11 2155

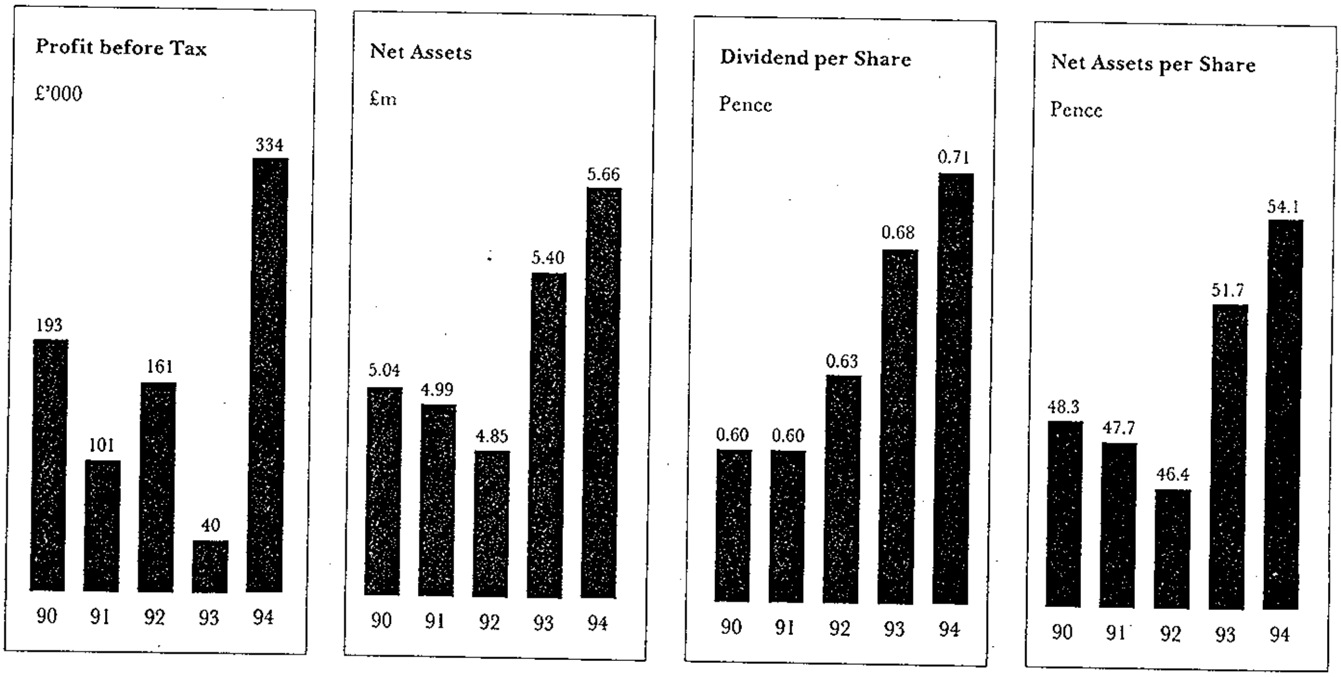
The Group's prime objective is to seek capital growth by prudently investing in property and by financing speculative mining ventures around the world.

	1994	1993	% *change*
Profit before taxation	£334,000	£40,000	*735.0*
Consolidated net assets	£5,656,000	£5,402,000	*4.7*
Net assets per ordinary share	54.1p	51.7p	*4.6*
Dividends per share	0.71p	0.68p	*4.4*

Five year financial summary

FIVE YEAR RECORD	1994 £'000	1993 £'000	1992 £'000	1991 £'000	1990 £'000
Consolidated profit and loss account					
Gross income	**515**	665	463	563	477
Operating profit	**59**	191	177	86	125
Profit before tax	**334**	40	161	101	193
Consolidated balance sheet					
Investment properties	**4,910**	4,680	4,200	3,766	3,882
Fixed asset investments	**916**	1,033	1,006	1,080	1,080
	5,826	5,713	5,206	4,846	4,962
Current investments	**467**	423	417	406	353
	6,293	6,136	5,623	5,252	5,315
Other assets less liabilities	**(712)**	(882)	(773)	(266)	(273)
Consolidated net assets per balance sheet	**5,581**	5,254	4,850	4,986	5,042
Adjustment of current investments to market value	**75**	148	–	–	2
Consolidated net assets	**5,656**	5,402	4,850	4,986	5,044
Net assets per ordinary share*	**54.1p**	51.7p	46.4p	47.7p	48.3p
Dividend per share	**0.71p**	0.68p	0.63p	0.60p	0.60p

*Based on Net Assets including the investment portfolio at market value.



