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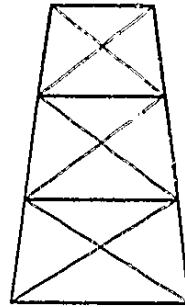
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BISICHI MINING PLC

112155



COMPANIES HOUSE
3rd Floor
10, Market Street
LONDON EC3A 3DF

ANNUAL REPORT AND ACCOUNTS 1991

“The strategic policy of your directors in the management of your Group is to increase the value of its investments”

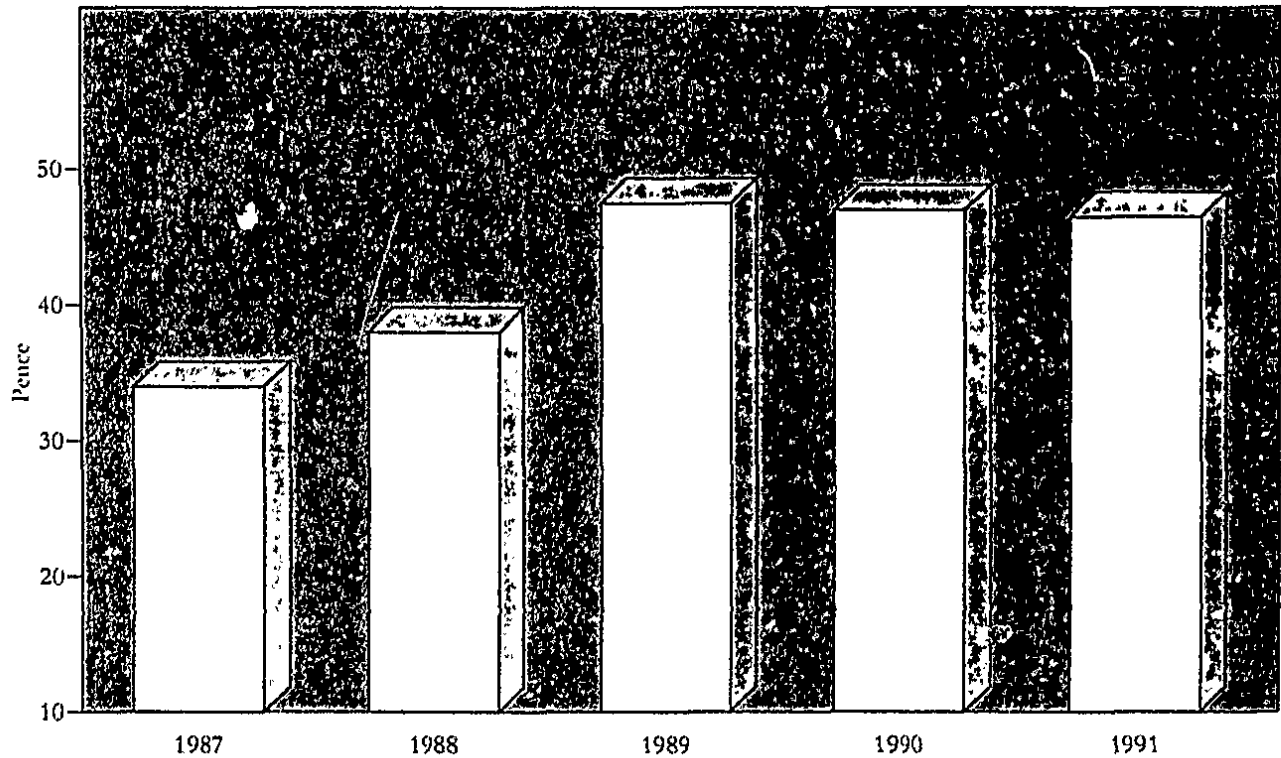
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Bisichi Mining PLC

Five Year Financial Summary

Net Assets per Share



	1987	1988	1989	1990	1991
	£000	£000	£000	£000	£000
GROUP BALANCE SHEET					
FIXED ASSETS					
Properties and other tangible assets	3,084	3,243	3,918	3,888	3,772
Investments	262	614	949	1,080	1,080
CURRENT ASSETS					
Investments	388	423	402	355	406
Debtors and bank balances	321	89	336	154	103
LIABILITIES	(466)	(360)	(501)	(433)	(375)
NET ASSETS	<u>3,589</u>	<u>4,009</u>	<u>5,104</u>	<u>5,044</u>	<u>4,986</u>
	p	p	p	p	p
Net Assets per Share	34.34	38.36	43.84	48.26	47.71
Earnings per Share	.88	.97	1.18	1.01	.75
Dividend per Share	.47	.51	.56	.60	.60

Chairman's Review



The results for the 12 months ended 31 December 1991 show a group pre tax profit of £106,000 (£137,000 for 1990).

The Group's prime objective is to seek capital growth by prudently investing in property and by financing speculative mining ventures. Currently the Group has 10 such mining ventures around the world. It is the Group's present policy that not more than 30% of the Group's net assets are represented by mining investments. The balance is made up primarily of UK retail property. The rental income from the property portfolio provides funds for developing further the mining portfolio. The net assets of the Bisichi Mining Group currently are £5 million.

