

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**  
**FOR**  
**GUILD ACQUISITIONS PLC**

M R Salvage Limited  
Chartered Accountants  
and Statutory Auditors  
7/8 Eghams Court  
Boston Drive  
Bourne End  
Buckinghamshire  
SL8 5YS

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**FOR THE YEAR ENDED 31 DECEMBER 2013**

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**GUILD ACQUISITIONS PLC**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**DIRECTORS:** G Hunt  
S Dowling  
S Corran

**SECRETARY:** S Corran

**REGISTERED OFFICE:** 4th Floor  
Queen Victoria House,  
41-43 Victoria Street, Douglas  
Isle of Man  
IM1 2LF

**REGISTERED NUMBER:** 115234C (Isle of Man)

**AUDITORS:** M R Salvage Limited  
Chartered Accountants  
and Statutory Auditors  
7/8 Eghams Court  
Boston Drive  
Bourne End  
Buckinghamshire  
SL8 5YS

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**CO - CHAIRMAN'S REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

In the year to 31 December 2013, the company made a loss of £177,391 (2012: £87,393) due to the impaired investments and the administrative expenses.

As you must be aware by now, the market for small mining and oil shares, in which we are principally invested, has been the worst for many years. Commodity prices have shrunk, retail investors have shunned the market and many companies have run short of cash.

Our investment in Equity Resources plc, delisted from the ISDX market, was written off at a cost of £155,441. Administrative expenses were £46,518 (2012: £48,502).

On November 2012 the company made a short term loan of £50,000 to Regency Mines plc, which was fully repaid in 2013. A convertible loan held by Starvest plc for £70,000, repayable on 25 July 2013, was repaid by the issue of 24 million ordinary shares at a price of 0.25 pence per share, together with a cash payment of £10,000.

Since the year end, Starvest plc has made a loan of £20,000 repayable on 31st December 2014. Clearly the company cannot continue to suffer repeated losses, and barring a sudden but unlikely improvement in share prices and asset values, the directors must and will find a new direction for the company.

SHAUN DOWLING

S Dowling  
Co- Chairman

Date: 30 May 2014

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

The directors present their strategic report for the year ended 31 December 2013.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

A more detailed review of the business is given in the Co-Chairman's Report. Given the straight forward nature of the business, the company's directors are of the opinion that an analysis using Key Performance Indicators is not necessary for an understanding of the development, performance or position of the business.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Guild Acquisitions plc's strategy is to provide seed capital into start-up or early stage companies, to assist their management in developing their businesses and to help them raise further funds when needed in the capital markets. Such businesses have the potential to create the greatest uplift in investment value. But, likewise, have the greatest downside risks. Most start-up companies either fail or run out of cash, so any investment company like Guild Acquisitions plc needs a star in its investment portfolio to offset any failures.

**ON BEHALF OF THE BOARD:**

GEOFFREY HUNT

G Hunt - Director

Date: 30 May 2014

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

The directors present their report with the financial statements of the company for the year ended 31 December 2013.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of an investment trading company established to grow early stage small and medium sized companies by injecting seed capital and expertise with a view to assisting those companies to raise further funds on the capital market for further development.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2013 (2012: £nil).

**FUTURE DEVELOPMENTS**

These are discussed fully in the Co-Chairman's Report.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2013 to the date of this report.

G Hunt  
S Dowling  
S Corran

**CORPORATE GOVERNANCE**

The directors recognise the importance of sound corporate governance and intend to observe the requirements of the Code of Best Practice, as published by the Committee on Corporate Governance (commonly known as the "Combined Code") to the extent they consider appropriate in light of the Company's size, stage of development and resources. At present, due to the size of the Company, audit, remuneration and risk management issues will be addressed by the Board supported by Members of the Advisory Board. As the Company grows the Board will consider establishing an audit and management committee and will consider developing further policies and procedures which reflect the principles of good governance and the Combined Code.

**SUBSTANTIAL INTERESTS**

On 31 December 2013 the following were registered as being interested in 3% or more of the Company's ordinary share capital:

	31 December 2013 Ordinary Shares of 0.1p Each	Percentage of Issued Share Capital
R B Rowan	117,983,333	56.2%
Starvest PLC	46,666,666	22.2%
S Dowling	21,250,000	10.1%

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**REPORT OF THE DIRECTORS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 these 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 applicable accounting standards have been followed, 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

M R Salvage Limited will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

GEOFFREY HUNT

G Hunt - Director

Date: 30 May 2014

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
GUILD ACQUISITIONS PLC**

We have audited the financial statements of Guild Acquisitions plc for the year ended 31 December 2013 on pages eight to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 a Report of the Auditors 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.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Co - Chairman's Report the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**GUILD ACQUISITIONS PLC - continued**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where 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.