Chairman's review

I am pleased to report that the results for the 12 months ended 31 December 1994 show a pre-tax profit of £334,000 (1993: £40,000). It is somewhat difficult to make a direct comparison with the results for the previous year as in 1993 we made an exceptional provision of £125,000 against certain mining investments whereas in 1994 we have included as exceptional profits substantial surpluses on certain disposals of mining investments. These included Ocean Diamonds (which recovers diamonds from the ocean floor off the coast of Namibia), Rand Leases which mines for gold close to Johannesburg, Caledonian Mining which operates a gold recovery process in Spain and Grew Natural Resources – now South Crofty – which then explored for copper in Canada. The proceeds have been reinvested in the Black Wattle coal mine in South Africa in which we now have a 50% interest. I will expand further on Black Wattle under Mining below.

The property portfolio, as at 31 December 1994, has been externally revalued by two independent firms of Chartered Surveyors and a summary of their valuations can be found on page 13 of these Accounts. The new valuation of £4.91 million compares with £4.68 million as at 31 December 1993. The surplus has been credited to the revaluation reserve.

Group net assets now stand at £5.58 million compared to £5.25 million the previous year.

Your directors are recommending a final dividend of 0.71p (0.68p in 1993) per share, an increase of 4.4%.

Your Group's prime objective is to seek capital growth by prudently investing in property and by financing speculative mining ventures around the world. The rental income from the property portfolio provides funds for developing further the mining portfolio. It is the Group's present policy that no 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 mining portfolio is currently some 12% of net assets.

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

Mining

Bisichi continues with its direct mining investments in South Africa, Western Australia, and the United States.

As in the previous year, our Executive Director of Mining, Bob Mackilligin, has provided a separate report on our mining activities which appears on page 5 of these Accounts.

However I would like to further comment

Chairman's review

on Black Wattle, our coal mining investment in South Africa. In the course of the year under review we were approached by our associates at the Black Wattle Colliery to increase our shareholding to 50% and we have invested accordingly. As I reported at the Interim stage, this coal mine has proven reserves of 10 million tons of a very high quality and will be mined over the next ten years or so. The coal is at shallow depth and is therefore very accessible. As the mine moves into full production it should become a significant undertaking with its own washing plant on site. From 1996 onwards I anticipate that it will contribute to our profits.

Property

The property portfolio, valued at some £4.9 million, consists of 50 fully let shops in the UK in the form of shopping parades and precincts. We continue to use conservative accounting policies and in 1994 all interest charges have been written off in the Profit and Loss Account. Increased rents are being achieved in line with our forecasts as rent reviews and lease renewals occur. There are no property dealing profits.

Listed Investments

Bisichi's wholly owned share dealing subsidiary, Mineral Products Limited, has retained its portfolio of shares, a part of which is invested in minerals and natural resources stocks. The aggregate market value at 31 December 1994 was £542,000.

Unlisted Investments

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

Sadly, I must report the death in August 1994 of Michael Parish at the age of 78. Michael Parish joined the board of Bisichi in 1956 and served as a director for some 38 years. When I joined the board of Bisichi in1972, UK assets were some £300,000 whereas today our total assets stand at £6.7 million, of which nearly 90% are in the UK. Michael Parish was a very wise counsel in the building up of your Company, both in the UK and mining overseas, particularly in South Africa. We shall miss him. Our sympathies go out to his wife, Elizabeth and to his family.

I would like to end by thanking my colleagues on the board and the staff for their unstinting efforts on behalf of your Company.

I look forward to the future with confidence.

Michael Heller

MA Heller

25 April 1995

Mining report

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

1994 was a year of transition for Bisichi. The company took advantage of improvements in the share price of a number of mining companies, in which it held an interest, to dispose of or substantially reduce its holdings at a significant profit. The funds thus generated were substantially reinvested in coal mining in South Africa.

As I reported last year, Bisichi purchased a royalty interest in the New Uitkyk colliery. Following a restructuring the name of the coal mining company was changed to Black Wattle. Since the year end Bisichi has negotiated a 50% interest in the company by conversion of its royalty interest to equity and by the purchase of additional shares. Our interest in Black Wattle is now held in equal partnership with Southern Witwatersrand Exploration Company Ltd (SouthWits) in which Bisichi has a 10% equity interest and board representation. Bisichi has an equal representation on the board of Black Wattle and appoints the Chairman.

As the Chairman has reported in his Statement, the Black Wattle mine is situated some 120 miles from Johannesburg in the Middelburg coal field. The coal is at shallow depth and is readily mined by a conventional room and pillar method. Proven reserves of some 10 million tons will be mined into the next century. The coal is of premium quality and finds a ready market for both domestic use and export. It promises to provide Bisichi with a source of income for many years to come.

Also in South Africa, in addition to its 10% interest in SouthWits, the company retains a significant holding in Revere Resources SA Limited. Following the departure of Mr Glenn Laing, the chairmanship of the company has been assumed by Mr Brett Kebble while Bisichi retains board representation. Revere shares are currently suspended by the Johannesburg Stock Exchange pending the outcome of proposals to restructure the company and Bisichi's investment has been written down accordingly. Our entire holding in Southern Platreef Mining Company Limited was sold at a loss.