Your directors are recommending a final dividend of 0.60p per share, the same as in the previous year.

The Group's four areas of investment are as follows:

MINING

South Africa continues to be a major area of investment and accounts for approximately two thirds of the group total investment in direct mining activities. However Bisichi also has direct mining interests in Western Australia, the USA and Canada. In the year under review there have been important developments and attached to my statement is a separate report on mining by Bob Mackilligin, our Executive Director of Mining.

PROPERTY

The property portfolio consists primarily of fully let shops in the UK. Conservative accounting policies are adopted and any interest charges have always been written off to Profit & Loss Account in the year in which they occur. Any property dealing profits are treated as extraordinary items. At 31 December 1989, the property portfolio was externally revalued and the new figures were incorporated in the accounts. Our external valuers have advised that there has been no material change in the valuation since

Chairman's Review *(continued)*

the end of 1989. Increased rents are being achieved as rent reviews and lease renewals occur.

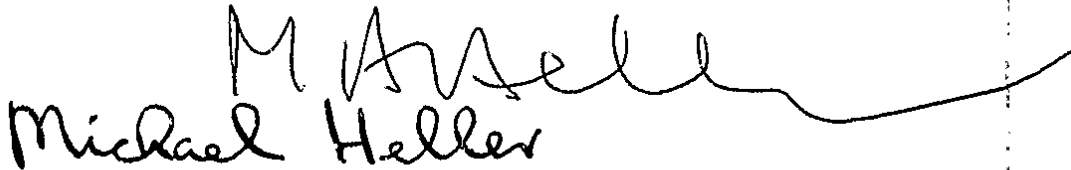
LISTED INVESTMENTS

Bisichi's wholly owned share dealing subsidiary, Mineral Products Limited, has retained its portfolio of shares, a significant part of which is invested in minerals and natural resources stocks.

UNLISTED INVESTMENTS

We continue with our investment in Signal Radio which is based in Staffordshire. Dragon Markets, which we own jointly with London & Associated Investment Trust PLC and which operates an indoor market for more than 40 independent traders from its own freehold premises in West London, continues to trade successfully.

I look forward to 1992/93 with confidence and I would like to end by thanking my colleagues on the Board and the staff for their unstinting efforts on behalf of your company.



Michael Heller

M. A. Heller
Chairman
11th May 1992

Mining Report



Bob Mackilligin,
M.C., A.C.S.M., F.I.M.M., C.Eng
Executive Director of Mining

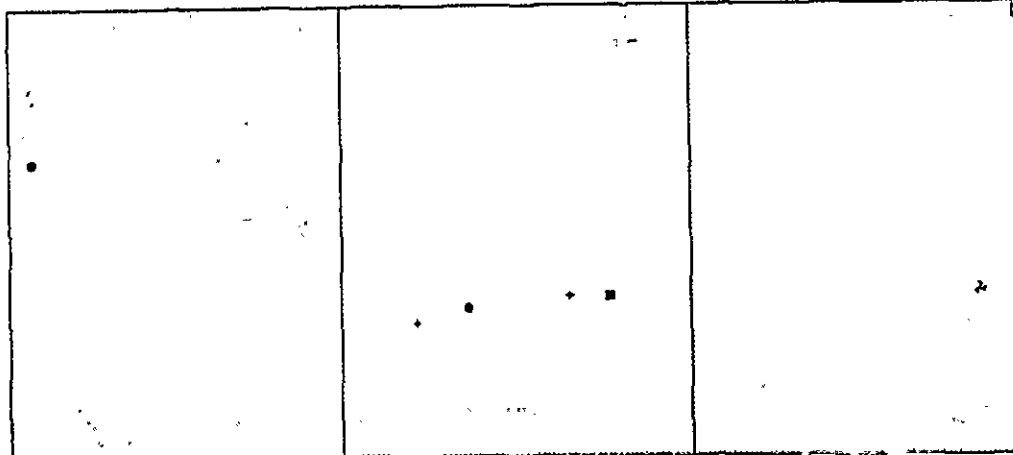
The policy of your Directors is to invest in mining opportunities at an early stage in their development and to maintain a geographical spread in countries with an established mining tradition, as the map below shows. Recently the emphasis has been on South Africa where, as the Chairman reported in his Interim Statement, Bisichi during the year agreed to an arrangement proposed by Glenn Laing to merge his private mining interests with South Murchison Consolidated Mines Limited. As a result Bisichi's 40% holding in that company became a 13% interest in Revere Resources SA Limited, the holding company for Glenn Laing's planned mining acquisitions. I am happy to report that our original investment has shown a significant increase in value as a result of this arrangement.

