

Company Number 09136745

PENINSULA HOLD CO LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2018

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PENINSULA HOLD CO LIMITED
Financial Statements
For the period ended 31 December 2018

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PENINSULA HOLD CO LIMITED
Financial Statements
For the period ended 31 December 2018

Company Information

Directors

Robin Griffiths
David Lovett (appointed on 7 August 2017)
Janet Boyce (resigned on 28 July 2017)
Jesujuwonlo Williams (resigned 28 July 2017)

Secretary and Registered office

Toby Hewitt (appointed on 30 November 2017)
1 Cathedral Piazza
London SW1E 5BP

Company number

09136745

PENINSULA HOLD CO LIMITED
Directors' Report

Directors' Report

The Directors present their Report and Financial Statements of Peninsula Hold Co Limited (the "Company") for the period from 1 July 2017 to 31 December 2018. The comparative was for the year 1 July 2016 to 30 June 2017 hereafter referred to as "2017".

Results and dividends

The Income Statement is set out on page 6 and shows the result for the year. The Company generated a loss of US\$3,000 (2017: US\$85,000) due to a provision for impairment made during the year against amounts receivable from the Subsidiary Company, Graphon Investments (Private) Ltd.

No dividends were paid or declared during the year.

Principal activities and review of the development of the business

The Company holds a 75% interest in Graphon Investments (Private) Ltd, a holding company incorporated in Sri Lanka, which in turn holds a 100% interest in Graphon Mining Resources (Private) Ltd, a company incorporated in Sri Lanka that is involved in diverse mineral exploration.

The Company's principal activity is to provide funding to Graphon Investments (Private) Ltd using amounts received from the Parent Company, Gemfields Limited. During the year, the company was funded US\$ nil (2017: US\$ nil) from Gemfields Limited, and in turn loaned US\$ nil (2017: US\$82,000) to Graphon Investments (Private) Ltd.

During the period, the earlier decision taken to permanently suspend operations in Sri Lanka has been sustained, while positive developments in the sector has been visible but the general project / country risk remains. There has been no change in the overall aim of the business with respect to Sri Lanka.

Directors and their interests

The Directors of the Company during the period were:

Robin Griffiths

David Lovett (appointed on 7 August 2017)

Janet Boyce (resigned on 28 July 2017)

The Directors held no shares in the Company as at 31 December 2018 (2017: none). The interests of the Directors in the shares of the Ultimate Parent Company are shown in that company's financial statements.

Subject to the conditions set out in the Companies Act 2006 (the "Act"), the Company has arranged appropriate directors and officers insurance to indemnify the Directors against liability in respect of proceedings brought by third parties. Such provisions remain in force at the date of this report.

Post balance sheet events

There were no significant post balance sheet events after the balance sheet date.

Provision of information to the auditors

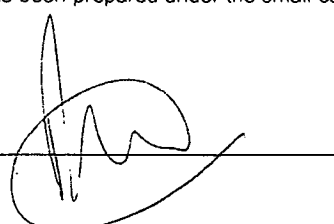
All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office. Under the Companies Act 2006 section 487 (2) they will be automatically re-appointed as auditors 28 days after these accounts are sent to the members, unless the members exercise their rights under the Companies Act 2006 to prevent their re-appointment.

The directors' report has been prepared under the small companies regime and the Directors have taken the exemption from preparing a Strategic Report.

On behalf of the Board:

David Lovett
Director
25 September 2019
1 Cathedral Piazza
London SW1E 5BP



PENINSULA HOLD CO LIMITED
Statement of Directors' Responsibilities

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union (the "EU").