As to other disposals, in addition to the sale of the bulk of our holding in Ocean Diamond Mining Holdings Limited as noted in last year's report, the company sold all its shares in South Crofty Holding Limited, formerly Crew Natural Resources Limited, and Rand Leases Gold Mining Company Limited, and most of the investment in Caledonia Mining Corporation each at a satisfactory profit.

Bisichi retains its holding in Centurion Mines Corporation, which continues with exploration, mostly by joint venture, of its extensive acreage in the State of Utah, USA and recently reported the discovery of a potentially very large oxide copper deposit. In the USA, Bisichi continues with its interest in North Lily Mining Company.

In Western Australia, Pima Mining NL disposed of its North American gold properties to Moneta Porcupine Mines in exchange for shares in that company and is currently exploring for gold and diamonds in Western Australia. Also in Western Australia Barranco Resources NL is in the early stages of development of two of its gold prospects but it is too early to predict the outcome.

It is a matter of some satisfaction to the Bisichi board that for the first time since 1978 in Nigeria, your company holds a 50% interest in an operating mine.

RGW Mackilligin
25 April 1995

Directors and officials

Directors	†**Michael A Heller** MA FCA (Chairman)
	Robert GW Mackilligin MC ACSM FIMM CEng
	*†**LC John Brown** FCA (Non-Executive) John Brown has been a director since 1989. He practiced as a chartered accountant for many years, both in the United Kingdom and the United States of America.
	David M Dent-Young CBE ACSM FIMM CEng
	*†**John A Sibbald** BL CA (Non-Executive) John Sibbald has been a director since 1988. He is a chartered accountant who has spent over 15 years in stockbroking, specialising in mining and international investment.
Secretary and registered office	**Michael C Stevens** FCA 8-10 New Fetter Lane London EC4A 1NQ
Director of property	**Mike J Dignan** FRICS
Auditors	Pannell Kerr Forster
Principal bankers	National Westminster Bank PLC
Corporate solicitors	Clifford Chance
Stockbrokers	Paribas Limited
Registrars and transfer office	Independent Registrars Group Limited Balfour House, 390/398 High Road Ilford, Essex IG1 1NQ
Company registration number	112155 (England & Wales)

†member of the remuneration committee

*member of the audit committee

Directors' report

The directors submit their report, together with the consolidated financial statements, for the year ended 31 December 1994.

Activities and review of business

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

During the year the company increased its share of the Royalty due from Black Wattle Colliery (Propriety) Limited (formerly New Uitkyk Colliery) to 44.11% and also acquired 13% of the equity. Since the year end the company has by further investment and conversion of its royalty increased its share of equity to 50%. The remaining 50% is held by Southern Witwatersrand Exploration Co. Ltd.

The company continues to hold a 50% interest in Dragon Markets Limited, which operates an indoor market in West London.

The profit for the year and state of affairs of the Group and the company at 31 December 1994 are shown on pages 14 to 28.

Results and dividend

The results for the year are as disclosed in the consolidated profit and loss account on page 14.

The directors recommend the payment of a dividend of 0.71p per share on the Ordinary Share Capital for the year under review. The dividend will be payable on Friday, 25 August 1995 to shareholders registered at the close of business on 3 August 1995.

Investment properties

The investment property portfolio is stated at its open market value of £4,910,000, at 31 December 1994, as valued by the professional external valuers.

Directors

The directors of the company during the year were Mr MA Heller, Mr LCJ Brown, Mr DM Dent-Young, Mr RGW Mackilligin, and Mr JA Sibbald. Mr MW Parish, who was in office from the beginning of the year, died on 31 August 1994.

Mr MA Heller and Mr LCJ 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, save as stated in substantial interests, below. 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	
	31/12/94	1/1/94	31/12/94	1/1/94
Mr MA Heller	**242,666**	242,666	**557,334**	557,334
Mr LCJ Brown	**5,000**	5,000	–	–
Mr DM Dent-Young	**6,400**	6,400	–	–
Mr RGW Mackilligin	**50,000**	50,000	–	–
Mr JA Sibbald	–	–	–	–

Under the terms of an Employee Benefit Trust Mr RGW Mackilligin has an option to purchase 30,000 shares in the company at 33.1p up to 23 November 1995.

There have been no changes in the above shareholdings since 31 December 1994.

Substantial interests

The following have advised that they have an interest in 3% or more of the issued share capital of the company as at 25 April 1995:

London & Associated Investment Trust PLC – 4,355,752 shares representing 41.68% of the issued capital. Mr MA Heller and Mr LCJ Brown are directors and shareholders of London & Associated Investment Trust PLC. Mr MA Heller, including company and trustee holdings – 800,000 shares representing 7.65% of the issued capital. So far as the board is aware no other person is beneficially interested in 3% or more of the issued capital of the company.

In addition the directors are aware of the following substantial non-notifiable holdings as at 31 December 1994:

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

MGM Assurance Group – 421,200 shares representing 4.03% of the issued share capital.

Discretionary clients of John Carrington & Co Limited – 675,000 shares representing 6.46% of the issued share capital.

TR Property Trust plc – 850,000 shares representing 8.13% of the issued share capital.