Since the last report, Revere Resources has acquired controlling interest in four mining projects. First, a deep Witwatersrand gold mine was acquired from Rand Leases Gold Mining Company Ltd and although the mine is largely worked out, sufficient high grade ore remains, mostly in the shaft pillar, to support a profitable

NORTH AMERICA

SOUTHERN AFRICA

AUSTRALIA



Projects: ◻ Gold • Diamonds ▲ Copper ◻ Coal

Mining Report *(continued)*

operation for some 10 years. Second, the mine, mill and properties of Gravelotte Mines Ltd were purchased and mining for gold continues there and also at the neighbouring La France deposit of the South Murchison Gold Mining Company (Pty) Ltd, a subsidiary of South Murchison Consolidated Mines, now Revere Resources. Third, Foston Limited, the holding company for five collieries with potential for further development, was purchased. Lastly, Revere acquired the right to mine and the option to purchase the very large Haib copper and molybdenum porphyry deposit in Namibia and is in the process of raising the finance necessary for its development. Three of these companies are, in addition to Revere Resources, listed on the Johannesburg Stock Exchange.

Also in South Africa, Ocean Diamond Mining Ltd, which operates in shallow water off the coast of Namibia and also holds extensive deep water concessions off the mouth of the Orange River, was re-financed with support from major South African companies. The company was transferred from Guernsey to South African domicile and listed on the Johannesburg Stock Exchange as Ocean Diamond Mining Holdings Limited.

Bisichi continues to hold 25% of Deep River Diamond Mine (Pty) Limited situated near Lichtenburg and a small stake in Southern Platreef Mining Co Limited, which owns a nickel and platinum deposit at Potgietersrus in the Transvaal. Both are from the Southern Witwatersrand Exploration Company Limited stable.

In Western Australia, Oresearch NL has brought its 49% owned open pit gold mine at Mt McClure into production. Bisichi was a founder investor in Oresearch in 1983 and it is a matter of some satisfaction to see it come to fruition. Since the year end, Ian Hassel, the discoverer and developer of the Mt McClure deposit, has floated a new exploration company, Barranco Resources NL and Bisichi has again supported him with a modest investment.

In the USA, Centurion Mines Corporation in a joint venture with Crown Resources Inc of Denver is exploring a large, low grade gold deposit at Kings Canyon in their extensive Utah Gold Belt acreage. In addition, Centurion Mines have acquired acreage in Washington State with potential for a large low grade copper and gold mine. Also in the USA, Bisichi invested during the year in Pima Mining NL, an Australian listed company, which has now completed a feasibility study of their Newsboy gold project in Arizona and plan to commence mining later in 1992.

In Canada, Bisichi invested during the year in Crew Natural Resources Limited, who are nearing completion of the development phase at their Red Dog copper deposit on Vancouver Island, British Columbia. Crew is listed on the Vancouver Stock Exchange and application has been made for a listing on the Toronto Stock Exchange.

While we are confident that our two 1991 investments in the USA and Canadian ventures will soon become producing mines, the level of their profitability will of course be very dependent on world metal prices for gold and copper.

R G W Mackilligin
11th May 1992

Directors and Officials

Directors:

M. A. Heller, M.A., F.C.A. (*Chairman*)

D. M. Dent-Young, C.B.E., A.C.S.M., F.I.M.M., C.Eng.

R. G. W. Mackilligin, M.C., A.C.S.M., F.I.M.M., C.Eng.

L. C. J. Brown, F.C.A.

M. W. Parish, M.C. (*Non-executive*)

Michael Parish has been a director since 1957. He is also chairman of El Oro Mining & Exploration Company PLC and The Exploration Company PLC.

J. A. Sibbald, B.L., C.A., (*Non-executive*)

John Sibbald was appointed in 1988. He is a Chartered Accountant who has spent over 15 years in stockbroking, specialising in mining and international investment.

Secretary and Registered Office:

M. C. Stevens, F.C.A.

30-34 New Bridge Street

London EC4V 6LT

Director of Property:

M. J. Dignan, F.R.I.C.S.

Auditors:

Pannell Kerr Forster, London

Principal Bankers:

National Westminster Bank PLC

Lloyds Bank PLC

Corporate Solicitors:

Clifford Chance

Stockbrokers:

Paribas Limited

Registrars and Transfer Office:

Regis Registrars Limited

Balfour House, 390/398 High Road

Ilford, Essex IG1 1NQ

Company Registration Number — 112155 (England & Wales)

Financial Calendar

Annual General Meeting

25th June 1992

Payment of dividend (if approved)

28th August 1992

Announcement of Interim results to 30th June 1992

Mid October 1992

Report of the Directors

Activities &
Review of
Business

The directors submit their report together with the consolidated accounts for the year ended 31st December 1991.

The company continues its mining finance activities and investment activities. Income for the year was derived from property rentals and from holding and dealing in investments.

The profit for the year and state of affairs of the group and the company at 31st December 1991 are shown on pages 11 to 13.

Financial
Statements &
Dividend

The results for the year are as disclosed in the Consolidated Statement of Earnings on page 11. The directors recommend the payment of a dividend of 0.60p per share on the Ordinary Share Capital for the year under review. The dividend will be payable on Friday 28th August 1992 to shareholders registered at the close of business on 31st July 1992.

Investment
Properties

The investment property portfolio was revalued at 31st December 1991 by the Board in consultation with the group's property advisers, who are independent firms of chartered surveyors, who advise that there is no material change in the valuation of the properties they made at 31st December 1989. The directors' valuation at 31st December 1991 amounts to £3,766,000. A jointly-owned property was sold during the year.