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing those Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENINSULA HOLD CO LIMITED

Opinion

We have audited the financial statements of Peninsula Hold Co Limited (the 'company') for the period ended 31 December 2018 which comprise the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of financial position, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENINSULA HOLD CO LIMITED (CONTINUED)

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Scott McNaughton (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London

25 September 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

PENINSULA HOLD CO LIMITED
Income Statement

Income Statement

For the period ended 31 December 2018

In thousands of US\$	Note	2018	2017
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Selling, general and administrative expenses	3	(3)	(114)
Loss from operations		(3)	(114)
Finance income		-	29
Finance expenses		-	-
Loss before taxation		(3)	(85)
Tax charge	4	-	-
Loss after taxation		(3)	(85)

The notes on pages 12 to 16 form part of these Financial Statements.

PENINSULA HOLD CO LIMITED
Statement of Comprehensive Income

Statement of Comprehensive Income

For the period ended 31 December 2018

In thousands of US\$	2018	2017
Loss after taxation	(3)	(85)
Other comprehensive income		
Items that have been/may be reclassified subsequently to profit or loss	-	-
Total other comprehensive income	-	-
Total comprehensive loss	(3)	(85)

The notes on pages 12 to 16 form part of these Financial Statements.

PENINSULA HOLD CO LIMITED
Statement of Changes in Equity

Statement of Changes in Equity

For the period ended 31 December 2018

In thousands of US\$	Share capital	Retained deficit	Total
Balance at 1 July 2016	-	(397)	(397)
Loss for the year	-	(85)	(85)
Other comprehensive income	-	-	-
Balance at 1 July 2017	-	(482)	(482)
Loss for the year	-	(3)	(3)
Other comprehensive income	-	-	-
Balance at 31 December 2018	-	(485)	(485)

The nature and purpose of each reserve within shareholders' equity is described as follows:

Reserve	Description and purpose
Share capital	Amount subscribed for share capital at nominal value.
Retained deficit	Cumulative net gains and losses recognised in the Income Statement.

The notes on pages 12 to 16 form part of these Financial Statements.

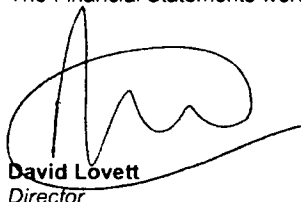
PENINSULA HOLD CO LIMITED
Statement of Financial Position

Statement of Financial Position

At 31 December 2018

In thousands of US\$	Note	2018	2017
Non-current assets			
Investment in Subsidiary	5	395	395
Total non-current assets		395	395
Current assets			
Cash and cash equivalents		-	-
Total current assets		-	-
Total assets		395	395
Current liabilities			
Trade and other payables	7	(880)	(877)
Total current liabilities		(880)	(877)
Total liabilities		(880)	(877)
Total net liabilities		(485)	(482)
Equity attributable to owners of the parent			
Share capital	8	-	-
Retained deficit		(485)	(482)
Total equity attributable to owners of the parent		(485)	(482)

The Financial Statements were approved by the Board of Directors and authorised for issue on 25 September 2019.


David Lovett
Director

Company number 09136745

The notes on pages 12 to 16 form part of these Financial Statements.

PENINSULA HOLD CO LIMITED
Statement of Cash Flows

Statement of Cash Flows

For the year ended 31 December 2018

In thousands of US\$	Note	2018	2017
Cash flows from operating activities			
Loss for the period before tax		(3)	(85)
Provision for impairment		-	111
Finance income		-	(29)
Finance expenses		-	-
Increase in trade and other payables		3	3
Cash used for operations		-	-
Taxation paid		-	-
Net cash used for operating activities		-	-
Cash flows from investing activities			
Loans granted to Subsidiary Company		-	(84)
Net cash used for investing activities		-	(84)
Cash flows from financing activities			
Funding received from Parent Company		-	-
Net cash generated from financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		-	(84)
Cash and cash equivalents at start of period		-	82
Foreign currency exchange differences on cash and cash equivalents		-	2
Cash and cash equivalents at end of period		-	-

The notes on pages 12 to 16 form part of these Financial Statements.