Corporate governance

The company has adopted the Code of Best Practice contained in the Cadbury Report on the Financial Aspects of Corporate Governance.

Your Board has deliberated over the division of duties of the Chairman and Chief Executive, and has concluded that given the size of the company it would not be appropriate to divide these duties between two directors. Following the death of Mr. M. Parish the company has considered the City Group for Smaller Companies' recommendations that smaller companies have at least two non-executive directors rather than the three recommended by Cadbury. The directors believe that this is appropriate and cost effective. The company has otherwise complied with the code, with the exception

Directors' report

of the provisions relating to internal financial control, which have been issued but are not yet in effect. The group is considering these at present and does not foresee any difficulty in complying with these aspects.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Other matters

(a) The company is not a close company as defined by the Income and 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 and for their remuneration to be determined by the directors.

8-10 New Fetter Lane
London EC4A 1NQ
25 April 1995

By order of the Board
Michael C Stevens
Secretary

Directors' responsibility statement

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the Group and of the profit or loss of the Group for that period. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then to apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Report by the auditors on corporate governance matters

In addition to our audit of the financial statements, we have reviewed the directors' statement on pages 9 and 10 on the company's compliance with the paragraphs of the Code of Best Practice specified for our review by the London Stock Exchange. The objective of our review is to enable us to conclude whether the statement appropriately reflects the company's compliance with those paragraphs of the code.

We carried out our review in accordance with Bulletin 1995/1 'Disclosures relating to corporate governance' issued by the Auditing Practices Board. That Bulletin does not require us to perform the additional work necessary to, and we do not, express any opinion on the effectiveness of the company's corporate governance procedures nor on the ability of the company and the Group to continue in operational existence.

Opinion

With respect to the directors' statement on going concern on page 10, in our opinion the directors have provided the disclosure required by paragraph 4.6 of the Code (as supplemented by the related guidance for directors) and that statement is not inconsistent with the information of which we are aware from our audit work on the financial statements.

Based on enquiry of certain directors and officers of the company, and examination of relevant documents, in our opinion the directors' statement on pages 9 and 10 appropriately reflects the company's compliance with the other paragraphs of the Code specified for our review.

Pannell Kerr Forster

PANNELL KERR FORSTER
Chartered Accountants

London
25 April 1995

Report of the auditors to the shareholders of Bisichi Mining plc

We have audited the financial statements on pages 14 to 28 which have been prepared under the accounting policies set out on pages 18 and 19.

Respective responsibilities of directors and auditors

As described on page 10 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31 December 1994 and of the Group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Pannell Kerr Forster

PANNELL KERR FORSTER
Chartered Accountants
Registered Auditors

London
25 April 1995

Valuers' certificates

To the directors of Bisichi Mining plc

In accordance with your instructions we have carried out a valuation of the freehold and leasehold property interests held as at 31 December 1994 by the company as detailed in our Valuation Report dated 9 March 1995.

Having regard to the foregoing, we are of the opinion that the open market value as at 31 December 1994 of the interests owned by the company was £3,350,000, being made up as follows:

	£'000
Freehold	1,700
Leasehold	1,650
	3,350

London
9 March 1995

Allsop & Co.
Chartered Surveyors

To the directors of Bisichi Mining plc

In accordance with your instructions we have carried out a valuation of the freehold and leasehold property interests held as at 31 December 1994 by the company as detailed in our Valuation Report dated 7 March 1995.

Having regard to the foregoing, we are of the opinion that the open market value as at 31 December 1994 of the interests owned by the company was £1,560,000, being made up as follows:

	£'000
Freehold	250
Leasehold	1,310
	1,560

Leeds
7 March 1995

David Price & Co.
Chartered Surveyors

Consolidated profit and loss account

Year ended 31 December 1994

	Notes	1994 £'000	1993 £'000
Rents receivable		421	406
Property expenses and attributable overheads		(302)	(217)
		119	189
Trading and share dealing profits		22	32
Release of provision against listed investments held as current assets		-	11
Income from listed investments held as current assets		18	19
Income from interests in associated undertakings		6	11
Commissions and fees		3	1
Royalties		11	3
		179	266
Administrative expenses	4	(119)	(74)
Depreciation	11	(1)	(1)
		(120)	(75)
Operating profit	1	59	191
Exceptional items in respect of fixed assets	2	300	(125)
Investment income and interest receivable	3	18	16
Interest payable	6	(43)	(42)
Profit on ordinary activities before taxation		334	40
Taxation on profit on ordinary activities	7	(12)	(44)
Profit/(loss) for the financial year	8	322	(4)
Dividend	9	(74)	(71)
Retained profit/(loss) for the financial year	20	248	(75)
Earnings per share	10	3.08p	(0.04)p

All activities derive from continuing operations.

Movements on reserves are set out in Note 20.