Directors

The directors of the company during the year were Mr M. A. Heller, Mr L. C. J. Brown, Mr D. M. Dent-Young, Mr R. G. W. Mackilligin, Mr M. W. Parish and Mr J. A. Sibbald.

Mr M. A. Heller and Mr L. C. J. Brown retire by rotation, and being eligible, offer themselves for re-election.

No director had any material interest in any contract or arrangement with the company during the year. No director has a service contract with the company.

Directors'
Shareholdings

The interests of the directors in the shares of the company including family and trustee holdings where appropriate, were as follows:

	Beneficial		Non-Beneficial	
	31.12.91	1.1.91	31.12.91	1.1.91
Mr M. A. Heller	242,666	242,666	557,334	557,334
Mr L. C. J. Brown	—	—	—	—
Mr D. M. Dent-Young	6,400	6,400	—	—
Mr R. G. W. Mackilligin	50,000	40,000	—	—
Mr M. W. Parish	—	—	8,472	8,472
Mr J. A. Sibbald	—	—	—	—

Under the terms of an Employee Benefit Trust Mr R. G. W. Mackilligin has an option to purchase 30,000 shares in the company at 33.1p between 24th November 1991 and 23rd November 1995.

There have been no changes in the above shareholdings since 31st December 1991.

Report of the Directors *(continued)*

Substantial Interests

The following have advised the company that they have an interest in 3 per cent or more of the issued share capital of the company:

London and Associated Investment Trust PLC – 4,155,752 shares representing 39.8 per cent of the issued capital. Mr M. A. Heller and Mr L. C. J. Brown are directors and shareholders of London & Associated Investment Trust PLC.

Jupiter Tarbutt Merlin – 646,200 shares representing 6.18 per cent of the issued share capital.

Mars UK Pension Fund – 517,349 shares representing 4.95 per cent of the issued capital.

MGM Assurance Group – 500,000 shares representing 4.78 per cent of the issued capital.

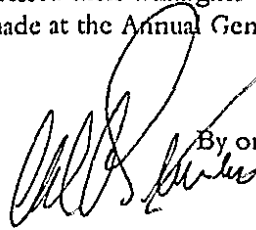
Discretionary clients of John Carrington & Co Limited – 938,000 shares representing 8.97 per cent of the issued share capital.

So far as the board is aware no other person is beneficially interested in 3 per cent or more of the issued capital of the company.

Other Matters

- (a) The company is not a close company as defined by the Income & Corporation Taxes Act 1988.
- (b) Pannell Kerr Forster have expressed their willingness to continue in office as auditors. A proposal will be made at the Annual General Meeting for their re-appointment.

30-34 New Bridge Street
London EC4V 6LT
11th May 1992



By order of the Board
M. C. STEVENS
Secretary

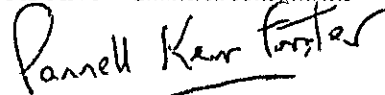
Bisichi Mining PLC

Report of the Auditors to the Members of Bisichi Mining PLC

We have audited the financial statements on pages 11 to 22 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group at 31st December 1991 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PANNELL KERR FORSTER - *Chartered Accountants*
Registered Auditor
London



11th May 1992

Consolidated Statement of Earnings

year ended 31st December 1991

	Notes	1991 £000	1990 £000
Rents receivable		344	292
Property expenses and attributable overheads	3	(189)	(198)
		<u>155</u>	<u>94</u>
Trading & share dealing profits		43	68
Provision against listed investments held as current assets		(71)	
Income from listed investments held as current assets		21	28
Income from interests in associated undertaking		-	16
Commissions and fees		1	1
		<u>149</u>	<u>202</u>
Administrative expenses	3	61	83
Depreciation	11	2	2
		<u>63</u>	<u>85</u>
Operating Profit		86	117
Investment income and interest receivable	2	24	24
Interest payable	5	(4)	(2)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>106</u>	<u>139</u>
Taxation on profit on ordinary activities	6	(28)	37
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>78</u>	<u>102</u>
Extraordinary profit/(loss)	7	(5)	56
PROFIT FOR THE FINANCIAL YEAR	8	<u>73</u>	<u>158</u>
Dividend	9	(63)	68
RETAINED PROFIT FOR THE FINANCIAL YEAR	20	<u>10</u>	<u>90</u>
EARNINGS PER SHARE	10	<u>.75p</u>	<u>1.01p</u>

Movements on reserves are set out in Note 20.

