

Simplified Balance Sheet

		K Million
WHAT WE OWN (ASSETS)		
	Mine leases, treatment plant, housing, power station, port facilities, etc.	346.0
	Copper concentrate in storage awaiting shipment and stores on hand	36.4
	Money held by banks on deposit and in cash	36.3
	Amounts owed to your company mainly for copper concentrates recently shipped	56.9
		<u>475.6</u>
LESS WHAT WE OWE (LIABILITIES)		
	Long term loan borrowings to be repaid after 1976	106.8
	Short term overdraft	4.0
	Loan borrowings to be repaid during 1976	19.7
	Amounts owing to suppliers and others for goods and services	16.6
	Money set aside for payment of dividends to the Company's shareholders	13.4
	Money set aside for payment of income tax	15.7
		<u>176.2</u>
AMOUNT REMAINING		299.4
	This amount (K299.4 million) is retained to finance operations of the business and represents:	
	Contributions by the Company's shareholders	133.7
	Profits which Directors currently intend to retain in the business	154.2
	The gain (based on present exchange rates and not yet realised) on future United States loan repayments. This gain results from the increase in the value of the Kina compared with the United States dollar	11.5

Balance Sheets

at 31st December, 1975

		Consolidated		Bougainville Copper Limited	
	Notes	1975 K'000	1974 K'000	1975 K'000	1974 K'000
CAPITAL AND RESERVES					
CAPITAL 8					
Authorised		135 000	135 000	135 000	135 000
Paid up		133 688	133 688	133 688	133 688
REVENUE RESERVES 9					
Unappropriated earnings		154 209	134 746	154 197	134 736
Total capital and reserves		287 897	268 434	287 885	268 424
EXCHANGE FLUCTUATION 10					
		11 495	19 078	11 495	19 078
LIABILITIES					
MATURING LATER THAN ONE YEAR:					
Loans	11	106 844	121 122	106 844	121 122
CURRENT					
Bank overdraft		4 032	4 976	4 032	4 976
Loan instalments	11	19 734	18 316	19 734	18 316
Creditors	12	16 566	12 605	16 566	12 604
Income tax		15 670	66 571	15 666	66 470
Dividend payable		13 369	46 791	13 369	46 791
		69 371	149 259	69 367	149 157
Contingent & commitments	18	—	—	—	—
TOTAL FUNDS		475 607	557 893	475 591	557 781
These funds are represented by:					
ASSETS					
PROPERTY, PLANT AND EQUIPMENT 13					
		346 001	352 225	346 001	352 225
INVESTMENTS 14					
		83	83	83	83
CURRENT					
Cash and bank balances		1 591	342	1 590	341
Short term deposits and loans		34 685	129 333	34 670	129 223
Debtors	15	56 881	51 500	56 881	51 499
Stocks and stores	16	36 366	24 410	36 366	24 410
		129 523	205 585	129 507	205 473
TOTAL ASSETS		475 607	557 893	475 591	557 781

All amounts expressed in Papua New Guinea currency.

The notes attached hereto form part of these accounts
and are to be read in conjunction herewith.

	Consolidated		Bougainville Copper Limited	
	1975	1974	1975	1974
	K000	K000	K000	K000
16. STOCKS AND STORES				
Unshipped concentrate	1 718	465	1 718	465
Other stocks and stores	34 648	23 945	34 648	23 945
	36 366	24 410	36 366	24 410

	1975	Related Cor- porations	1974	Related Cor- porations
	Company K000	K000	Company K000	K000

17. DIRECTORS' EMOLUMENTS

The total of emoluments received or due and receivable (whether from the Company or from a related corporation) by:

(a)

Directors of the Company engaged in full-time employment of the Company or its related corporations (including all bonuses and commissions received or receivable by them as employees, but not including the amount received or receivable by them by way of fixed salary as employees) was

and

(b)

Other Directors of the Company was

—	—	—	—
3	—	4	—

18. COMMITMENTS FOR CAPITAL EXPENDITURE AND CONTINGENT LIABILITIES

The approximate commitment for the purchase of land, buildings, plant and equipment not reflected in the Balance Sheet amount to K15 158 000 (1974 K5 501 000).

The Company has contingent obligations attaching to the terms of:

(a) the Credit Agreement dated 28th July, 1969 (as amended)

and

(b) the Amending Agreement as referred to in the Mining (Bougainville Copper Agreement) (Amendment) Act, 1974, however, no circumstance has yet arisen to suggest that an enforceable claim has or is likely to arise in respect of these obligations.

In addition, the Company may have a contingent obligation following the outcome of claims by various groups for compensation resulting from the effects of the mining operation.

Except for the foregoing neither the Company nor its subsidiary, Bougainville Mining Limited, has contingent liabilities which are material in nature and/or amount.

19. ULTIMATE HOLDING COMPANY

The ultimate holding Company is The Rio Tinto-Zinc Corporation Limited (incorporated in England).

20. COMPARATIVE FIGURES FOR 1974

Where necessary these figures have been adjusted to conform with changes in presentation made in 1975.

Declarations

Statement by Directors

In the opinion of the Directors of Bougainville Copper Limited the accompanying statement of earnings is drawn up so as to give a true and fair view of the results of the business of the Company for the period covered by the statement and the accompanying balance sheet is drawn up so as to exhibit a true and fair view of the state of affairs of the Company at the end of that period.

Signed at Panguna this 10th day of February, 1976.

On behalf of the Board

F. F. ESPIE, D. C. VERNON

Directors

Declaration by Secretary

I, John Campbell Rennie, Secretary of Bougainville Copper Limited, do solemnly and sincerely declare that the accompanying balance sheet and statement of earnings of the Company are, to the best of my knowledge and belief correct.

And I make this solemn declaration by virtue of the Oaths, Affirmations and Statutory Declarations Act 1962, as amended to date, conscientiously believing the statements contained herein to be true in every particular.

Declared at Panguna this 10th day of February, 1976.

J. C. RENNIE

Secretary

Before me:

L. G. SMITH

Justice of the Peace

Report of the Auditors to the Members

In our opinion, the balance sheets and statements of earnings set out on pages 12 to 18 are properly drawn up in accordance with the provisions of the Companies Act 1963, as amended to date, so as to give a true and fair view of the state of affairs and the profits of the Company and of the Group. The accounting and other records, including registers, of the Company examined by us have, in our opinion, been properly kept in accordance with the provisions of the Act.

COOPERS & LYBRAND

Chartered Accountants

MELBOURNE, 11th February, 1976