John Taylor BSc FCA ATII (Senior Statutory Auditor)  
for and on behalf of M R Salvage Limited  
Chartered Accountants  
and Statutory Auditors  
7/8 Eghams Court  
Boston Drive  
Bourne End  
Buckinghamshire  
SL8 5YS

Date: 30 May 2014

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	2013 £	2012 £
<b>TURNOVER</b>		-	-
Cost of sales		<u>130,873</u>	<u>38,891</u>
<b>GROSS LOSS</b>		(130,873)	(38,891)
Administrative expenses		<u>46,518</u>	<u>48,502</u>
<b>OPERATING LOSS and LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	(177,391)	(87,393)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(177,391)</u>	<u>(87,393)</u>
Earnings per share expressed in pence per share:	5		
Basic		-0.09	-0.05
Diluted		<u>-0.09</u>	<u>-0.05</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the losses for the current year or previous year.

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**BALANCE SHEET**  
**31 DECEMBER 2013**

	Notes	2013 £	2012 £
<b>CURRENT ASSETS</b>			
Debtors	6	3,150	51,200
Investments	7	235,366	359,573
Cash at bank		<u>18,081</u>	<u>31,281</u>
		256,597	442,054
<b>CREDITORS</b>			
Amounts falling due within one year	8	<u>10,453</u>	<u>78,519</u>
<b>NET CURRENT ASSETS</b>		<u>246,144</u>	<u>363,535</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>246,144</u>	<u>363,535</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	498,760	474,760
Share premium	12	458,882	422,882
Profit and loss account	12	<u>(711,498)</u>	<u>(534,107)</u>
<b>SHAREHOLDERS' FUNDS</b>	16	<u>246,144</u>	<u>363,535</u>

The financial statements were approved by the Board of Directors on 30 May 2014 and were signed on its behalf by:

GEOFFREY HUNT  
G Hunt - Director

STEPHEN CORRAN  
S Corran - Director

The notes form part of these financial statements

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	2013		2012	
		£	£	£	£
<b>Net cash inflow/(outflow) from operating activities</b>	1		3,826		(104,547)
<b>Taxation</b>			(360)		-
<b>Capital expenditure and financial investment</b>	2		<u>(6,666)</u>		<u>(80,711)</u>
			(3,200)		(185,258)
<b>Financing</b>	2		<u>(10,000)</u>		<u>-</u>
<b>Decrease in cash in the period</b>			<u>(13,200)</u>		<u>(185,258)</u>
<hr/>					
<b>Reconciliation of net cash flow to movement in net funds</b>	3				
Decrease in cash in the period		(13,200)		(185,258)	
Cash outflow from decrease in debt		<u>10,000</u>		<u>-</u>	
Change in net funds resulting from cash flows			(3,200)		(185,258)
Adjustment to equity element on convertible loan			-		(4,000)
Share issue as debt settlement			<u>60,000</u>		<u>-</u>
<b>Movement in net funds/(debt) in the period</b>			56,800		(189,258)
<b>Net (debt)/funds at 1 January</b>			<u>(38,719)</u>		<u>150,539</u>
<b>Net funds/(debt) at 31 December</b>			<u>18,081</u>		<u>(38,719)</u>

The notes form part of these financial statements

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

1. **RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES**

	2013	2012
	£	£
Operating loss	(177,391)	(87,393)
Exchange (gain)/loss	(2,471)	2,994
(Gains)/losses on trade investments	133,344	35,897
Decrease/(increase) in debtors	48,050	(50,000)
Increase/(decrease) in creditors	<u>2,294</u>	<u>(6,045)</u>
<b>Net cash inflow/(outflow) from operating activities</b>	<b><u>3,826</u></b>	<b><u>(104,547)</u></b>

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2013	2012
	£	£
<b>Capital expenditure and financial investment</b>		
Purchase of current asset investments	<u>(6,666)</u>	<u>(80,711)</u>
<b>Net cash outflow for capital expenditure and financial investment</b>	<b><u>(6,666)</u></b>	<b><u>(80,711)</u></b>
<b>Financing</b>		
Loan repayments in year	<u>(10,000)</u>	<u>-</u>
<b>Net cash outflow from financing</b>	<b><u>(10,000)</u></b>	<b><u>-</u></b>