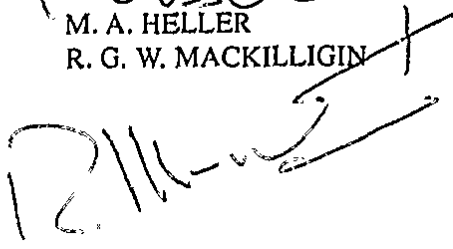
Bisichi Mining PLC

Balance Sheets as at 31st December 1991

	Notes	The Group		The Company	
		1991 £000	1990 £000	1991 £000	1990 £000
FIXED ASSETS					
Tangible assets	11	3,772	3,888	3,772	3,888
Investments	12	1,080	1,080	888	888
		<u>4,852</u>	<u>4,968</u>	<u>4,660</u>	<u>4,776</u>
CURRENT ASSETS					
Debtors	15	81	141	307	258
Investments	16	406	355	-	-
Bank balances		22	13	17	12
		<u>509</u>	<u>509</u>	<u>324</u>	<u>270</u>
CREDITORS	17	<u>(375)</u>	<u>(433)</u>	<u>(361)</u>	<u>(402)</u>
NET CURRENT ASSETS (LIABILITIES)		<u>134</u>	<u>76</u>	<u>(37)</u>	<u>(132)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,986</u>	<u>5,044</u>	<u>4,623</u>	<u>4,644</u>
PROVISION FOR LIABILITIES & CHARGES	18	-	-	-	-
NET ASSETS		<u><u>4,986</u></u>	<u><u>5,044</u></u>	<u><u>4,623</u></u>	<u><u>4,644</u></u>
CAPITAL AND RESERVES					
Called up share capital	19	1,045	1,045	1,045	1,045
Revaluation Reserve	20	3,256	3,324	3,058	3,123
Retained earnings	20	685	675	520	476
		<u>4,986</u>	<u>5,044</u>	<u>4,623</u>	<u>4,644</u>

These financial statements were approved by the board of directors on 11th May 1992.


M. A. HELLER


R. G. W. MACKILLIGIN

Directors

Group Cash Flow Statement

for the year ended 31st December 1991

	Notes	1991 £000	1990 £000
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	1	134	(97)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		22	24
Interest paid		(4)	(12)
Dividends received		2	5
Dividends paid		(63)	(59)
		(43)	(42)
TAXATION			
Corporation tax paid		(53)	(32)
INVESTING ACTIVITIES			
Payments to acquire fixed asset investments		(100)	(171)
Receipts from sales of fixed asset investments		-	96
Payments to acquire tangible fixed assets		(2)	(4)
Receipts from sales of properties		145	-
		43	(79)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		81	(250)

NOTES TO GROUP CASH FLOW STATEMENT

1. Reconciliation of operating profit to net cash inflow from operating activities

Operating profit	86	(20)
Depreciation charges	2	2
Provision against listed investments	71	-
Decrease/(Increase) in debtors	67	58
Increase/(Decrease) in creditors	32	(81)
(Increase) in cost of current asset investments	(124)	(80)
	134	97

2. Analysis of changes in cash and cash equivalents during the year

Balance at 1st January	(59)	191
Net cash inflow/(outflow)	81	(250)
Balance at 31st December	22	59

3. Analysis of the balances of cash and cash equivalents as shown in the balance sheet

	1991 £000	Change in year £000	1990 £000	Change in year £000	1989 £000
Bank balances	22	9	13	(240)	253
Bank overdrafts	-	72	72	(10)	62
	22	81	85	(250)	191

Accounting Policies

for the year ended 31st December 1991

Group

The following are the main accounting policies of the Group

Accounting Policies

Format of Accounts

The standard formats for the statement of earnings as required by the Companies Act 1985 Schedule 4 Part 1 have been adapted to provide more appropriate information which reflects the activities of the Group.

Accounting Convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and current asset investments, and are prepared in accordance with applicable accounting standards.

Basis of Consolidation

The consolidated financial statements comprise:

(a) The financial statements of the company and its subsidiaries made up to 31st December.

(b) The group's share of the results of Dragon Markets Limited for the year ended 31st December.

The group's 24.9 per cent interest in Deep River Diamond Mine (Pty) Limited is not treated as an interest in an associated undertaking because, in the directors' opinion, it does not meet the criteria for doing so set out in Schedule 4A of the Companies Act 1985. It is accordingly treated as a fixed asset investment.

Gross Income

Gross Income comprises rental income, investment dealing, dividends and other income.

Dividends

Dividends, which include the associated tax credit, are credited to the statement of earnings when the dividend is received. This represents a change in accounting policy; dividends having previously been credited to the statement of earnings when the investments were quoted ex-dividend. No prior year adjustment has been made as the effect would not be material.

Depreciation

Provision for depreciation on Office Equipment is made in equal annual instalments at rates designed to write each item off over its useful life, which is between 5 and 10 years.

Foreign Currencies

Monetary assets and liabilities expressed in foreign currencies have been translated at the rates of exchange ruling at the balance sheet date.

Revenue transactions completed during the year are stated at the rates obtained on conversion into sterling.

Investment Properties

The investment property portfolio is included in the financial statements at annual directors' valuation. It is the directors' intention that these properties shall be externally professionally valued at least every fifth year in accordance with Statement of Standard Accounting Practice No 19. An additional external professional valuation was made at 31st December 1989. The next external professional valuation will be at 31st December 1992.

Investments

(a) Listed investments of the company are stated in the balance sheet as fixed assets at cost less amounts written off. Profits or losses on the disposal of these investments are treated as extraordinary.

