

**AUDITED FINANCIAL STATEMENTS OF THE  
AROAIMA MINING COMPANY INC.**

**FOR THE PERIOD  
1 JANUARY TO 31 MARCH 2011**

**CONTRACTED AUDITORS: NIZAM ALI & CO.  
215 'C' CAMP STREET  
NORTH CUMMINGSBURG  
GEORGETOWN**

**AUDITORS: AUDIT OFFICE  
63 HIGH STREET  
KINGSTON  
GEORGETOWN  
GUYANA**



## *Audit Office of Guyana*

*P.O. Box 1002, 63 High Street, Kingston, Georgetown, Guyana*

*Tel: 592-225-7592, Fax: 592-226-7257, <http://www.audit.org.gy>*

AG: 104/2012

25 October 2012

REPORT OF THE AUDITOR GENERAL  
TO THE MEMBERS OF THE BOARD OF DIRECTORS OF  
AROAIMA MINING COMPANY INC.  
ON THE FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY TO 31 MARCH 2011

Chartered Accountants Nizam Ali & Co. have audited on my behalf the financial statements of Aroaima Mining Company Inc. for the period 1 January to 31 March 2011, as set out on pages 2 to 10. The audit was conducted in accordance with the Audit Act 2004.

### *Management's responsibility for the financial statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's responsibility*

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing issued by the International Federation of Accountants (IFAC), and those of the International Organization of Supreme Audit Institutions (INTOSAI). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

As required by the Audit Act 2004, I have reviewed the audit plan and procedures, work papers, report and opinion of the Chartered Accountants. I have also had detailed discussions with the Chartered Accountants on all matters of significance to the audit and had carried out additional examinations, as necessary, in arriving at my opinion.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*Opinion*

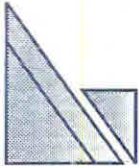
In my opinion, the financial statements present fairly, in all material respects, the financial position of the Aroaima Mining Company Inc. as at 31 March 2011 and of its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act 1991.

*Emphasis of matter*

Without qualifying my opinion, I wish to draw attention to Note 14 to the financial statements which states that the Company was liquidated on March 31, 2011 by Vesting Order.



AUDIT OFFICE  
63 HIGH STREET  
KINGSTON  
GEORGETOWN  
GUYANA



## Nizam Ali & Company

Chartered Accountants

215 'C' Camp Street  
North Cummingsburg  
Georgetown

Tel: (592)-227-8825  
Tele/Fax: (592)-225-7085  
E-mail: [nizamali@gol.net.gy](mailto:nizamali@gol.net.gy)

REPORT OF CHARTERED ACCOUNTANTS  
NIZAM ALI AND COMPANY  
TO THE AUDITOR GENERAL  
ON THE FINANCIAL STATEMENTS OF AROAIMA MINING COMPANY INC.  
FOR THE PERIOD ENDED MARCH 31, 2011

### AUDITORS' REPORT

We have audited the accompanying financial statements of Aroaima Mining Company Inc. which comprise the statement of financial position as at March 31, 2011 and the statement of comprehensive income, changes in shareholder equity and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Audit Office of Guyana Auditing Standards and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

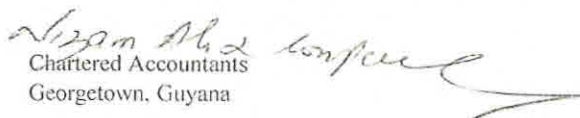
In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as at March 31, 2011 and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

#### Emphasis of matter

Without qualifying our opinion, we draw attention to note 14 which states that the Company was liquidated on March 31, 2011 by Vesting Order.

#### Report on Other Legal and Regulatory Requirements

The financial statements comply with the requirements of the Companies Act 1991.

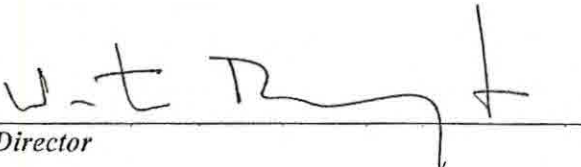
  
Chartered Accountants  
Georgetown, Guyana

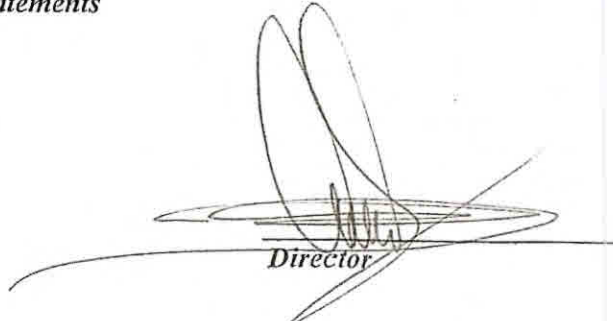
October 19, 2012

Aroaima Mining Company Inc.  
Statement of Financial Position  
As at March 31, 2011  
(Expressed in Guyana dollars)

	Notes	<u>2011</u> \$	<u>2010</u> \$
<b>Current assets</b>			
Cash	3	25,368,498	25,771,530
Trade accounts receivables	4	19,741,482	18,436,482
Due from affiliated company	5	113,444,049	113,240,065
Inventories	6	-	-
<b>Total current assets</b>		<u>158,554,029</u>	<u>157,448,077</u>
Property, plant and equipment	9	306,996,237	306,996,237
Investments		1,393,426,800	1,393,426,800
<b>Total Assets</b>		<u>1,858,977,066</u>	<u>1,857,871,114</u>
<b>Liabilities and Stockholders' Equity</b>			
<b>Current liabilities</b>			
Trade accounts payable	10	77,743,240	77,627,422
Other liabilities and accrued expenses	11	2,338,023	2,331,820
<b>Total current liabilities</b>		<u>80,081,263</u>	<u>79,959,242</u>
<b>Stockholders' equity</b>			
Common stock of AMC	8	100,000	100,000
Merger equity	7	2,858,067,522	2,858,067,522
Translation reserve		20,421,459	20,421,459
Accumulated loss		(1,099,693,178)	(1,100,677,109)
		<u>1,778,895,803</u>	<u>1,777,911,872</u>
<b>Total liabilities and stockholders' equity</b>		<u>1,858,977,066</u>	<u>1,857,871,114</u>

The notes on pages 6 to 10 form an integral part of these financial statements

  
Director

  
Director