Balance sheets

as at 31 December 1994

		The Group		The Company	
		1994	1993	**1994**	1993
	Notes	**£'000**	£'000	**£'000**	£'000
Fixed assets					
Tangible assets	*11*	**4,916**	4,684	**4,916**	4,684
Investments	*12*	**916**	1,033	**800**	721
		5,832	5,717	**5,716**	5,405
Current assets					
Debtors	*15*	**111**	151	**347**	337
Investments	*16*	**467**	423	**–**	–
(Market value **£542,000** (1993: £571,000))					
Bank balances		**280**	19	**276**	16
		858	593	**623**	353
Creditors – amounts falling due within one year	*17*	**(1,104)**	(1,056)	**(1,099)**	(1,037)
Net current liabilities		**(246)**	(463)	**(476)**	(684)
Total assets less current liabilities		**5,586**	5,254	**5,240**	4,721
Provisions for liabilities and charges	*18*	**(5)**	–	**–**	–
Net assets		**5,581**	5,254	**5,240**	4,721
Capital and reserves					
Called up share capital	*19*	**1,045**	1,045	**1,045**	1,045
Revaluation reserve	*20*	**3,475**	3,429	**3,475**	3,237
Other reserves	*20*	**101**	101	**–**	–
Retained earnings	*20*	**960**	679	**720**	439
Equity shareholders' funds		**5,581**	5,254	**5,240**	4,721

These financial statements were approved by the board of directors on 25 April 1995 and signed on its behalf by:

MA Heller

RGW Mackilligin

Directors

Statement of total recognised gains and losses

Year ended 31 December 1994

	The Group 1994 £'000	1993 £'000
The Company	322	(32)
Subsidiary and associated undertaking	–	28
Profit/(loss) for the year	322	(4)
Revaluation of investment properties – company	271	480
– associated undertaking	(192)	(1)
Total gains and losses recognised in the year	401	475

Historical cost profits and losses

Year ended 31 December 1994

	The Group 1994 £'000	1993 £'000
Reported profit on ordinary activities before taxation	334	40
Realisation of property revaluation gains of previous years	33	–
Historical cost profits on ordinary activities before taxation	367	40
Historical cost profits/(losses) for the year retained after taxation and dividends	281	(75)

Reconciliation of movements in shareholders' funds

Year ended 31 December 1994

	The Group 1994 £'000	1993 £'000
Profit/(loss) for the year	322	(4)
Dividend	(74)	(71)
	248	(75)
Other movements in shareholders' funds:		
Revaluation of investment properties	271	480
Associated undertaking – share of revaluation reserve	(192)	(1)
Net addition to shareholders' funds	327	404
Opening shareholders' funds	5,254	4,850
Closing shareholders' funds	5,581	5,254

Group cash flow statement

for the year ended 31 December 1994

	Notes	1994 £'000	1993 £'000
Net cash inflow from operating activities	*i*	**223**	358
Returns on investments and servicing of finance			
Interest received		**18**	9
Interest paid		**(34)**	(42)
Dividends paid		**(71)**	(66)
		(87)	(99)
Taxation			
Corporation tax paid		**(44)**	(38)
Investing activities			
Payments to acquire investments		**(242)**	(205)
Receipts from sales of investments		**466**	59
Payments to acquire tangible fixed assets		**(2)**	–
Receipts from sales of properties		**46**	–
		268	(146)
Increase in cash and cash equivalents	*ii & iii*	**360**	75

Notes to Group cash flow statement

	1994 £'000	1993 £'000
i Reconciliation of operating profit to net cash inflow from operating activities:		
Operating profit	**59**	191
Depreciation charges	**1**	1
Interest in associated undertaking	**(6)**	(11)
(Provision) against listed investments	**–**	(11)
Decrease in debtors	**65**	158
Increase in creditors	**148**	24
(Increase)/decrease in current asset investments	**(44)**	6
	223	358
ii Analysis of changes in cash and cash equivalents during the year:		
Balance at 1 January	**(714)**	(789)
Net cash inflow	**360**	75
Balance at 31 December	**(354)**	(714)

iii Analysis of the balances of cash and cash equivalents as shown in the balance sheet:

	1994 £'000	Change in year £'000	1993 £'000	Change in year £'000	1992 £'000
Bank balances	**280**	261	19	4	15
Bank overdrafts	**(634)**	99	(733)	71	(804)
	(354)	360	(714)	75	(789)

Group accounting policies

The following are the main accounting policies of the Group:

Format of accounts

The standard formats for the profit and loss account 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 are prepared in accordance with appplicable accounting standards.

Basis of consolidation

The consolidated financial statements comprise:

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

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

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 profit and loss account when the dividends are received.

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. No depreciation or amortisation is provided in respect of freehold and leasehold investment properties. The directors consider that this accounting policy results in the accounts giving a true and fair view. Depreciation or amortisation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

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 open market valuation. An external professional valuation is carried out at least every five years. Surpluses and deficits arising on valuations are taken direct to the investment revaluation reserve.

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 and provisions for diminution in value are treated as exceptional.