(b) Listed investments of the dealing subsidiary are stated in the balance sheet as current assets at market value. Movements in value are reflected in the revaluation reserve. Where market value is less than cost in aggregate, a provision for the full amount of the shortfall is made in the statement of earnings. Net profits and losses on realisation of these investments are carried to the statement of earnings as part of the profit and loss on ordinary activities before taxation.

Deferred Taxation

Provision is made for the potential liability which could arise if the investments held as current assets were realised at market value. No provision is made for deferred taxation which might arise if investment properties were realised at their balance sheet valuations as the properties of the Group are held as long-term investments. The potential liability is set out in the note relating to provision for liabilities and charges.

Notes to the Financial Statements

31st December 1991

1 Gross income and net operating assets		Gross Income		Operating Profit		Net Operating Assets	
		1991 £000	1990 £000	1991 £000	1990 £000	1991 £000	1990 £000
	Property	360	306	145	68	4,203	4,383
	Mining	50	-	(33)	(23)	607	600
	Share Dealing	144	158	(35)	49	392	355
	Other Investments	9	13	9	10	13	13
	Associated Undertaking	-	-	-	16	-	-
	Net Non-Operating Liabilities	-	-	-	-	(229)	(307)
		<u>563</u>	<u>477</u>	<u>86</u>	<u>120</u>	<u>4,986</u>	<u>5,044</u>
	Analysis by Geographic Area						
	United Kingdom	513	477	119	143	4,556	4,689
	North America	-	-	(9)	7	136	61
	Southern Africa	50	-	(15)	8	410	484
	Australia	-	-	(9)	8	113	117
	Net Non-Operating Liabilities	-	-	-	-	(229)	(307)
		<u>563</u>	<u>477</u>	<u>86</u>	<u>120</u>	<u>4,986</u>	<u>5,044</u>
2 Investment income and interest receivable				1991 £000	1990 £000		
	Income from listed investments held as fixed assets			2	5		
	Interest from associated undertakings			14	14		
	Other interest receivable			8	10		
				<u>24</u>	<u>29</u>		
3 Administrative expenses	Administrative expenses include:						
	Directors' emoluments			19	17		
	Auditors' remuneration			10	10		
4 Directors' emoluments	Fees			8	5		
	Other emoluments			11	9		
				<u>19</u>	<u>17</u>		
	Emoluments of the chairman			2	2		
	Emoluments of the highest paid director			6	6		
	Scale of directors' emoluments			Number	Number		
	Nil - £5,000			5	5		
	£5,001 - £10,000			1	1		
5 Interest payable	Interest on bank overdrafts			£000	£000		
				4	12		

Notes to the Financial Statements

31st December 1991 (continued)

6 Taxation

	1991 £000	1990 £000
Based on the results for the year		
Corporation tax at 33.25% less marginal relief	30	7
Deferred taxation	(10)	14
Attributable to franked investment income	7	5
Overseas Tax	1	1
	<u>28</u>	<u>27</u>
Associated company	-	4
	<u>28</u>	<u>31</u>

7 Extraordinary items

Surplus on sale of fixed assets:		
Property	95	-
Listed investments	-	56
Amount provided against fixed assets:		
Unlisted investments	(100)	-
	<u>(5)</u>	<u>56</u>

No tax has been provided on the surplus on sale of fixed assets as it is covered by capital losses brought forward.

8 Attribution of result to Bisichi Mining PLC

	1991 £000	1990 £000
Dealt with in the financial statements of Bisichi Mining Plc	<u>107</u>	<u>141</u>

In accordance with the exemption permitted by Section 230 of the Companies Act 1985, the parent company has not presented its own statement of earnings.

9 Dividend

	1991	1990
	Per share £000	Per share £000
Proposed final dividend	<u>0.60p</u> <u>63</u>	<u>0.60p</u> <u>63</u>

10 Earnings per share

The earnings per share have been calculated on a group net profit before extraordinary items of £78,000 (1990: £106,000) and 10,451,506 (1990: 10,451,506) shares.

Notes to the Financial Statements

31st December 1991 (continued)

11 Tangible fixed assets

	The Group and the Company	Investment Properties			
		Total	Freehold	Long Leasehold	Office Equipment
		£000	£000	£000	£000
Cost or valuation at 1st January 1991		3,894	2,111	1,771	12
Additions during the year		2	-	-	2
Disposals during the year		(116)	(116)	-	-
Cost or valuation at 31st December 1991		3,780	1,995	1,771	14
At valuation		3,766	1,995	1,771	-
At cost		14	-	-	14
		<u>3,780</u>	<u>1,995</u>	<u>1,771</u>	<u>14</u>
Accumulated depreciation at 1st January 1991		6	-	-	6
Charge for the year		2	-	-	2
Accumulated depreciation at 31st December 1991		8	-	-	8
Net book value at 31st December 1991		<u>3,772</u>	<u>1,995</u>	<u>1,771</u>	<u>6</u>
Net book value at 31st December 1990		3,894	2,111	1,771	12

Freehold and long leasehold properties were valued at 31st December 1991 by the directors, in consultation with the group's property advisers, who are firms of independent chartered surveyors, at open market value on the basis of existing use.

