

Company Registration No. 4834745

Ferro Nickel Marketing Limited

Report and Financial Statements

31 December 2014

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Ferro Nickel Marketing Limited

Report and financial statements 2014

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Ferro Nickel Marketing Limited

Report and financial statements 2014

Officers and professional advisers

Directors

A W Hodges
N Jordan (Resigned 31 July 2014)
E L Morales (Resigned 31 May 2014)
K R Tucker (Resigned 31 December 2014)
J M Mills (Appointed 17 Novemeber 2014)

Secretary

A W Hodges

Registered Office

20 Carlton House Terrace
London, United Kingdom
SW1Y 5AN

Bankers

Barclays Bank PLC
1 Churchill Place
Canary Wharf
London E14 5HB
United Kingdom

Auditor

Deloitte LLP
Chartered Accountants
2 New Street Square
London EC4A 3BZ
United Kingdom

Ferro Nickel Marketing Limited

Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 December 2014. The results of the year are set out on page 8.

This Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Principal activity

Ferro Nickel Marketing Limited's (the "Company") principal activity has been the trading and marketing of nickel purchased from Minera Loma de Niquel ("MLdN"), a fellow subsidiary of Anglo American plc incorporated in the Bolivarian Republic of Venezuela ("Venezuela"). The Company previously earned a 2% target margin on sale of goods purchased from MLdN. On 10 November 2012, the term of certain remaining concessions of MLdN expired and the mining and processing activities of that entity ceased permanently (as set out in Note 2) and as a result the Company's Nickel marketing activities are currently suspended. However, the Company continues to manage its receivable and payable balances and inter-company transactions, while management assesses the Company's future prospects within the Anglo American plc group.

The directors consider that the key performance indicators for the Company are the level of turnover and the gross margin. During 2014 turnover and gross margin decreased to zero as a result of the suspension of the Company's nickel marketing activities

The Company previously entered into the following export in-kind arrangements with MLdN.

Payment in-kind arrangement

Under this arrangement, the Company agreed to procure certain supplies, equipment and/or services on behalf of MLdN with a 2.5% commission earned on the cost of items procured. Additionally, the agreement allowed for payments to be made to third party suppliers for goods and services it had acquired. Repayments were made by MLdN with nickel shipments which the Company then sold to third parties at the 2% target margin. No activities took place under this arrangement in the current or prior year.

Loan in-kind arrangement

The Company has entered into two revolving facility agreements with MLdN – a US dollar facility for payment of freight and insurance and other US dollar denominated transactions and a Venezuelan Bolivar VEF facility to fund local operations in Venezuela. In order to fund these loans, the Company has established similar facility agreements with Anglo American Capital plc. The facilities have a combined limit of US\$81 million. The principal and interest arising under these loans were previously paid by nickel shipments which the Company then sold to third parties at the 2% target margin.

In November 2012, Anglo American Services UK Limited issued a guarantee to the Company for a maximum value of US\$51.8 million, to be called on in the event MLdN fails to make any payment under the US dollar facility agreement.

In light of the cessation of MLdN's mining and processing activities the currently outstanding balances under these funding arrangements are no longer considered recoverable. Additional advances were made to MLdN in the year but the value of these, together with the related interest due, was fully impaired, (refer to Note 2 and 6 for further details).

Financial risk management policies and objectives

Cash flow and Credit risk

The Company's principal financial assets are bank balances and loans receivable from group undertakings. The credit risk on bank balances is limited as the counterparties are banks with high credit-ratings, assigned by international credit-rating agencies. Loans receivable from group undertakings are primarily loans to MLdN under the loan-in-kind arrangement described

Ferro Nickel Marketing Limited

Directors' Report (continued)

above, the credit risk on these loans crystallized with the cessation of MLdN's mining and processing activities and the remaining amount outstanding were fully impaired (refer to Note 2).

Price risk

The Company has historically sold nickel at prevailing market prices, subject to final pricing adjustments after delivery to the customer and has therefore been exposed to changes in market prices for nickel. The Company is no longer exposed to price risk following the cessation of MLdN's mining and processing operations.

Supplier payment policy

The Company is responsible for agreeing the terms under which transactions with its suppliers are conducted, reflecting local and industry norms. The Company values its suppliers and recognises the benefits to be derived from maintaining good relationships with them and acknowledges the importance of paying invoices promptly. Historically, the primary supplier was MLdN, a fellow subsidiary of Anglo American plc, where transactions were settled within 120 days in line with the terms set by CADIVI, the foreign exchange controls authority of the Venezuelan government.