The notes form part of these financial statements

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**NOTES TO THE CASH FLOW STATEMENT - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

3. **ANALYSIS OF CHANGES IN (NET DEBT)/NET FUNDS**

	At 1.1.13 £	Cash flow £	Other non-cash changes £	At 31.12.13 £
Net cash:				
Cash at bank	<u>31,281</u>	<u>(13,200)</u>		<u>18,081</u>
	<u>31,281</u>	<u>(13,200)</u>		<u>18,081</u>
Debt:				
Debts falling due within one year	<u>(70,000)</u>	<u>10,000</u>	<u>60,000</u>	<u>-</u>
	<u>(70,000)</u>	<u>10,000</u>	<u>60,000</u>	<u>-</u>
Total – (Net Debt)/Net Funds	<u>(38,719)</u>	<u>(3,200)</u>	<u>60,000</u>	<u>18,081</u>

4. **MAJOR NON-CASH TRANSACTIONS**

In 2012, £4,000 represents an adjustment to the equity element of the convertible loan provided by Starvest plc.

In 2013, £60,000 represents the settlement of the loan due to Starvest plc by the issue of 24,000,000 shares at a price of 0.25p per share.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

1. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared on a going concern basis. Although the company has made losses for the last two years, net assets and net current assets at 31 December 2013 were £246,144 (2012: £363,535), including realisable investments of approximately £99,000. Since the year end, the directors have negotiated a loan of £20,000 from Starvest plc at an interest rate of 12% per annum payable at six-monthly intervals and capital to be repaid by 31 December 2014.

Having considered all the information available to them, the directors believe that the company has sufficient funding now, and for the foreseeable future, to enable to meet its liabilities and continue as a going concern.

**Accounting convention**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit/(loss).

**Costs of sales**

Cost of sales includes the book cost of trade investments sold in the year together with any impairment in the value of investments and foreign currency exchange differences recognised in the year.

**Investments**

Investments comprise of shares and monetary loan stock.

Investments are held as current asset trade investments and are valued at the lower of cost and net realisable value. Foreign denomination loans are translated into sterling at the rate of exchange ruling at the balance sheet date. For those investments listed on a recognised market, net realisable value is taken as mid-market price. Where the directors consider the market price of a company is likely to irreversibly fall, additional write downs in valuation to below mid-market price are made.

The net realisable value of certain investments is not readily determinable by reference to a quoted market price. The directors have therefore made their own assessment of the net realisable value and adjusted the carrying value of the investment where it is considered less than cost. This estimate requires estimation techniques, which are reliant upon their experience and expertise.

These current asset trade investments are held as part of an investment portfolio and no investment is made as a media through which the company carries on its business. Investments which may otherwise be classified as Associates, do not therefore fall within this classification for accounting purposes.

**Convertible loans**

Loans which may be converted into ordinary shares are given a split accounting treatment. The conventional debt element is recognised as a liability and is calculated as the present value of future cash flows of that debt as discounted at the rate of interest applied to comparable debts without the right to convert. The remaining balance is accounted for as equity being the fair value attaching to the option to convert and shown within other reserves.

2. **STAFF COSTS**

	2013	2012
	£	£
Wages and salaries (Directors' fees)	<u>7,200</u>	<u>7,200</u>

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

2. **STAFF COSTS - continued**

The average monthly number of employees during the year was as follows:

	2013	2012
Directors	<u>3</u>	<u>3</u>

3. **OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	2013	2012
	£	£
Auditors' remuneration	8,040	7,800
Exchange (gain)/loss	<u>(2,471)</u>	<u>2,994</u>
Directors' remuneration	<u>7,200</u>	<u>7,200</u>

4. **TAXATION**

The company manages its affairs from the Isle of Man or otherwise outside the United Kingdom and does not carry on its business in the UK. On this basis the company is not liable to UK taxation. The Isle of Man operates a zero rate of tax.

5. **EARNINGS PER SHARE**

The basic loss per share is calculated by dividing the profit/loss for the period attributable to ordinary shareholders by the weighted average number of shares in issue.

(Loss) for the period - (£177,391) (2012: loss - £87,393)

Weighted average of Ordinary 0.1p Shares in issue - 196,061,001 (2012: 186,061,001)

(Loss) per share - basic - (0.09p) (2012: loss per share (0.05p))

The conversion rights attaching to the Deferred Shares are not dilutive for the period.