During the year, a property jointly owned with London & Associated Investment Trust PLC and valued at 31st December 1990 at £101,000 was sold to a third party. A second jointly owned property valued at £1,475,000 was divided so that the company became beneficially entitled to one half of it. The remaining jointly owned property is valued at £250,000. These values represent the company's one half share of the properties and are included in the above figures.

If properties had been included at original cost the comparable amount for investment properties would be:

	Freehold	Long Leasehold
	£000	£000
Cost at 31st December 1991	<u>462</u>	<u>245</u>

Notes to the Financial Statements

31st December 1991 (continued)

12 Investments held as fixed assets

The Group	Associated	Listed	Unlisted Investments		
	Total	Under-taking	Investments	Other Shares	Loan Stocks
	£000	£000	£000	£000	£000
Cost or valuation at 1st January 1991	1,145	323	483	195	144
Acquisitions	100	-	79	-	21
Cost or valuation at 31st December 1991	<u>1,245</u>	<u>323</u>	<u>562</u>	<u>195</u>	<u>165</u>
Provision for diminution in value at 1st January 1991	65	-	57	8	-
Charged in year	100	-	-	100	-
Provision for diminution in value at 31st December 1991	<u>165</u>	<u>-</u>	<u>57</u>	<u>108</u>	<u>-</u>
Net book value at 31st December 1991	<u>1,080</u>	<u>323</u>	<u>505</u>	<u>87</u>	<u>165</u>
Net book value at 31st December 1990	<u>1,080</u>	<u>323</u>	<u>426</u>	<u>187</u>	<u>111</u>

The Company	Associated	Listed	Unlisted Investments			
	Total	Under-taking	Investments	Other Shares	Loan Stocks	Subsidiaries
	£000	£000	£000	£000	£000	£000
Cost at 1st January 1991	953	20	483	195	144	111
Acquisitions	100	-	79	-	21	-
Cost at 31st December 1991	<u>1,053</u>	<u>20</u>	<u>562</u>	<u>195</u>	<u>165</u>	<u>111</u>
Provision for diminution in value at 1st January 1991	65	-	57	8	-	-
Charged in year	100	-	-	100	-	-
Provision for diminution in value at 31st December 1991	<u>165</u>	<u>-</u>	<u>57</u>	<u>108</u>	<u>-</u>	<u>-</u>
Net book value at 31st December 1991	<u>888</u>	<u>20</u>	<u>505</u>	<u>87</u>	<u>165</u>	<u>111</u>
Net book value at 31st December 1990	<u>888</u>	<u>20</u>	<u>426</u>	<u>187</u>	<u>144</u>	<u>111</u>

The Group and the Company	1991	1990
The listed investments are listed on Stock Exchanges:	£000	£000
In Great Britain	-	-
Overseas	<u>505</u>	<u>426</u>
Listed Investments at cost less amounts written off	<u>505</u>	<u>426</u>
Market value of listed investments	<u>375</u>	<u>271</u>

Notes to the Financial Statements

31st December 1991 (continued)

12 (continued)

Further Information on Specific Investments

Listed and unlisted investments include holdings in excess of 10 per cent of the issued capital of two companies, the details of which are as follows:

(i) The company's holding of ordinary shares in Revere Resources S.A. Limited (formerly South Murchison Consolidated Mines Limited) was reduced from 40.1 per cent to 13.1 per cent during the year as a result of an issue of shares by Revere Resources S.A. Limited to a third party. The name of the company was changed at the same time. It is incorporated in South Africa and continues to be listed on the Johannesburg Stock Exchange.

(ii) The company continues to hold 24.9 per cent of the issued share capital of Deep River Diamond Mine (Pty) Limited which is incorporated in South Africa. In addition, an interest-bearing loan of 100,000 Rands was advanced during the year which was utilised for further exploration activity. The accounts of Deep River Diamond Mine (Pty) Limited for the year ended 29th February 1992 show aggregate capital and reserves of 656,386 Rands and a loss for the year of 1,334,740 Rands.

Neither of these two companies are treated as associated undertakings because they do not meet the criteria for doing so set out in Schedule 4A of the Companies Act 1985.

13 Associated undertaking

Unlisted Associated Company - Dragon Markets Limited

The company owns 50 per cent of the issued share capital of Dragon Markets Limited.

The remaining 50 per cent is held by London & Associated Investment Trust PLC.

The company is incorporated in England and has issued share capital of 23,000 ordinary shares of £1 each. Its principal country of operation is England.

	1991	1990
	£000	£000
Share of net assets at 31st December	424	224
Capital reserve	(101)	101
	<u>323</u>	<u>325</u>

In addition to the holding in the share capital, the company also holds loan stock of £144,386 in Dragon Markets Limited (included within Note 12).

14 Subsidiary companies

	Country of Incorporation	Percentage of Share capital	Class of shares held
Mineral Products Limited	England	100%	Ordinary
Bisichi Mining (Exploration) Limited	England	100%	Ordinary

In the opinion of the directors the aggregate value of the investment in subsidiaries is not less than the amount shown in these financial statements. The principal country of operation of each subsidiary is England.

