

Registration number: 10027416

LHC Mine Finance Ltd

Annual Report and Unaudited Financial Statements

for the Year Ended 29 February 2020



LHC Mine Finance Ltd

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LHC Mine Finance Ltd

Company Information

Directors

W Slack
G Wilkes
C Wilkes
R Slack
M Wood

Registered office

Maiden Ley Farm
Sheepcot Road
Castle Hedingham
Halstead
C09 3AA

LHC Mine Finance Ltd

Directors' Report for the Year Ended 29 February 2020

The directors present their report and the financial statements for the year ended 29 February 2020.

Directors of the company

The directors who held office during the year were as follows:

W Slack

G Wilkes

C Wilkes

R Slack

M Wood

Principal activity

The principal activity of the company is the provision of financial advice, in particular to companies operating in the natural resources sector.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 31 March 2020 and signed on its behalf by:



.....
W Slack

Director

LHC Mine Finance Ltd

Profit and Loss Account for the Year Ended 29 February 2020

	Note	2020 £	2019 £
Turnover	3	554,357	159,670
Cost of sales		<u>(40,000)</u>	<u>(26,000)</u>
Gross profit		514,357	133,670
Administrative expenses		<u>(105,825)</u>	<u>(120,928)</u>
Operating profit	4	<u>408,532</u>	<u>12,742</u>
Amounts written off investments		(1,142)	19,958
Interest payable and similar expenses		<u>(2,212)</u>	<u>690</u>
		<u>(3,354)</u>	<u>20,648</u>
Profit before tax		405,178	33,390
Taxation	5	<u>(77,297)</u>	<u>(11,256)</u>
Profit for the financial year		<u>327,881</u>	<u>22,134</u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

LHC Mine Finance Ltd

Statement of Comprehensive Income for the Year Ended 29 February 2020

	2020	2019
	£	£
Profit for the year	<u>327,881</u>	<u>22,134</u>
Total comprehensive income for the year	<u>327,881</u>	<u>22,134</u>

The notes on pages 7 to 11 form an integral part of these financial statements.

LHC Mine Finance Ltd

(Registration number: 10027416)
Balance Sheet as at 29 February 2020

	Note	2020 £	2019 £
Fixed assets			
Other financial assets	6	115,133	58,318
Current assets			
Debtors	7	18,060	145,670
Cash at bank and in hand		<u>206,924</u>	<u>43,484</u>
		224,984	189,154
Creditors: Amounts falling due within one year	8	<u>(79,124)</u>	<u>(114,143)</u>
Net current assets		<u>145,860</u>	<u>75,011</u>
Total assets less current liabilities		260,993	133,329
Provisions for liabilities		<u>(2,347)</u>	<u>(2,564)</u>
Net assets		<u>258,646</u>	<u>130,765</u>
Capital and reserves			
Called up share capital	9	2,000	2,000
Profit and loss account		<u>256,646</u>	<u>128,765</u>
Total equity		<u>258,646</u>	<u>130,765</u>

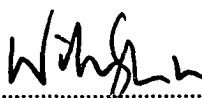
For the financial year ending 29 February 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- 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 and authorised by the Board on 31 March 2020 and signed on its behalf by:



W Slack
 Director

The notes on pages 7 to 11 form an integral part of these financial statements.

LHC Mine Finance Ltd

Statement of Changes in Equity for the Year Ended 29 February 2020

	Share capital £	Profit and loss account £	Total £
At 1 March 2019	2,000	128,765	130,765
Profit for the year	-	327,881	327,881
Total comprehensive income	-	327,881	327,881
Dividends	-	(200,000)	(200,000)
At 29 February 2020	2,000	256,646	258,646
	Share capital £	Profit and loss account £	Total £
At 1 March 2018	2,000	232,631	234,631
Profit for the year	-	22,134	22,134
Total comprehensive income	-	22,134	22,134
Dividends	-	(126,000)	(126,000)
At 28 February 2019	2,000	128,765	130,765

LHC Mine Finance Ltd

Notes to the Financial Statements for the Year Ended 29 February 2020

1 General information

The company is a private company limited by share capital, incorporated in England. The company was formerly called Legal Hill Capital Ltd, but changed its name to LHC Mine Finance Ltd on 30 December 2019.

2 Accounting policies

Basis of preparation

These financial statements have been prepared using the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principles have been applied:

Revenue recognition

Turnover represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Turnover is shown net of value added tax.

Foreign currency transactions and balances

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency').

Foreign currency transactions are translated in the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Tax

Current tax is recognised for the amount of tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is regarded as recoverable, and therefore, recognised only when, on the basis of all available evidence it can be regarded as more likely that not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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Notes to the Financial Statements for the Year Ended 29 February 2020

Valuation of investments

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 Profit and Loss Account 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for investments which are measured at fair value, with changes recognised in profit or loss.

3 Revenue

The turnover of the company is attributable to the principal activity of the company, namely the provision of corporate finance services to companies with a focus on the international natural resources sector.

The analysis of the company's revenue for the year by geographical location is as follows:

	2020	2019
	£	£
United Kingdom	-	25,000
Rest of world	<u>554,357</u>	<u>134,670</u>
	<u>554,357</u>	<u>159,670</u>

4 Operating profit

Arrived at after charging/(crediting)

	2020	2019
	£	£
Foreign currency (gains)/losses	<u>2,212</u>	<u>(690)</u>

5 Taxation

Tax charged/(credited) in the income statement

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Notes to the Financial Statements for the Year Ended 29 February 2020

	2020 £	2019 £
Current taxation		
UK corporation tax	77,514	2,937
UK corporation tax adjustment to prior periods	-	4,523
	<u>77,514</u>	<u>7,460</u>
Deferred taxation		
Arising from origination and reversal of timing differences	(217)	3,796
Tax expense in the income statement	<u>77,297</u>	<u>11,256</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2019 - the same as the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £	2019 £
Profit before tax	<u>405,178</u>	<u>33,390</u>
Corporation tax at standard rate	76,984	6,344
Expenses not deductible for tax purposes	313	384
Under provision in prior year	-	4,524
Deferred tax expense (credit) from unrecognised gains on investments	(217)	3,796
Tax increase (decrease) from other short-term timing differences	217	(3,792)
Total tax charge	<u>77,297</u>	<u>11,256</u>

Deferred tax

Deferred tax assets and liabilities

	Liability £
2020	
Revaluation of investments	<u>2,347</u>
2019	
Revaluation of investments	<u>2,564</u>

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Notes to the Financial Statements for the Year Ended 29 February 2020

6 Fixed asset investments

	Listed Investments £	Unlisted Investments £	Total £
Cost			
At 1 March 2019	32,840	11,983	44,823
Additions	19,266	38,691	57,957
At 29 February 2020	52,106	50,674	102,780
Revaluation provision			
At 1 March 2019	(13,495)	-	(13,495)
Revaluation during the year	1,142	-	1,142
At 29 February 2020	(12,353)	-	(12,353)
Market value			
At 29 February 2020	64,459	50,674	115,133
At 28 February 2019	46,335	11,983	58,318

7 Debtors

	2020 £	2019 £
Other debtors	16,260	144,170
Prepayments	1,800	1,500
	18,060	145,670

8 Creditors

	Note	2020 £	2019 £
Due within one year			
Amounts due to related parties		543	4,140
Other payables		1,067	107,067
Income tax liability	5	77,514	2,936
		79,124	114,143

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Notes to the Financial Statements for the Year Ended 29 February 2020

9 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary of £1 each	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>

10 Dividends

	2020	2019
	£	£
Dividends paid on equity capital	<u>200,000</u>	<u>126,000</u>