Weighted average of Ordinary 0.1p Shares in issue for dilutive purposes, including potential ordinary shares on conversion of loan - 196,061,001 (2012: 190,061,001)

(Loss) per share - dilutive - (0.09p) (2012: loss per share (0.05p))

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013	2012
	£	£
Other debtors	-	50,000
Prepayments and accrued income	<u>3,150</u>	<u>1,200</u>
	<u>3,150</u>	<u>51,200</u>

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

On 01 November 2012, the company made a short-term loan of £50,000 to Regency Mines plc, a company in which Guild Acquisitions plc has a 0.25% holding at 31 December 2013.

The term of this loan was for 3 months and it was repaid fully in 2013. The loan incurred interest of 0% per annum. The balance of £50,000 had been included in "Other debtors" above in 2012.

In exchange, the company received 3 million 1p warrants with a 24-month term from Regency Mines plc but these warrants are not going to be exercised for commercial reasons, and, accordingly, these warrants are not recognised in the financial statements.

**7. CURRENT ASSET INVESTMENTS**

	2013	2012
	£	£
Publicly traded investments on ISDX Growth & AIM Listed markets at cost	121,377	270,152
Unquoted investments	<u>301,730</u>	<u>168,818</u>
Impairment provision	<u>423,107</u> <u>(187,741)</u>	<u>438,970</u> <u>(79,397)</u>
	<u><u>235,366</u></u>	<u><u>359,573</u></u>

The mid market price of the ISDX Growth & AIM Listed market shares at the balance sheet date was £122,750 (2012: £235,764).

Included in unquoted investments is a loan of £128,289 (2012 - £125,818) which is not repayable within one year. The movement on the loan relates wholly to an exchange gain arising in the period.

The impairment in investments has principally arisen due to a full impairment of £155,441 against the cost of all the securities the company holds in Equity Resources plc. Equity Resources plc delisted from the ISDX Growth Market during the year and the directors are of the opinion that the realisable value of these securities is uncertain and therefore, that the impairment is required.

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013	2012
	£	£
Other loans (see note 9)	-	70,000
Trade creditors	2,273	-
Taxation	-	360
Accrued expenses	<u>8,180</u>	<u>8,159</u>
	<u><u>10,453</u></u>	<u><u>78,519</u></u>

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

9. **LOANS**

An analysis of the maturity of loans is given below:

	2013	2012
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>          -</u>	<u>      70,000</u>

A convertible loan was provided on 25th July 2008 by Starvest plc in the sum of £70,000 for a period of 5 years repayable on 25th July 2013. The Loan bore interest of 0% per annum. Subject to 30 days notice to the company by the Lender during the term of the Loan, the Loan was convertible into 4 million ordinary shares in the company at a price of 1.75 pence per share. In accordance with the company's accounting policy, the equity element of the convertible loan was included in other reserves.

On 25th July 2013, this debt of £70,000 was repaid by the company in the form of £10,000 cash and by the issue of 24 million ordinary shares in the company at a price of 0.25 pence per share to Starvest plc.

The amount of £70,000 was included in "Creditors: Amounts Falling Due Within Less Than One Year" under "Other Creditors" in note 8 in the previous year.

R B Rowan, the controlling party for Guild Acquisitions plc, is a company director of Starvest plc and has a 27.40% holding in the ordinary share capital of Starvest plc.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

10. **FINANCIAL INSTRUMENTS**

The company uses financial instruments, comprising cash, trade investments and trade creditors, which arise directly from its operations. The main purposes of these instruments is to further the company's operations.

**Short term debtors and creditors**

Short term debtors and creditors have been excluded from all of the following disclosures.

**Trade investments**

Trade investments are stated at cost less any provision for impairment. The difference between fair and book value is set out in note 7. The board meets regularly to consider investment strategy in respect of the company's portfolio.

**Interest rate risk**

The company finances its operations through new investment funds raised. The board utilises short term floating rate interest bearing accounts to ensure adequate working capital is available whilst maximising returns on deposits.

**Liquidity risk**

The company seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

**Borrowing facilities**

The company currently has no overdraft facility. The board has borrowed funds on a long term 5 year basis which it considers a prudent approach.

**Currency risk**

The company trades substantially within the United Kingdom and the majority of transactions are denominated in sterling. The company has an investment denominated in Euros which is subject to a degree of currency risk. The Euro has strengthened against the Sterling. The cumulative gain is unrealised. The board deems this an unavoidable risk given the nature of the investment.

