

KGM Rail & Mining Limited

Unaudited Abbreviated Accounts

for the Year Ended 30 June 2015

Accountants Plus
Chartered Certified Accountants
Upper Floor, Unit 1
82 Muir Street
Hamilton
Lanarkshire
ML3 6BJ

KGM Rail & Mining Limited
Contents

Accountants' Report		<u>1</u>
Abbreviated Balance Sheet		<u>2</u>
Notes to the Abbreviated Accounts		<u>3 to 4</u>

The following reproduces the text of the accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 4) have been prepared.

**Chartered Certified Accountants' Report to the Board of Directors on the Preparation of the
Unaudited Statutory Accounts of
KGM Rail & Mining Limited
for the Year Ended 30 June 2015**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of KGM Rail & Mining Limited for the year ended 30 June 2015 set out on pages from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://www.accaglobal.com/en/member/professional-standards/rules-standards/acca-rulebook.html>.

This report is made solely to the Board of Directors of KGM Rail & Mining Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of KGM Rail & Mining Limited and state those matters that we have agreed to state to them, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at

http://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than KGM Rail & Mining Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that KGM Rail & Mining Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of KGM Rail & Mining Limited. You consider that KGM Rail & Mining 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 accounts of KGM Rail & Mining 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 accounts.

.....

Accountants Plus
Chartered Certified Accountants
Upper Floor, Unit 1
82 Muir Street
Hamilton
Lanarkshire
ML3 6BJ
22 February 2016

KGM Rail & Mining Limited
(Registration number: SC303699)
Abbreviated Balance Sheet at 30 June 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible fixed assets		1,114	1,639
Current assets			
Stocks		-	175
Debtors		5,944	10,571
Cash at bank and in hand		372	657
		6,316	11,403
Creditors: Amounts falling due within one year		(23,674)	(24,004)
Net current liabilities		(17,358)	(12,601)
Net liabilities		(16,244)	(10,962)
Capital and reserves			
Called up share capital	<u>4</u>	2	2
Profit and loss account		(16,246)	(10,964)
Shareholders' deficit		(16,244)	(10,962)

For the year ending 30 June 2015 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime .

Approved by the Board on 22 February 2016 and signed on its behalf by:

.....
Mr Archibald Martin
Director

The notes on pages 3 to 4 form an integral part of these financial statements.

KGM Rail & Mining Limited
Notes to the Abbreviated Accounts for the Year Ended 30 June 2015
..... continued

1 Accounting policies

Basis of preparation

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (Effective April 2008).

Going concern

The financial statements have been prepared on a going concern basis. The largest creditor is the directors who do not intend to withdraw their investment and support in the short term.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and Equipment	25% reducing balance
Office Equipment	33.33% reducing balance

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by the FRSSE. Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

KGM Rail & Mining Limited
Notes to the Abbreviated Accounts for the Year Ended 30 June 2015
..... continued

2 Fixed assets

	Tangible assets	Total
	£	£
Cost		
At 1 July 2014	6,198	6,198
At 30 June 2015	6,198	6,198
Depreciation		
At 1 July 2014	4,559	4,559
Charge for the year	525	525
At 30 June 2015	5,084	5,084
Net book value		
At 30 June 2015	1,114	1,114
At 30 June 2014	1,639	1,639

3 Creditors

Creditors includes the following liabilities, on which security has been given by the company:

2015	2014
£	£

4 Share capital

Allotted, called up and fully paid shares

	2015		2014	
	No.	£	No.	£
Share Capital of £1 each	2	2	2	2

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.