Notes Forming Part of the Financial Statements

For the period ended 31 December 2018

1 Accounting policies

Basis of preparation

The principal accounting policies adopted in the preparation of the Financial Statements are set out below. The policies have been consistently applied to the period presented, unless otherwise stated.

The Company is dependent on its Parent Company for ongoing financial support. The Directors have obtained a signed letter of support from the Parent Company, pledging to financially support the Company for a period of at least 12 months from the date of sign off of the Company's Financial Statements. Based on this letter of support the Board has concluded that it is appropriate to use the going concern basis of preparation for the Financial Statements of the Company.

The Financial Statements of the Company for the period ended 31 December 2018 have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively "IFRS") issued by the International Accounting Standards Board ("IASB") as adopted by the European Union (the "EU"). The comparative was for the year 1 July 2016 to 30 June 2017.

The Company has taken advantage of the exemption available, under section 400 of Companies Act 2006, from preparing consolidated financial statements. The Financial Statements present information about the Company only. The Company is included within the consolidated financial statements of the Parent Company, Gemfields Limited, registered in the United Kingdom. The consolidated financial statements of Gemfields Limited are available from the Company Secretary at 1 Cathedral Piazza, London, SW1E 5BP, United Kingdom.

New standards and amendments in the year

There were no amendments to published standards and interpretations to existing standards effective in the year that had an impact on the Company.

New standards and interpretations not yet adopted

The following Adopted IFRS's been issued but have not been applied by the company. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated.

- IFRS 9 Financial Instruments (effective for accounting periods starting on or after 1 January 2018).
- IFRS 15 Revenue from Contracts with Customers (effective for accounting periods starting on or after 1 January 2018).
- IFRS 16 Leases (effective 1 January 2019).

Significant accounting policies

Interest income

Interest income is recognised using the effective interest method.

Foreign currency

The Company Financial Statements are presented in thousands of United States Dollars ("US\$") unless otherwise stated. The closing Pounds Sterling to US\$ exchange rate was 1:1.27 (2017: 1:1.30).

Transactions entered into by the Company in a currency other than the currency of the primary economic environment in which it operates (the functional currency) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the translation of unsettled monetary assets and liabilities are similarly recognised immediately in the Income Statement.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less provision for impairment. Investments are reviewed for impairment if events or changes indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future cash flows of the relevant income generating unit or disposal value if higher.

Financial assets and liabilities

Loans and receivables: these are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recorded at fair value and subsequently carried at amortised cost.

The Company's loans and receivables comprise amounts due from Subsidiary Company and cash and cash equivalents in the Statement of Financial Position. Cash and cash equivalents are defined as cash in hand and short-term deposits made for varying periods of between one day and three months.

PENINSULA HOLD CO LIMITED
Notes Forming Part of the Financial Statements

Financial liabilities

Trade payables, amounts due to Parent Company and other short-term monetary liabilities: which are initially measured at fair value and subsequently recognised at amortised cost using the effective interest rate method.

The Company has not classified any financial liabilities as 'fair value through profit or loss' financial liabilities.

Current taxation

The current tax expense is the amount of taxes estimated to be payable or recoverable in respect of the taxable profit or loss for a period as well as adjustments to estimates in respect of previous periods. It is calculated on the basis of the tax laws and rates enacted or substantively enacted as at the end of the reporting period.

Critical accounting estimates, judgements and assumptions

In the process of applying the Company's accounting policies, which are described above, the Directors have made judgements, estimations and assumptions regarding the future.

Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The key judgements in the preparation of the Financial Statements are as below.

Recoverability of the investment: Management have reviewed the financial position and trading plans of the Subsidiary Company and consider the investment to be fully recoverable.

2 Employees and Directors

	2018	2017
Number of employees	-	-
Average number of employees	-	-

Directors' remuneration is borne by the Parent Company, Gemfields Limited.

3 Selling, general and administrative expenses

Fees payable to the Company's auditor for the audit of the Company's Financial Statements amount to US\$3,000 (2017: US\$3,000).