**Fair values**

Except where shown above, the fair values of the company's financial instruments are considered equal to the book value.

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

11. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid Number:	Class	Nominal Value	2013 £	2012 £
210,061,001 (2012: 186,061,001)	Ordinary	0.1p	210,061	186,061
3,000,000	Deferred A	0.1p	3,000	3,000
3,000,000	Deferred B	0.1p	3,000	3,000
31,411,002	Deferred C	0.9p	<u>282,699</u>	<u>282,699</u>
			<u>498,760</u>	<u>474,760</u>

Special rights/constraints attaching to the deferred A and B shares are as follows:

The deferred A shareholders have one vote at general meetings of the company. Until such time as the ordinary shares of the company have traded on the ISDX markets or any other facility recognised as a medium for trading shares at a mid market price of no less than 6p per share for a continuous period of 28 days, these shares carry no rights to dividends or to participation in the assets of the company other than the right to repayment at par on a winding up, such payment to be deferred to repayment at par of the ordinary shares. After the mid market price has achieved 6p for a continuous period of 28 days each deferred A share will have rights equivalent to ordinary shares.

In the event that on a winding up there is no surplus of assets of the company over the paid up capital of the company the right to repayment of the ordinary shares will take priority over the repayment of the deferred A shares.

The deferred B shareholders have one vote at general meetings of the company. Until such time as the ordinary shares of the company have traded on the ISDX markets or any other facility recognised as a medium for trading shares at a mid market price of no less than 7.5p per share for a continuous period of 28 days, these shares carry no rights to dividends or participation in the assets of the company other than a right to repayment at par on a winding up, such repayment to be deferred to repayment at par of the ordinary shares and deferred A shares. After the mid market price has achieved 7.5p for a continuous period of 28 days each deferred B share will have rights equivalent to an ordinary share. In the event that on a winding up there is no surplus of assets of the company over the paid up capital of the company the right to repayment of the ordinary shares and the deferred A shares will take priority over the repayment of the deferred B shares.

On 7 April 2010, the ordinary shares were sub-divided into one ordinary share 0.1 pence per share and one deferred C share of 0.9 pence per share.

Special rights/constraints attaching to the ordinary shares and deferred C shares are as follows:

The ordinary shares will entitle the holders to receive notice of, attend and vote at general meetings of the Company. The ordinary shares will carry the right to participate in dividends declared by the company. On a winding up, the ordinary shares will carry the right to repayment at par (£0.001 per share) in priority to deferred A shares, deferred B shares and deferred C shares and the right to participate in any surplus assets of the company.

The deferred C shares have very limited rights and will not entitle the holder to receive notice of, attend or vote at general meetings of the company. The deferred C shares will carry no rights to participate in dividends declared by the company. On a winding up, the deferred C shares will carry the right to repayment at par (£0.009 per share), deferred to repayment at par of the ordinary shares, deferred A shares and deferred B shares. The deferred C shares do not carry the right to participate in any surplus assets of the company.

In the year ended 31 December 2013, a loan of £70,000 (see note 9) was settled by £10,000 cash and by the issue of 24,000,000 ordinary shares at a price of 0.25 pence per share to Starvest plc.

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

In the event of any sub division of any part of the shares of the company or in the event of a takeover, amalgamation or any form of reconstruction of the company the price specified above for the deferred A and B shares shall be amended as may be just and equitable in the circumstances in a manner to be determined by the auditors.

The current rights of the deferred A and B shares, as described above, are still in the process of being amended to reflect that after the mid market prices stated above for the A and B shares have been achieved for a continuous period of 28 days, each deferred share will carry the same rights to dividends and to surpluses of the company but will be converted into ordinary shares.

**12. RESERVES**

	Profit and loss account £	Share premium £	Totals £
At 1 January 2013	(534,107)	422,882	(111,225)
Deficit for the year	(177,391)	-	(177,391)
Shares issued in year	<u>-</u>	<u>36,000</u>	<u>36,000</u>
At 31 December 2013	<u>(711,498)</u>	<u>458,882</u>	<u>(252,616)</u>

**13. RELATED PARTY DISCLOSURES**

The company owns 12.71% (2012: 13.41%) of the ordinary share capital of V22 plc. G Hunt and S Corran are directors of both V22 plc and the company. S Dowling holds 1.58% (2012: 1.58%) of the ordinary share capital in V22 plc.