Operational risk

On 27 December 2011, MLdN requested the renewal of its remaining concessions in Venezuela (Camedas N° 1, Camedas N° 3 and San Antonio N° 1) (the "Remaining Concessions") from the Oil and Mine Ministry (previously, the MIBAM). On 17 May 2012, this request was rejected. As a result, on 10 November 2012, the term of the Remaining Concessions expired and the mining and processing activities of MLdN ceased permanently.

In light of this, MLdN took action to terminate the employment of the majority of its employees and is in the process of winding up operations in an orderly manner. The Company's marketing activities are currently suspended in light of this although the Company continues to manage its receivable and payable balances and inter-company transactions while management assesses the Company's future prospects within the Anglo American plc group.

Future prospects

The directors expect the Company to continue to manage its receivable and payable balances and inter-company transactions

Going concern

The Company's business activities, together with the factors likely to affect its future development are set out above. The financial position of the Company is described in the balance sheet on page 9.

While Nickel marketing activities have currently been suspended (as explained above), the Company continues to manage its receivable and payable balances and inter-company transactions and there is no intention to liquidate the Company (and no event has occurred that would require such to take place). In addition, the Company has received a letter of support from Anglo American plc in support of the Company. The situation at MLdN does though give rise to a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The directors of the Company nevertheless have a reasonable expectation that the Company will continue in operation for the foreseeable future, being at least the next twelve months, accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Dividend

No dividends were paid during the 2014 year (2013: nil)

Ferro Nickel Marketing Limited

Directors' Report (continued)

Events since the end of the year

In April 2015 and November 2015, the Company provided additional advances to MLdN of \$1,300,000 and \$2,600,000 respectively pursuant to the revolving facility agreements with MLdN.

Directors

The following served as directors throughout the year and to the present time except where noted below:

A W Hodges

N Jordan (Resigned 31 July 2014)

E L Morales (Resigned 31 May 2014)

K R Tucker (Resigned 31 December 2014)

J M Mills (Appointed 17 November 2014)

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

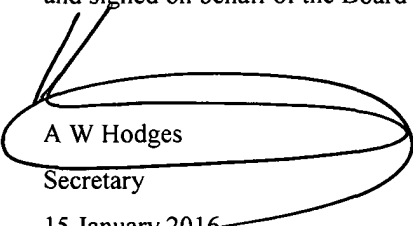
- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors

and signed on behalf of the Board



A W Hodges

Secretary

15 January 2016

Ferro Nickel Marketing Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- 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 adequate accounting records that are sufficient to show and explain the Company's transactions and 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 Act 2006. 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.

Independent auditor's report to the members of Ferro Nickel Marketing Limited

We have audited the financial statements of Ferro Nickel Marketing Limited for the year ended 31 December 2014 which comprise the profit and loss account, the balance sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Respective responsibilities of directors and auditor

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

- In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Ferro Nickel Marketing Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from preparing a Strategic Report.



Christopher Thomas
(Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

15 January 2016

Ferro Nickel Marketing Limited

Profit and loss account Year ended 31 December 2014

	Notes	2014 US\$	2013 US\$
<i>Administrative credit/ (expenses)</i>			
Exceptional impairment on intercompany receivable	2	(5,178,589)	(9,673,310)
Other administrative credit/ (expenses)		348,077	(468,786)
Operating loss		(4,830,512)	(10,142,096)
Net financing income	3	2,813,980	3,830,969
Loss on ordinary activities before tax	4	(2,016,532)	(6,311,127)
Tax (credit)/expense on loss on ordinary activities	5	803,071	(1,511,065)
Loss on ordinary activities after tax		(1,213,461)	(7,822,192)

There are no recognised gains or losses in shareholders' funds in either year other than the loss for the year. Consequently no statement of total recognised gains and losses has been presented.

Ferro Nickel Marketing Limited

Balance sheet 31 December 2014

	Notes	2014 US\$	2013 Restated* US\$	2012 Restated* US\$
Fixed assets				
Debtors	6	51,800,000	51,800,000	51,800,000
		51,800,000	51,800,000	51,800,000
Current assets				
Debtors due within one year	7	173	284,884,295	289,536,091
Cash at bank and in hand		19,564,652	31,434,991	32,503,495
		19,564,825	316,319,286	322,039,586
Creditors: amounts falling due within one year	8	(4,023,362)	(372,564,362)	(370,462,470)
Net current assets/(liabilities)		15,541,463	(56,245,076)	(48,422,884)
Total assets less current liabilities		67,341,463	(4,445,076)	3,377,116
Net assets/(liabilities)		67,341,463	(4,445,076)	3,377,116
Capital and reserves				
Called up share capital	9	732	2	2
Share premium account	9	72,999,270	-	-
Profit and loss account	10	(5,658,539)	(4,445,078)	3,377,114
Total shareholders' equity/(deficit)		67,341,463	(4,445,076)	3,377,116

*Refer to note 2.