During the year, the Company has provided for impairment of US\$nil (2017: US\$111,000) relating to recoverability of receivables from Graphon Investments (Private) Ltd. Please refer to the Directors' report on page 2 for further detail.

4 Taxation

in thousands of US\$	2018	2017
<i>Current tax</i>		
Tax charge for period	-	-
<i>Deferred tax</i>		
Origination and reversal of temporary differences	-	-
Total tax expense	-	-

The reasons for the difference between the actual tax charge for the year and the average effective corporation tax rate in the United Kingdom applied to accounting losses for the year are as follows:

In thousands of US\$	2018	2017
Loss on ordinary activities before tax	(3)	(85)
Taxation on ordinary activities at the average effective corporation tax rate in the UK of 19% (2017: 19.75%)	(1)	(17)
Effects of:		
Expenses not deductible – impairment charge	-	22
Group relief	-	(5)
Tax losses not recognised	1	-
Total tax expense	-	-

The UK statutory rate for July 2016 to March 2017 was 20.0% and for April to June 2017 is 19.0%, giving an average full year rate of 19.75%. The UK statutory rate for July 2017 to December 2018 is 19%.

PENINSULA HOLD CO LIMITED
Notes Forming Part of the Financial Statements

5 Investment in Subsidiary

On 11 November 2014, the Company acquired a 75% equity interest in Graphon Investments (Private) Ltd, a holding company incorporated in and operating in Sri Lanka, via a subscription for new share capital for total consideration of US\$395,000.

6 Trade and other receivables

<i>In thousands of US\$</i>	2018	2017
Amounts due from Subsidiary Company	508	508
Provision for impairment	(508)	(508)
Total trade and other receivables	-	-

On 22 January 2015, the Company entered into a loan agreement with Graphon Investments (Private) Ltd. During the year, Graphon Investments (Private) Ltd made a drawdown of US\$nil (2017: US\$84,000). The amount is unsecured and bears interest at a rate of 3 month USD LIBOR rate plus 4.5%, and interest for the year was US\$nil (2017: US\$27,000). The loan is repayable by 30 June 2018. As at 31 December 2018, US\$508,000 (2017: US\$508,000) was outstanding (US\$466,000 principal and US\$42,000 interest).

The Company has made a provision for impairment of US\$508,000 (2017: US\$508,000) against the receivables from Graphon Investments (Private) Ltd. Please refer to the Directors' report on page 2 for further detail.

7 Trade and other payables

<i>In thousands of US\$</i>	2018	2017
Amounts due to Parent Company	875	871
Accruals	5	6
Total trade and other payables	880	877

During the year, the Parent Company, Gemfields Limited, paid US\$ 3,000 (2017: US\$ nil) to third parties on behalf of the Company. The balance is unsecured, non-interest bearing and repayable on demand. As at 31 December 2018, US\$875,000 (2017: US\$871,000) was due to the Parent Company.

8 Share capital

	Number of shares	In thousands of US\$
<i>Allotted, called up and fully paid</i>		
Ordinary shares of GBP 1 each		
At 1 July 2016	1	-
At 1 July 2017	1	-
At 31 December 2018	1	-

Share capital is denominated in Pounds Sterling.

PENINSULA HOLD CO LIMITED
Notes Forming Part of the Financial Statements

9 Financial instruments

The principal financial instruments used by the Company, are as follows:

Financial assets:

- trade and other receivables, including amounts due from Subsidiary Company; and
- cash and cash equivalents;

Financial liabilities:

- trade and other payables, including amounts due to Parent Company

Financial assets

In thousands of US\$	2018	2017
Held at amortised cost:		
Trade and other receivables	-	-
Cash and cash equivalents	-	-
Total financial assets held at amortised cost	-	-

Financial liabilities

In thousands of US\$	2018	2017
Held at amortised cost:		
Trade and other payables	875	871
Total financial liabilities held at amortised cost	875	871

Fair value of financial assets and liabilities

At 31 December 2018, the carrying value of the Company's financial assets and liabilities approximated their fair values.