Notes to the Financial Statements

31st December 1991 (continued)

15 Debtors	The Group		The Company	
	1991	1990	1991	1990
Amounts falling due within one year:	£000	£000	£000	£000
Subsidiaries	-	-	218	199
Other debtors	61	128	61	124
Prepayments and accrued income	9	13	9	9
	<u>70</u>	<u>141</u>	<u>288</u>	<u>239</u>
Amounts falling due after more than one year:				
Advance Corporation Tax	11	-	19	19
	<u>81</u>	<u>141</u>	<u>307</u>	<u>258</u>

Other debtors includes a loan of £10,000 (1990: £10,000) to the Trustee of the Employee Benefit Trust which was used to purchase shares in the company.

16 Investments held as current assets	The Group	
	1991	1990
Market value of Listed Investments:	£000	£000
Listed in Great Britain	353	294
Listed outside Great Britain	53	61
	<u>406</u>	<u>355</u>
Original cost of Listed Investments	<u>477</u>	<u>353</u>

17 Creditors	The Group		The Company	
	1991	1990	1991	1990
Amounts falling due within one year:	£000	£000	£000	£000
Bank overdraft (secured)	-	72	-	72
Corporation Tax	29	50	31	23
Other taxation and social security	8	10	8	10
Proposed dividend	63	63	63	63
Other creditors	135	91	121	87
Accruals and deferred income	140	147	138	147
	<u>375</u>	<u>433</u>	<u>361</u>	<u>402</u>

The bank overdraft is secured by a charge over a long leasehold property.

Notes to the Financial Statements

31st December 1991 (continued)

18 Provision for liabilities and charges

Deferred Taxation

Balance at 1st January 1991

Transfer to profit and loss account

Transfer from revaluation reserve

Less: unrelieved advance corporation tax on proposed dividend

Timing difference following the revaluation of current asset investments

Unrelieved losses

Less: unrelieved advance corporation tax on proposed dividend

No provision has been made for the approximate taxation liability at 33% (1990: 33%) of £850,000 (1990: £930,000) which would arise if the investment properties were sold at the stated valuation.

19 Share capital

Authorised: 13,000,000 ordinary shares of 10p each

Allotted and fully paid: 10,451,506 ordinary shares

The Group	The Company
£000	£000
19	-
(10)	-
(1)	-
8	-
(8)	-
-	-
12	-
(4)	-
8	-
(8)	-
-	-

1991	1990
£000	£000
1,300	1,300
1,045	1,045

Notes to the Financial Statements

31st December 1991 (continue.)

20 Reserves

	Revaluation Reserve			Retained Earnings
	Total	Investment Properties	Listed Investments	
The Company	£000	£000	£000	£000
Balance at 1st January 1991	3,123	3,123	-	476
Realised on sale of property	(65)	(65)	-	-
Retained surplus for the year	-	-	-	44
Balance at 31st December 1991	<u>3,058</u>	<u>3,058</u>	<u>-</u>	<u>520</u>
Share in subsidiary and associated undertaking				
Balance at 1st January 1991	201	198	3	199
Elimination of listed investment revaluation reserve	(3)	-	(3)	-
Retained loss for the year	-	-	-	(34)
Balance at 31st December 1991	<u>198</u>	<u>198</u>	<u>-</u>	<u>165</u>
The Group at 31st December 1991	<u>3,256</u>	<u>3,256</u>	<u>-</u>	<u>685</u>

21 Employees

The average weekly number of employees of the Group during the year was 12,199. Staff costs during the year were as follows:

	1991	1990
	£000	£000
Salaries	94	57
Social security costs	11	5
	<u>105</u>	<u>64</u>

There are no pension costs or liabilities falling on the company.

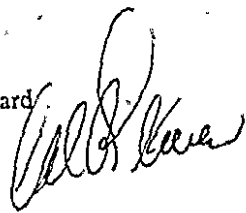
Notice of Meeting

NOTICE IS HEREBY GIVEN that the EIGHTY-FIRST ANNUAL GENERAL MEETING of the company will be held at 30-34 New Bridge Street, London EC4V 6LT on 25th June 1992 at 12 noon for the transaction of the following business:

1. To receive and adopt the Directors' Report and Financial Statements for the year ended 31st December 1991.
2. To declare a dividend of 0.60p per share.
3. (a) To re-elect as a director Mr M. A. Heller, who retires by rotation.
(b) To re-elect as a director Mr L. C. J. Brown, who retires by rotation.
4. To reappoint Pannell Kerr Forster as auditors.
5. To authorise the directors to fix the remuneration of the auditors.

By Order of the Board

M. C. STEVENS
Secretary



30-34 New Bridge Street
London EC4V 6LT

Registered in England and Wales - Number 112155

11th May 1992

Notes:

1. A member entitled to vote at the above mentioned meeting may appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member of the company.
2. No director has a contract of service with the company or its subsidiary companies.
3. The following document will be available for inspection at the registered office of the company on any weekday during normal business hours and will also be available from 11.45 am on the day of the meeting until the close of the meeting:

A statement of all transactions of each director and their interests and family interest, in the share capital of the company.