The financial statements of Ferro Nickel Marketing Limited (registered number 4834745) were approved by the Board of Directors and authorised for issue on 15 January 2016.

Signed on behalf of the Board of Directors

A W Hodges

Director

15 January 2016

Ferro Nickel Marketing Limited

Notes to the accounts Year ended 31 December 2014

1. Accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the current and preceding year.

Basis of Preparation

The financial statements are prepared under the historical cost convention.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

UK GAAP replacement

UK GAAP can no longer be applied from 2015, following a fundamental revision by the Financial Reporting Council (FRC). Hence the Company will be required to transition to one of the alternative sets of accounting frameworks: Full IFRS as endorsed for use in the EU, FRS 101 Reduced Disclosure Framework or FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

After considering its options for this compulsory move away from UK GAAP, the Company has decided to adopt FRS 101 as its new accounting framework. The first report and accounts under FRS 101 will be prepared for the year ending 31 December 2015, with comparative numbers for 2014 also based on FRS 101.

FRS 101 is a new reporting standard, issued by the FRC, which is based on IFRS for use in the EU. FRS 101 applies the recognition and measurement principles of IFRS, but permits exemptions for certain disclosures.

Going concern

The Company's business activities, together with the factors likely to affect its future development are set out above. The financial position of the Company is described in the balance sheet on page 9.

While Nickel marketing activities have currently been suspended (as explained on page 2), the Company continues to manage its receivable and payable balances and inter-company transactions and there is no intention to liquidate the Company (and no event has occurred that would require such to take place). In addition, the Company has received a letter of support from Anglo American plc in support of the Company. The situation at MLdN does though give rise to a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The directors of the Company nevertheless have a reasonable expectation that the Company will continue in operation for the foreseeable future, being at least the next twelve months, accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Cash flow statement

As permitted by Financial Reporting Standards 1 (Revised 1996) "Cash flow statements", the Company has not prepared a cash flow statement because it is a wholly-owned subsidiary and consolidated financial statements in which the Company is included are publicly available.

Functional and reporting currency

As permitted by UK company law, the Company reports in US dollars, the currency in which its business is conducted. Transactions in currencies other than US dollars ("foreign exchange") are recorded in US dollars at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated into US dollars at the rates prevailing on the balance sheet date. All differences are taken to the income statement.

Ferro Nickel Marketing Limited

Notes to the accounts Year ended 31 December 2014

1. Accounting policies (continued)

Tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

Financial Instruments

FRS 25 requires entities to provide a range of qualitative and quantitative disclosures about the financial instruments they hold or have issued. Under FRS 26, all derivatives and all financial assets and financial liabilities that are held for trading are to be recognised and measured at fair value.

The Company is a wholly owned indirect subsidiary undertaking of Anglo American plc, which complies with IFRS 7 – Financial Instruments: Disclosures. Consequently the Company has taken advantage of the exemption given to subsidiaries in FRS 29 (2D) and has not applied FRS 29 – Financial Instruments: Disclosures during the year.

Trade receivables

Trade receivables do not carry any interest and are stated at their nominal value, which equates to their fair value net of an appropriate allowance for estimated irrecoverable amounts. Such allowances are raised based on an assessment of debtor ageing, past experience or known customer circumstances.

Trade payables

Trade payables are not interest bearing and are stated at their nominal value.

2. Exceptional Items

(a) Prior year adjustments:

Prior year adjustments: In 2012 MLdN's remaining concessions expired in Venezuela leading to all mining and processing activities ceasing. Following that, a full impairment of its loan receivable to FNML of \$71,413,918 was recognised in the year ended 31 December 2012. As part of the ongoing review of contractual arrangements within FNML it was identified that under the terms of a guarantee provided by AA Services, \$51,800,000 of the MLdN loan receivable was deemed recoverable. The comparative information has been restated to reflect a partial reversal of the impairment in the opening and closing balance sheets for the year ended 31 December 2013, with the "Loan receivable from group undertakings due after one year" and the "Profit and loss account" increasing by \$51,800,000. The impairment charge previously recognised in 2013 of \$9,673,310 remains unchanged.

The impairments recognised in 2013 and 2014 reflect further cash advances to MLdN, in excess of the guaranteed amount of \$9,673,310 and \$5,178,589 respectively.

