

Simplified Balance Sheet

WHAT WE OWN (ASSETS)	\$ Million
MINE LEASES, TREATMENT PLANT, HOUSING, POWER STATION, PORT FACILITIES, ETC.	371.7
COPPER CONCENTRATE IN STORAGE AWAITING SHIPMENT AND STORES ON HAND	17.0
MONEY HELD BY BANKS ON DEPOSIT AND IN CASH	68.1
AMOUNTS OWED TO YOUR COMPANY MAINLY FOR COPPER CONCENTRATES RECENTLY SHIPPED	45.4
	502.2
LESS WHAT WE OWE (LIABILITIES)	
LONG TERM LOAN BORROWINGS TO BE REPAID AFTER 1974	127.4
SHORT TERM OVERDRAFT	2.7
LOAN BORROWINGS TO BE REPAID DURING 1974	36.8
AMOUNTS OWING TO SUPPLIERS AND OTHERS FOR GOODS AND SERVICES	14.9
MONEY SET ASIDE FOR PAYMENT OF DIVIDENDS TO THE COMPANY'S SHAREHOLDERS	53.5
	235.3
AMOUNT REMAINING	266.9
THIS AMOUNT (\$266.9 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	93.7
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 AUSTRALIAN DOLLAR COMPARED WITH THE UNITED STATES DOLLAR.	39.5

Balance Sheets

AT 31ST DECEMBER

	NOTES	BOUGAINVILLE COPPER LIMITED & SUBSIDIARY COMPANY 1973 \$000	BOUGAINVILLE COPPER LIMITED 1973 \$000	1972 \$000
CAPITAL AND RESERVES				
CAPITAL	9			
Authorised		<u>135,000</u>	<u>135,000</u>	135,000
Paid up		133,688	133,688	130,000
REVENUE RESERVES	10			
Unappropriated Earnings		<u>93,689</u>	<u>93,689</u>	16,678
Total Capital and Reserves		<u>227,377</u>	<u>227,377</u>	146,678
EXCHANGE FLUCTUATION	11	39,512	39,512	24,173
LIABILITIES				
MATURING LATER THAN ONE YEAR				
Loans	12	127,368	127,368	203,864
Provisions	13	<u>177</u>	<u>177</u>	161
		127,545	127,545	204,025
CURRENT				
Bank Overdraft		2,681	2,681	5,460
Loan Instalments	12	36,785	36,785	42,512
Creditors	14	14,669	14,669	18,739
Income Tax		143	—	—
Dividend payable		<u>53,475</u>	<u>53,475</u>	11,000
		107,753	107,610	77,711
Contingent and Commitments	20	—	—	—
TOTAL FUNDS		<u>502,187</u>	<u>502,044</u>	452,587
These funds are represented by:				
ASSETS				
PROPERTY, PLANT AND EQUIPMENT	15	371,665	371,665	378,676
INVESTMENTS	16	83	83	45
CURRENT				
Cash and bank balances		68	65	51
Short term deposits and loans		68,018	67,878	20,255
Debtors	17	45,351	45,351	36,557
Stocks and Stores	18	<u>17,002</u>	<u>17,002</u>	17,003
		130,439	130,296	73,866
TOTAL ASSETS		<u>502,187</u>	<u>502,044</u>	452,587

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

20. COMMITMENTS FOR CAPITAL EXPENDITURE AND CONTINGENT LIABILITIES

The approximate commitments for the purchase of land, buildings, plant and equipment not reflected in the Balance Sheet amount to \$3,410,000 (1972 \$8,000,000).

The Company has contingent obligations attaching to the terms of:

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

and

(b) the Mining Agreement covered by Papua New Guinea Ordinance No. 70 of 1967.

However no circumstance has yet arisen to suggest that an enforceable claim has or is likely to arise in respect of these obligations.

Except for the foregoing the Company and/or its subsidiary, Bougainville Mining Limited, has no contingent liabilities which are material in nature and/or amount.

21. ULTIMATE HOLDING COMPANY

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

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 Port Moresby this 1st day of February, 1974.

On behalf of the Board

F. F. ESPIE, R. W. BALLMER

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 Ordinance 1962 conscientiously believing the statements contained herein to be true in every particular.

Declared at Port Moresby this 1st day of February, 1974.

J. C. RENNIE

Secretary

Before me:

GRAHAM STUART SWAN

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 Ordinance 1963, as amended, 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 Ordinance.

COOPERS & LYBRAND

Chartered Accountants

MELBOURNE. 8th February, 1974.