

Sahara Mines Limited

Directors' Report And Unaudited Financial Statements

**For the Year Ended
30 May 2010**

(Company Registration Number 06607002 – England & Wales)



**Sahara Mines Limited
Year Ended 30 May 2010**

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REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 30 May 2010

Principal Activities

The principal activity of the company continued to be engagement in the discovery and acquisition of mining projects and providing consulting, research and advisory services to enterprises within the international mining industry

Review of the Business

The loss for the year after taxation was £1,871. The directors do not recommend the payment of a dividend and the loss has been transferred to reserves. The directors consider the results to date are satisfactory, and have undertaken to continue funding the company's activities until it is recapitalised on acquisition of its first mining project.

Directors

The directors who served throughout the year and their interests in the shares of the Company at 30 May 2010 as recorded in the register maintained by the Company, in accordance with the provisions of the Companies Act 2006, were as follows

	Number of Ordinary £1 Shares	
	At 30 May 2010	At 30 May 2009
J Martin	1	1
D K Paxton	1	1

No director had, during or at the end of the year, any material interest in a contract that was significant in relation to the Company's business.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

REPORT OF THE DIRECTORS (Continued)

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 year. Under that 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.

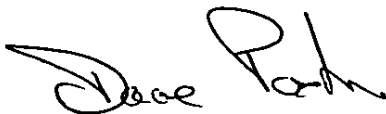
In preparing these financial statements the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a 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 to 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Board



D K Paxton
Director & Company Secretary

16 November 2010

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PROFIT AND LOSS ACCOUNT

	2010 £	2009 £
Turnover	-	-
Administrative expenses	<u>(1,871)</u>	<u>(5,398)</u>
Operating Loss	(1,871)	(5,398)
Bank interest receivable	-	160
Bank interest payable	-	-
Loss before Taxation	(1,871)	(5,238)
Taxation	-	-
Loss for the Year	<u>£(1,871)</u>	<u>£(5,238)</u>

Continuing Operations

The Company's activities during the financial year were unchanged and none were discontinued during this period

Total Recognised Gains and Losses

The Company had no recognised gains or losses other than the loss shown above for the financial year

The Notes on page 8 form part of these financial statements.

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BALANCE SHEET

	Notes	2010 £	2009 £
Fixed Assets			
Investments		-	-
Current Assets			
Receivables		-	-
Cash at Bank and in Hand		<u>42,893</u>	<u>45,064</u>
		42,893	45,064
Creditors			
Amounts falling due within one year			
Short-term Loans	3	(50,000)	(50,000)
Other Creditors		<u>-</u>	<u>(300)</u>
		(50,000)	(50,300)
Net Current Liabilities		(7,107)	(5,236)
Net Liabilities		<u>£(7,107)</u>	<u>£(5,236)</u>
Capital and Reserves			
Called up Share Capital	4	2	2
Profit and Loss Account	5	<u>(7,109)</u>	<u>(5,238)</u>
Deficiency of Shareholders' Funds		<u>£(7,107)</u>	<u>£(5,236)</u>

The Notes on page 8 form part of these financial statements.

BALANCE SHEET (Continued)


For the financial year ended 30 May 2010 the company was entitled to exemption from audit under section 477 Companies act 2006 No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006

The directors acknowledge their responsibility for

- (i) ensuring that the Company keeps accounting records which comply with section 386 of the Companies Act 2006
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit and loss for the financial year in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the Board of Directors and authorised for issue on 16th November 2010 and are signed on its behalf by



D K Paxton
Director

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

1.1 The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

2. Employee Information

The average weekly number of persons employed by the Company including directors during the year was 2

	2010	2009
	£	£
Total directors' emoluments – fees	-	-
Fees include amounts paid to The highest paid director	-	-

The number of directors (including the highest paid director) who received fees in the following ranges was

	2010	2009
£0-£5,000	-	-

3. Short-term Loans

	2010	2009
	£	£
Short-term Loans from Directors and Associates	50,000	50,000

Short-term Loans have been advanced to the company by Directors and their Associates to facilitate the discovery and acquisition of mining exploration projects for development. These loans are interest-free and subject to annual renewal at Directors' discretion.

4. Share Capital

	2010	2009
	£	£
Authorised - Ordinary shares of £1 each	100	100
Allotted, called-up and fully paid	2	2

5. Profit and Loss Account

	2010	2009
	£	£
Loss for the Financial Year	(1,871)	(5,238)