The company has a 6.82% (2012: 6.82%) holding in Loan Stock and 5.45% (2012: 5.45%) holding in shares in Dascalu Development SRL a company in which S Dowling holds 5.32% (2012: 5.32%) of the share capital.

The company has a 19.59% (2012: 19.59%) holding in the ordinary share capital of Equity Resources plc. S Dowling holds 1.58% (2012: 1.58%) of the ordinary share capital in Equity Resources plc. This investment has been fully impaired to £nil (see note 7).

The company has a 0.58% (2012: 1.15%) holding in the ordinary share capital of Goldcrest Resources plc (formerly Rare Earths & Metals plc). S Dowling holds 3.11% (2012: 3.77%) of the ordinary share capital and R B Rowan holds 16.90% (2012: 16.07%) of the ordinary share capital in Goldcrest Resources plc (formerly Rare Earths & Metals plc). S Dowling is also a director of Goldcrest Resources plc.

The company has a 0.18% holding in the ordinary share capital of Ariana Resources plc. R B Rowan holds 4.38% of the share capital in Ariana Resources plc.

The company has a 0.15% holding in the ordinary share capital of Oracle Coalfields plc. R B Rowan holds 3.06% of the share capital in this company.

Bridgewater (IOM) Limited provides administrative services to the company. Administration charges for these services amounted to £12,564 (2012: £16,127). G Hunt and S Corran are directors of Bridgewater (IOM) Limited. Bridgewater (IOM) Limited also charges for the directors' fees for both G Hunt and S Corran in the year, amounting to £7,200 (2012: £7,200).

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

14. **POST BALANCE SHEET EVENTS**

Since the year end, the mid-market price for various publicly traded investments on both the ISDX Growth Market and AIM Listed Market (included in note 7) has fallen by approximately £18,000.

Since the year end, Starvest plc has made a loan of £20,000 to the Company, with interest accruing at 12% per annum, payable in six monthly-intervals, and the capital due for repayment by 31 December 2014.

15. **ULTIMATE CONTROLLING PARTY**

R B Rowan currently holds 54.6% (2012: 61.4%) of the voting rights in the company and is regarded by the directors as the controlling party.

16. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2013	2012
	£	£
Loss for the financial year	(177,391)	(87,393)
Share issue in the year	60,000	-
Adjustment to equity portion of loan	<u>-</u>	<u>(4,000)</u>
<b>Net reduction of shareholders' funds</b>	<b>(117,391)</b>	<b>(91,393)</b>
Opening shareholders' funds	<u>363,535</u>	<u>454,928</u>
<b>Closing shareholders' funds</b>	<b><u>246,144</u></b>	<b><u>363,535</u></b>

17. **NET ASSET VALUE PER SHARE**

The group has a net asset value per ordinary Share of 0.12p (2012,0.20p).

The net asset value per ordinary Share is at 0.13p (2012,0.20p) if the market value of the current asset investments is included within the assessment of the net assets.

**DETAILED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**  
**FOR**  
**GUILD ACQUISITIONS PLC**

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**TRADING AND PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	2013 £	£	2012 £	£
<b>TURNOVER</b>			-		-
Cost of sales	1		<u>130,873</u>		<u>38,891</u>
<b>GROSS LOSS</b>			(130,873)		(38,891)
Administrative expenses					
Administrative expenses	2	46,390		48,179	
Finance costs	3	<u>128</u>		<u>323</u>	
			<u>46,518</u>		<u>48,502</u>
<b>OPERATING LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			<u>(177,391)</u>		<u>(87,393)</u>

This page does not form part of the statutory financial statements

**GUILD ACQUISITIONS PLC (REGISTERED NUMBER: 115234C)**

**TRADING AND PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	£	£
<b>1. COST OF SALES</b>		
Exchanges (gains)/loss	(2,471)	2,994
(Gains)/losses on trade investments	<u>133,344</u>	<u>35,897</u>
	<u>130,873</u>	<u>38,891</u>
<b>2. ADMINISTRATIVE EXPENSES</b>		
Directors' fees	7,200	7,200
Advertising	707	546
Sundry expenses	-	(202)
Legal fees	30,443	32,835
Auditors' remuneration	<u>8,040</u>	<u>7,800</u>
	<u>46,390</u>	<u>48,179</u>
<b>3. FINANCE COSTS</b>		
Bank charges	<u>128</u>	<u>323</u>

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