(b) Listed investments of the dealing subsidiary are stated in the balance sheet as current assets at the lower of cost or net realisable value, on a portfolio basis. The directors consider this policy to be appropriate given the readily marketable nature of the assets concerned. Net profits and losses on the realisation of these investments are carried to the Consolidated profit and loss account as part of the profit 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 their balance sheet values. No provision is made for the 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 provisions for liabilities and charges.

Notes to the financial statements

for the year ended 31 December 1994

1 Gross income and net operating assets

	Gross Income		Operating Profit		Net Operating Assets	
	1994	1993	1994	1993	1994	1993
	£000	£000	£000	£000	£000	£000
Property	439	419	45	138	4,968	4,552
Mining	12	13	3	(16)	524	445
Share dealing	63	231	5	47	444	423
Other investments	1	2	–	11	–	13
Associated undertaking	–	–	6	11	247	443
	515	665	59	191	6,183	5,876
Net non-operating liabilities					(602)	(622)
					5,581	5,254
Analysis by geographic area						
United Kingdom	503	590	56	207	5,575	5,225
North America	–	60	–	–	99	182
Southern Africa	12	14	3	(16)	401	356
Australia	–	1	–	–	108	113
	515	665	59	191	6,183	5,876
Net non-operating liabilities					(602)	(622)
					5,581	5,254

Net non-operating liabilities represent cash, overdrafts and creditors not specifically allocated against the Group's operations.

2 Exceptional items

	1994	1993
	£000	£000
arising in respect of fixed asset disposals		
– property	(3)	–
– investments	242	45
	239	45
Release/(Provision) in respect of fixed asset investments	61	(170)
	300	(125)

3 Investment income and interest receivable

	1994 £000	1993 £000
Interest from associated undertakings	14	14
Other interest receivable	4	2
	18	16

4 Administrative expenses

Administrative expenses include:		
Directors' emoluments	18	19
Remuneration of Auditors – audit	12	11
– other	1	–

5 Directors' emoluments

Fees	8	8
Other emoluments	10	11
	18	19
Emoluments of the chairman	2	2
Emoluments of the highest paid director	6	6

	Number	Number
Scale of directors' emoluments		
£0-£5,000	5	5
£5,001–£10,000	1	1

Share options are disclosed in the directors' report. There were no pension costs in respect of directors.

6 Interest payable

	£000	£000
Interest on bank overdrafts	43	41
Interest payable – other	–	1
	43	42

Notes to the financial statements

for the year ended 31 December 1994

7 Taxation

	1994 £000	1993 £000
Based on the results for the year:		
Corporation tax at 25% (1993: 25%)	(1)	42
Prior year adjustment	(1)	–
Deferred taxation	9	(2)
Attributable to franked investment income	3	1
Overseas tax	1	–
	11	41
Associated company	1	3
	12	44

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

8 Attribution of result to Bisichi Mining PLC

	1994 £000	1993 £000
Dealt with in the financial statements of Bisichi Mining PLC	322	(32)

In accordance with the exemption permitted by Section 230 of the Companies Act 1985, the parent company has not presented its own profit and loss account.

9 Dividend

	1994 Per share	1994 £000	1993 Per share	1993 £000
Proposed final dividend	0.71p	74	0.68p	71

10 Earnings per share

These have been calculated on 10,451,506 (1993: 10,451,506) Ordinary shares being the number of shares in issue during the year and the profit/(loss) for the financial year attributable to holders of ordinary shares of £322,000 (1993: £(4,000)).

11 Tangible fixed assets

	Total £000	Investment Properties Freehold £000	Investment Properties Long Leasehold £000	Office Equipment £000
The Group and the Company				
Cost or valuation at 1 January 1994	4,694	1,780	2,900	14
Additions	3	–	–	3
Disposals	(41)	(41)	–	–
Revaluation	271	211	60	–
Cost or valuation at 31 December 1994	4,927	1,950	2,960	17
At valuation	4,910	1,950	2,960	–
At cost	17	–	–	17
	4,927	1,950	2,960	17
Accumulated depreciation at 1 January 1994	10	–	–	10
Charge for the year	1	–	–	1
Accumulated depreciation at 31 December 1994	11	–	–	11
Net book value at 31 December 1994	**4,916**	**1,950**	**2,960**	**6**
Net book value at 31 December 1993	4,684	1,780	2,900	4

Notes to the financial statements

for the year ended 31 December 1994

11 Tangible fixed assets (continued)

Freehold and long leasehold properties were externally professionally valued at 31 December 1994 on an open market basis by:

	£000
Allsop & Co, Chartered Surveyors	3,350
David Price & Co, Chartered Surveyors	1,560
	4,910

The valuations were carried out in accordance with the Statements of Asset Valuation and Guidance Notes published by the Royal Institution of Chartered Surveyors.

The historical cost of freehold investment properties is £376,000 (1993: £384,000) and long leasehold investment properties is £1,059,000 (1993: £1,059,000). Long leasehold properties are those for which the unexpired term at the balance sheet date is not less than 50 years.