(b) Current year:

The exceptional items identified below have been classified as operating as they do not meet the requirements of FRS 3 Reporting Financial Performance and there are no tax effects resulting from these exceptional items.

	2014 US\$	2013 US\$
Impairment of amounts owed by MLdN	5,178,589	9,673,310
	<u>5,178,589</u>	<u>9,673,310</u>

Ferro Nickel Marketing Limited

Notes to the accounts Year ended 31 December 2014

2. Exceptional Items (continued)

The Company historically sold ferronickel purchased from Minera Loma de Niquel ("MLdN"), however during 2012 MLdN ceased its mining and processing activities as a result of the expiry of its remaining concessions.

A summary of the events leading to MLdN's concession expiry are set out below:

Prior to 1 January 2011

On 7 and 30 January 2008, the Venezuelan Ministry of Basic Industries and Mining (the "MIBAM") published resolutions in Official Gazette N° 38844 and Extraordinary Official Gazette N° 5869, terminating 13 of MLdN's Concessions, including: Cofemina N° 1; Cofemina N° 2; Cofemina N° 4; Cofemina N° 5; Cofemina N° 6; Cofemina N° 7; Camedas N° 2; Camedas N° 4; Camedas N° 5; El Tigre; San Onofre N° 1, San Onofre N° 2 and San Onofre N° 3, (the "Terminated Concessions"), alleging MLdN's non-compliance with certain obligations ("special advantages") under the Terminated Concessions.

In connection therewith, on 28 January and 21 February 2008, MLdN filed appeals in respect of the Terminated Concessions. No response was ever received.

1 January 2011 to 31 December 2014

On 27 December 2011, MLdN requested the renewal of its remaining concessions (Camedas N° 1, Camedas N° 3 and San Antonio N° 1) (the "Remaining Concessions") from the Oil and Mine Ministry (previously, the MIBAM). On 17 May 2012, this request was rejected. As a result, on 10 November 2012, the Remaining Concessions expired and the mining and processing activities of MLdN ceased permanently.

In light of this, MLdN took action to terminate the employment of the majority of its employees and is in the process of winding up operations in an orderly manner. The Company's marketing activities are currently suspended in light of this although the Company continues to manage its receivable and payable balances and inter-company transactions while management assesses the Company's future prospects within the Anglo American plc group.

In 2014, an additional \$2,380,000 was provided to MLdN and interest payable by MLdN to the Company amounted to \$2,798,589. The above events have prompted a further review of the carrying value of the remaining balances with MLdN, the outcome of which is the recording of an additional impairment totalling \$5,178,589 (2013: \$9,673,310) in the same year, in respect of amounts owed to the Company by MLdN, which are not considered recoverable.

3. Net financing income

	2014 US\$	2013 US\$
Interest income on loans receivable from group undertakings	2,840,738	4,130,220
Interest expense on loans payable to group undertakings	(89,718)	(373,350)
Other financing income	62,960	74,099
	<u>2,813,980</u>	<u>3,830,969</u>

4. Loss on ordinary activities before tax

Loss on ordinary activities before tax is stated after charging/ (crediting):

Ferro Nickel Marketing Limited

Notes to the accounts

Year ended 31 December 2014

	2014 US\$	2013 US\$
Fees payable to the Company's auditor for the audit of the Company's annual accounts	29,234	9,000
Write off of prior year's expenses	(335,015)	-
Net foreign exchange (gains)/losses	(58,381)	18,265

4. Loss on ordinary activities before tax (continued)

Anglo American Services (UK) Ltd, a fellow subsidiary of Anglo American plc processes payments on behalf of and recharges these expenses to the Company. During 2014, Anglo American Services (UK) Ltd agreed to reverse \$335,015 of expenses which had been recharged to the Company in error in the prior year.

The Company has no employees (2013: none). The directors receive no emoluments in respect of their services in connection with the Company (2013: nil).

5. Tax (credit)/expense on loss on ordinary activities

	2014 US\$	2013 US\$
Current tax:		
UK corporation tax on loss for the year	154,938	888,427
Foreign tax	(69,582)	231,278
Adjustments in respect of previous periods	(888,427)	391,360
Total current tax (credit)/ expense	(803,071)	1,511,065

Factors affecting tax expense for the year

The tax assessed on the result for the year differs from that which would result from applying the standard effective rate of corporation tax in the UK of 21.5% (2013: 23.25%) to the loss on ordinary activities. The differences are explained below:

	2014 US\$	2013 US\$
Loss on ordinary activities before tax	(2,016,532)	(6,311,127)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.50% (2013: 23.25%)	(433,554)	(1,467,337)
Expenses not deductible for tax purposes	1,042,511	2,355,764
Foreign tax suffered	(69,582)	231,278
Transfer pricing adjustment	(463,763)	-
Adjustments in respect of prior periods	(888,427)	391,360
Deferred tax not recognised	9,744	-
Current tax (credit)/expense for the year	(803,071)	1,511,065

Ferro Nickel Marketing Limited

Notes to the accounts

Year ended 31 December 2014

Factors that may affect future tax charges

In the 2013 Budget (delivered on 20 March 2013), it was announced that the main rate of corporation tax for UK companies would reduce to 21% from 1 April 2014, and then reduce further to 20% from 1 April 2015. These future reductions in the main rate of corporation tax to 21% and then to 20% were substantively enacted for financial reporting purposes on 2 July 2013. The reduced rate of 20% has therefore been reflected in the calculation of deferred tax at the balance sheet date.

In the 2015 Budget (delivered on 8 July 2015), it was announced that the main rate of corporation tax for UK companies would reduce to 19% from 1 April 2017 and then further reduce to 18% from 1 April 2020. These future reductions in the main rate of corporation tax to 19% and then to 18% were substantively enacted for financial reporting purposes on 26 October 2015 and therefore have not been reflected in the calculation of deferred tax at the balance sheet date.

6. Debtors: due after one year

	2014 US\$	2013 Restated* US\$
Loans receivable from group undertakings due after one year	51,800,000	51,800,000
	<u>51,800,000</u>	<u>51,800,000</u>

*Refer to note 2.

All loans receivable after one year relate to two revolving facility agreements with MLdN. In light of the expiry of the Remaining Concessions (refer to Note 2) it is considered sufficiently uncertain as to whether value will be received for these amounts outstanding and as a result a provision has been recorded in 2014 to adjust the carrying value of these assets to the guaranteed amount of \$51,800,000.

7. Debtors: due within one year

	2014 US\$	2013 US\$
Loans receivable from group undertakings	-	279,409,354
Amount owed by group undertakings	-	5,474,941
Other receivables	173	-
	<u>173</u>	<u>284,884,295</u>

Ferro Nickel Marketing Limited

Notes to the accounts Year ended 31 December 2014

8. Creditors: amounts falling due within one year

	2014 US\$	2013 US\$
Accruals and deferred income	29,891	9,000
Trade creditors	2,695,086	2,695,086
Loan payable to group undertakings	-	10,431,867
Trading amounts owed to group undertakings	981,751	354,161,427
Other amounts owed to group undertakings	161,696	231,278
Group relief payable	154,938	5,035,704
	<u>4,023,362</u>	<u>372,564,362</u>

Interest rate on loan payable to group undertakings is 1 month LIBOR plus Anglo American Capital plc's weighted average cost of debt plus an additional margin of 80 basis points.

9. Called up share capital

	2014 US\$	2013 US\$
Authorised:		
50,000,000 Ordinary shares of US\$1.00 each	<u>50,000,000</u>	<u>50,000,000</u>
Called up, allotted and fully paid		
732 (2013: 2) Ordinary shares of US\$1.00 each	<u>732</u>	<u>2</u>
Share Premium Account	<u>72,999,270</u>	<u>-</u>

10. Movement in profit and loss account

	2014 US\$	2013 Restated* US\$
At 1 January	(4,445,078)	3,377,114
Loss for the financial year	<u>(1,213,461)</u>	<u>(7,822,192)</u>
As at 31 December	<u>(5,658,539)</u>	<u>(4,445,078)</u>

*Refer to note 2.

11. Related party transactions

At 31 December 2014, Anglo American plc is the Company's ultimate parent company. The Company has taken advantage of the exemption granted by paragraph 3 (c) of Financial Reporting Standard 8 not to disclose related party transactions with Anglo American group companies.

Ferro Nickel Marketing Limited

Notes to the accounts

Year ended 31 December 2014

12. Events occurring after end of year

In April 2015 and November 2015, the Company provided additional advances to MLdN of \$1,300,000 and \$2,600,000 respectively pursuant to the revolving facility agreements with MLdN.

13. Ultimate parent company

The immediate parent company is Anglo American Finance (UK) Limited, a company incorporated in the United Kingdom and registered in England and Wales.

The ultimate parent company and ultimate controlling company is Anglo American plc, a company incorporated in the United Kingdom and registered in England and Wales. Copies of the group accounts for Anglo American plc, which is the parent undertaking of the largest and smallest groups of which the Company is a member and for which group accounts are prepared, are available from Anglo American plc at 20 Carlton House Terrace, London SW1Y 5AN.