. An impairment reversal is recognised in the Statement of comprehensive income. See Note 10 for further information.

4. Operating profit

Audit fees for the audit of these financial statements of \$7,740 (2018 - \$7,905) in respect of the current financial year were borne centrally by Anglo American Services (UK) Ltd.

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2018 - \$NIL).

6. Interest expense

	2019 \$	2018 \$
Interest payable on loans from group undertakings	26	22
	<u>26</u>	<u>22</u>

7. Taxation

The UK rate of corporation tax has been presented within the rate reconciliation below as the most applicable rate due to the company being UK resident for tax purposes.

	2019 \$	2018 \$
Total current tax	-	-

A.R.H. INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - *higher than*) the standard rate of corporation tax of 19% (2018 - 19%). The differences are explained below:

	2019 \$	2018 \$
Loss before tax	(26)	(22)
Loss before tax multiplied by standard rate of corporation tax of 19% (2018 - 19%)	(5)	(4)
Effects of:		
Impairment (reversal)/charge on investment in subsidiaries	(34,528)	231,043
Group relief surrendered/(received) on nil consideration	34,533	(231,039)
Total tax charge for the year	-	-

Factors that may affect future tax charges

On 6 September 2016, the Finance Act 2016 was substantively enacted and provided for a reduction in the main rate of UK corporation tax from 19% to 17% from 1 April 2020. Deferred tax has therefore been recognised at the 17% rate where appropriate.

On 17th March 2020, a Budget resolution was passed which substantively enacted an increase in the rate of UK corporation tax to 19% from 1 April 2020.

8. Exceptional items

	2019 \$	2018 \$
Gain/(loss) on investment	181,727	(1,216,017)
	181,727	(1,216,017)

After a review of the net asset value of the Company's investments as at 31 December 2019, the Company has recognised an impairment reversal on its investments as follows:

- Ansell Holdings Proprietary Limited - \$181,727 (2018 - *impairment charge of \$1,216,017*).

A.R.H. INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

9. Other finance (expense)/income

	2019 \$	2018 \$
Exchange differences	(181,727)	1,216,017
	<u>(181,727)</u>	<u>1,216,017</u>

10. Fixed asset investments

	Investments in subsidiary companies \$
Cost or valuation	
At 1 January 2019	106,082,506
At 31 December 2019	<u>106,082,506</u>
Impairment	
At 1 January 2019	98,860,135
Charge for the period	(181,727)
At 31 December 2019	<u>98,678,408</u>
Net book value	
At 31 December 2019	<u>7,404,098</u>
At 31 December 2018	<u>7,222,371</u>

A.R.H. INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Ansel Holdings Proprietary Limited	Republic of South Africa	Ordinary	100%	Financing company
Name	Registered office			
Ansel Holdings Proprietary Limited	44 Main Street, Johannesburg, 2001			

Group financial statements are not presented as the Company is a wholly-owned subsidiary undertaking of Anglo American plc, which is registered in England and Wales. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group. As permitted by IFRS 10.4(a) consolidated financial statements have not been prepared.

Impairments

After a review of the net asset value of the Company's investments as at 31 December 2019, the Company has recognised an impairment reversal on its investments as follows:

- Ansel Holdings Proprietary Limited - \$181,727 (2018 - impairment charge of \$1,216,017).

11. Creditors: Amounts falling due within one year

	2019	<i>As restated</i> 2018
	\$	\$
Amounts owed to group undertakings	1,201	1,175
	1,201	1,175

The Company has facility agreements with affiliated undertakings of which \$1,201 (2018 - \$1,175) had been drawn at year end. The balance bears interest at a market related rate. The classification of the amounts owed is based on the repayment terms.

See note 12 for further details on the restatement of the prior year comparative.

A.R.H. INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

12. Creditors: Amounts falling due after more than one year

	2019 \$	As restated 2018 \$
Amounts owed to group undertakings	7,404,098	7,222,371
	<u>7,404,098</u>	<u>7,222,371</u>

The Company has facility agreements with affiliated undertakings of which \$7,404,098 (2018 - \$7,222,371) had been drawn at year end. The balance is non interest bearing. The classification of the amounts owed is based on the repayment terms.

In the prior year financial statements the balance of \$7,222,371 was disclosed as falling due within one year. The loan agreement states that the loan can only be cancelled or repaid by giving not less than 12 months' notice. As a result the balance has been restated as falling due after more than one year.

13. Financial instruments

	2019 \$	2018 \$
Financial liabilities		
Financial liabilities measured at amortised cost	7,405,299	7,223,546

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings.

14. Share capital

	2019 \$	2018 \$
Shares classified as equity		
Authorised		
5,000,000 ordinary shares of \$1 each	5,000,000	5,000,000
Allotted, called up and fully paid		
55,002 ordinary shares of \$1 each	55,002	55,002

The Company has one class of ordinary shares which carry no right to fixed income.

A.R.H. INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

15. Reserves

Share premium account

Share premium represents the excess of the issue price over the par value on shares issued less transaction costs arising on issue.

Profit and loss account

Profit and loss account reserve represents accumulated retained earnings or losses.

16. Post balance sheet events

Following the end of 2019, the novel coronavirus (COVID-19) has been declared a pandemic by the World Health Organisation. The emergence of COVID-19 is considered a non-adjusting post balance sheet event as defined in IAS 10 Events after the reporting period since it represents a set of conditions which only arose after the balance sheet date.

The impact of COVID-19 on the world economy and the Company's future financial performance remains uncertain. Depending on the extent and severity of the pandemic, there may be a material impact on the Company's accounting estimates in future periods.

17. Ultimate parent undertaking and controlling party

The immediate parent company is Anglo American Midway Investment Limited which is registered in Jersey. The registered address of the immediate parent company is 3rd Floor, 44 Esplanade, St Helier, JE4 9WG, Jersey.

The ultimate parent company and ultimate controlling entity is Anglo American plc, a company incorporated in the United Kingdom and registered in England and Wales. Anglo American plc is the parent undertaking of the largest and smallest group which includes the Company and for which group financial statements are prepared. The financial statements of both the immediate and ultimate parent companies may be obtained from the Company Secretary, 20 Carlton House Terrace, London SW1Y 5AN, the registered office of both companies.