12 Investments held as fixed assets

	Total £000	Interest in Associated Undertaking £000	Listed Investments £000	Unlisted Investments Other Shares £000	Unlisted Investments Loan Stocks £000
The Group					
Cost at 1 January 1994	1,608	443	752	269	144
Acquisitions	242	–	–	26	216
Share of assets of associated undertaking	(196)	(196)	–	–	–
Disposals	(224)	–	(224)	–	–
Cost at 31 December 1994	1,430	247	528	295	360
Provision for diminution in value at					
1 January 1994	(575)	–	(425)	(150)	–
Release during year	61	–	61	–	–
31 December 1994	(514)	–	(364)	(150)	–
Net book value at 31 December 1994	**916**	**247**	**164**	**145**	**360**
Net book value at 31 December 1993	1,033	443	327	119	144

12 Investments held as fixed assets (continued)

The Company	Total £000	Shares in Associated Undertaking £000	Listed Investments £000	Unlisted Investments Other Shares £000	Unlisted Investments Loan Stocks £000	Subsidiaries £000
Cost at 1 January 1994	1,296	20	752	269	144	111
Acquisitions	242	–	–	26	216	–
Disposals	(224)	–	(224)	–	–	–
Cost at 31 December 1994	1,314	20	528	295	360	111
Provision for diminution in value at						
1 January 1994	(575)	–	(425)	(150)	–	–
Release during year	61	–	61	–	–	–
31 December 1994	(514)	–	(364)	(150)	–	–
Net book value at 31 December 1994	**800**	**20**	**164**	**145**	**360**	**111**
Net book value at 31 December 1993	721	20	327	119	144	111

The Group and Company	1994 £000	1993 £000
Investments listed on overseas Stock Exchanges	**164**	327
Market value of the overseas listed investments	**285**	444

Further information on specific investments

Listed and unlisted investments include holdings in excess of 10% of the ordinary issued capital of three companies, the details of which are as follows:

(i) The company's holding in Revere Resources S.A. Limited remains at 17%. It is incorporated in South Africa and is listed on the Johannesburg Stock Exchange.

(ii) The company's holding in Southern Witwatersrand Exploration Co. Ltd remains at 10.4%. It is incorporated in South Africa and is listed on the Johannesburg Stock Exchange.

(iii) During the year the company increased its share of the Royalty due from Black Wattle Colliery (Propriety) Limited (formerly New Uitkyk Colliery), which is incorporated in South Africa, to 44.11% and also acquired 13% of the equity. Since the year end the company has by further investment and conversion of its royalty increased its share of equity to 50%. The remaining 50% is held by Southern Witwatersrand Exploration Co. Ltd.

Notes to the financial statements

for the year ended 31 December 1994

13 Associated undertaking

Unlisted Associated Company - Dragon Markets Limited

The company owns 50% of the issued share capital of Dragon Markets Limited, which operates an indoor market.

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

Dragon Markets Limited is registered and operates in England and Wales and has issued share capital of 23,000 ordinary shares of £1 each.

	1994 £000	1993 £000
Share of net assets at 31 December	**247**	443

In addition to the holding in the share capital, the company also holds loan stock of £144,000 (1993: £144,000) in Dragon Markets Limited (included within Note 12).

14 Subsidiary companies

	Activity	Country of Incorporation	Percentage of Share capital	Class of shares held
Mineral Products Limited	Share dealing	England and Wales	100%	Ordinary
Bisichi Mining (Exploration) Limited	Dormant	England and Wales	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 and Wales.

15 Debtors

	The Group		The Company	
	1994 £000	1993 £000	**1994 £000**	1993 £000
Amounts falling due within one year:				
Subsidiaries	**–**	–	**225**	173
Other debtors	**69**	89	**69**	89
Prepayments and accrued income	**16**	60	**16**	60
Corporation tax recoverable	**26**	1	**18**	–
	111	150	**328**	322
Amounts falling due after more than one year:				
Advance Corporation Tax	**–**	1	**19**	15
	111	151	**347**	337

Other debtors includes a loan of £10,000 (1993: £10,000) to the Trustees of the Employee Benefit Trust which was used to purchase shares in the company.

16 Investments held as current assets

	The Group 1994 £000	1993 £000
Market value of Listed Investments:		
Listed in Great Britain	445	478
Listed outside Great Britain	97	93
	542	571
Original cost of Listed Investments	467	423

17 Creditors

	The Group 1994 £000	1993 £000	The Company 1994 £000	1993 £000
Amounts falling due within one year:				
Bank overdraft (secured)	634	733	634	733
Corporation tax	25	37	25	22
Other taxation and social security	11	10	11	10
Proposed dividend	74	71	74	71
Other creditors	188	55	183	51
Accruals and deferred income	172	150	172	150
	1,104	1,056	1,099	1,037

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

18 Provision for liabilities and charges

		The Group £000
Deferred taxation		
Balance at 1 January 1994		14
Transfer from profit and loss account		9
	note (a)	23
Less: unrelieved advance corporation tax on proposed dividend		(18)
		5

Note (a)

Timing differences following the revaluation of current asset investments for taxation purposes	23

No provision has been made for the approximate taxation liability at 33% (1993: 33%) of £646,000 (1993: £644,000) which would arise if the investment properties were sold at the stated valuation.