Financial risk management

The Company is exposed to risks that arise from its use of financial instruments. The Directors have overall responsibility to determine the risk management objectives and policies of the Company. While retaining the ultimate responsibility for them, the Directors have delegated the authority for designing and operating processes that ensure the effective implementation of these objectives and policies to the finance function of the Parent Company. The Directors regularly review the effectiveness of the processes put in place and, when required, approve specific policies and procedures designed to mitigate the financial risks.

The principal financial instruments used by the Company, from which financial risk arises, are as described below:

- cash and cash equivalents;
- trade and other receivables; and
- trade and other payables.

Credit risk

The Company is subject to credit risk on intercompany receivable balances as shown in note 6 that arise as a result of transactions in the Company's ordinary course of business. As discussed in the Directors Report, an impairment provision was recognised against the intercompany receivables that were not past due.

Cash and cash equivalents

In relation to its cash and cash equivalents, the Company has to manage its currency exposures and the credit risk associated with the credit quality of the financial institutions in which the Company maintains its cash resources.

Maximum exposure to credit risk

The Company's maximum exposure of amounts due from Subsidiary Company and cash and cash equivalents to credit risk is its carrying amount.

Currency risk

The Company is exposed to currency risk on its cash balances held in Sri Lanka Rupees (LKR). As at 31 December 2018, the total cash balance held in LKR was less than US\$1,000 (2017: less than US\$1,000).

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges. It represents the risk that the Company will encounter difficulty in meeting its financial obligations.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The Company has obtained a letter of support from its Parent Company, pledging to financially support the Company for a period of at least 12 months from the date of approval of the Company's Financial Statements.

PENINSULA HOLD CO LIMITED
Notes Forming Part of the Financial Statements

9 Financial instruments (continued)

Financial risk management (continued)

Capital

The Company seeks to maintain sufficient capital to enable its growth and safeguard its ability to continue as a going concern. Capital is defined as share capital.

The primary objective of the Company is maximising shareholder value, which from the capital perspective is achieved by maintaining the capital structure that is most suited to the Company's size, strategy and underlying business risk.

The Company manages its capital adequacy structure by the issues of ordinary shares, raising debt finance where appropriate and managing Company cash and cash equivalents.

10 Related party transactions

During the year, the Parent Company, Gemfields Limited, paid US\$ 3,000 (2017: US\$ nil) to third parties on behalf of the Company. As at 31 December 2018, US\$875,000 (2017: US\$871,000) was outstanding.

During the year, the Company transferred US\$nil (2017: US\$84,000) to Graphon Investments (Private) Ltd. The amount is unsecured and bears interest at a rate of 3 month USD LIBOR rate plus 4.5%, and interest for the year was US\$nil (2017: US\$27,000). The loan is repayable by 30 June 2018. As at 31 December 2018, US\$508,000 (2017: US\$508,000) was outstanding.

The Company has made a provision for impairment of US\$508,000 (2017: US\$508,000) against the receivables from Graphon Investments (Private) Ltd. Please refer to the Directors' report on page 2 for further detail.

11 Ultimate Parent Company

For the year ended 30 June 2017, the Company was 100% owned by Gemfields Limited, a Company incorporated in United Kingdom, who was the ultimate Parent Company. Gemfields Limited prepared consolidated financial statements, which are available from the Company Secretary at 1 Cathedral Piazza, London, SW1E 5BP, United Kingdom.

On 28 July 2017, Pallinghurst Resources Limited, part of the Pallinghurst Resources Fund L.P. ("PRF"), completed a takeover of Gemfields Limited, following which, Pallinghurst Resources Limited became the ultimate Parent Company.

In January 2018, Gemfields plc was renamed Gemfields Limited, as it converted from a public listed company to a private company following the de-listing on acquisition by Pallinghurst Resources Limited.