Notes to the financial statements

for the year ended 31 December 1994

19 Share capital

	1994 £000	1993 £000
Authorised: 13,000,000 ordinary shares of 10p each	**1,300**	1,300
Allotted and fully paid: 10,451,506 ordinary shares	**1,045**	1,045

20 Reserves

	Revaluation Reserve £000	Capital Reserve on Consolidation £000	Retained Earnings £000
The Company			
Balance at 1 January 1994	3,237	–	439
Revaluation of investment properties	271	–	–
Transfer in respect of revaluation surplus now realised	(33)	–	33
Retained surplus for the year	–	–	248
Balance at 31 December 1994	**3,475**	**-**	**720**
Share in subsidiary and associated undertaking			
Balance at 1 January 1994	192	101	240
Associated undertaking – share of reserves	(192)	–	(5)
Retained surplus for the year	–	–	5
Balance at 31 December 1994	–	101	240
The Group at 31 December 1994	**3,475**	**101**	**960**
The Group at 1 January 1994	3,429	101	679

21 Employees

The average weekly number of employees of the Group during the year was 13 (1993: 12). Staff costs during the year were as follows:

	1994 £000	1993 £000
Salaries	**106**	99
Social security costs	**13**	12
	119	111

Notice of Annual General Meeting

NOTICE is hereby given that the Eighty Fourth Annual General Meeting of the company will be held at 8-10 New Fetter Lane, London EC4A 1NQ on 14 June 1995 for the transaction of the following business:

1	To receive and adopt the Directors' Report and Financial Statements for the year ended 31 December 1994.	(Resolution 1)
2	To declare a dividend of 0.71p per share.	(Resolution 2)
3	To re-elect as a director Mr MA Heller, who retires by rotation.	(Resolution 3)
4	To re-elect as a director Mr LCJ Brown, who retires by rotation.	(Resolution 4)
5	To reappoint Pannell Kerr Forster as auditors.	(Resolution 5)
6	To authorise the directors to determine the remuneration of the auditors.	(Resolution 6)

8-10 New Fetter Lane
London EC4A 1NQ
Registered in England and Wales
Number 112155
25 April 1995

By order of the Board
MC Stevens
Secretary

Notes

1. A member entitled to vote at the meeting may appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the company.

2. To be valid, the instrument appointing a proxy, together with the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of such power of authority) must be deposited at the company's Registrars, Independent Registrars Group Limited, 390/398 High Road, Ilford, Essex IG1 1BR not later than 48 hours before the time fixed for the meeting or if the meeting is adjourned not later than 48 hours before the time fixed for the meeting.

3. No director has a contract of service with the company or its subsidiary companies.

4. Completion of a proxy form will not preclude shareholders from attending and voting at the meeting if they wish.

5. 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 11.45am on the day of the meeting until the close of the meeting:

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

BISICHI MINING PLC

Form of Proxy

Annual General Meeting

I/We the undersigned, being the holder(s) of ordinary shares of the company, hereby appoint

....

or, failing him/her, the Chairman of the meeting as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the company to be held on 14 June 1995 and at any adjournment thereof. I/We direct that my/our vote(s) be cast on the resolutions as indicated by an X in the appropriate spaces.

RESOLUTIONS		
Ordinary Business	**FOR**	**AGAINST**
1. To receive the directors' report, annual accounts and auditors' report for the year ended 31 December 1994		
2. To declare a dividend		
3. To re-elect as a director Mr MA Heller		
4. To re-elect as a director Mr LCJ Brown		
5. To reappoint Pannell Kerr Forster as auditors		
6. To authorise the directors to determine the remuneration of the auditors		

Notes:

1. If the appointer is a Corporation this proxy should be executed under the Common Seal of such Corporation in accordance with Section 36A of the Companies Act 1985 or signed by its Attorney or by an authorised officer on behalf of the Corporation. In the case of an individual this proxy should be signed by the appointer or his Attorney.
2. To be valid, the instrument appointing a proxy, together with the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of such power of authority) must be deposited at the company's registrars, Independent Registrars Group Limited, 390/398 High Road, Ilford, Essex IG1 1BR not later than 48 hours before the time fixed for the meeting or if the meeting is adjourned not later than 48 hours before the time fixed for the meeting.
3. In the case of joint holders the signature of any holder is sufficient but the vote of the senior holder who tenders a vote shall be accepted to the exclusion of the other joint holders. For this purpose seniority shall be determined by the order in which the names stand in the Register of Members.
4. Unless otherwise instructed the proxy will abstain or vote as he/she thinks fit.
5. Completion of this form will not preclude a Shareholder from attending and voting in person.

Full Name (block capitals please) ....

Address ....

....

Signed this ....day of .... 1995 (Signature) ....