

Company Registration No. 405724

**Deloitte
& Touche**

ANGLO COAL MARKETING LIMITED

Report and Financial Statements

31 December 2001

**Deloitte & Touche
London**



ANGLO COAL MARKETING LIMITED

**Deloitte
& Touche**

REPORT AND FINANCIAL STATEMENTS 2001

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REPORT AND FINANCIAL STATEMENTS 2001

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

L R Flint (resigned 15th October 2002)
C R Wiggill
N Jordan
R S Wicks
M J Gordon

SECRETARIES

N Jordan
G A Wilkinson

REGISTERED OFFICE

20 Carlton House Terrace
London SW1Y 5AN

BANKERS

Barclays Bank PLC
54 Lombard Street
London EC2Y 8HQ

SOLICITORS

Linklaters
One Silk Street
London EC2Y 8HQ

AUDITORS

Deloitte & Touche
Chartered Accountants
London

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2001.

PRINCIPAL ACTIVITY AND FUTURE PROSPECTS

The Company markets thermal and metallurgical coals into the Mediterranean and Atlantic regions and will continue this marketing role.

RESULTS AND DIVIDENDS

The profit for the year is \$2,972,383 (2000: \$985,882). The directors recommend that an interim dividend of \$985,882 be paid for the year ended 31 December 2001 (2000: \$1,509,865).

DIRECTORS AND THEIR INTERESTS

Mr L R Flint resigned with effect from 15th October 2002.

There are no directors' interests in the share capital of the Company which are required to be disclosed.

The interests of the directors in other UK group companies were disclosed as follows:

Directors' interests in shares of Anglo American plc

The directors' shareholding interests (other than share options) in Anglo American plc ("Anglo American") and its subsidiary undertakings recorded in the register of such interests were as follows:

	Anglo American ordinary shares			
	As at 1 January 2001		As at 31 December 2001	
	Beneficial	Conditional (1)	Beneficial	Conditional (1)
R S Wicks	2,272	964	4,984	1,800
M J Gordon	41,824	2,636	36,776	5,388
C R Wiggill	1,272	-	1,272	-

(1) Matching shares to be allocated after the deferral period of three years, subject to certain conditions.

The interests of the directors of the Company in shares of Anglo American plc under share option schemes as recorded the register of such interests were as follows:

	Anglo American ordinary shares		
	Options outstanding 1 January 2001	Options granted	Options outstanding 31 December 2001
R S Wicks	196,000	35,350	231,350
L R Flint	-	13,000	13,000
M J Gordon	103,480	45,955	149,435
C R Wiggill	86,000	29,922	115,922

According to the register of directors' interests, no other directors had any such interests in the above named undertaking nor in any other undertaking requiring disclosure under the Companies Act 1985.

DIRECTORS' REPORT

AUDITORS

In accordance with Section 386 of the Companies Act 1985, Deloitte & Touche are deemed to remain in office as auditors under the terms of an Elective Resolution dated 11 July 1991.

Approved by the Board of Directors
and signed on behalf of the Board



Director

G A Wilkinson

Secretary

23 October 2002

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year 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 the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; 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 proper accounting records which 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 1985. They are also responsible for the system of internal control, for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ANGLO COAL MARKETING LIMITED**

**Deloitte
& Touche**

We have audited the financial statements of Anglo Coal Marketing Limited for the year ended 31 December 2001 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

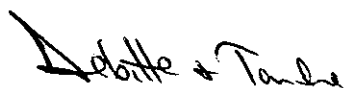
Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche

Chartered Accountants and Registered Auditors

London

28 October

2002

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2001

	Note	2001 US\$	2000 Restated US\$
TURNOVER	2	43,775,881	86,770,680
Cost of sales		(39,301,753)	(82,696,690)
GROSS PROFIT		4,474,128	4,073,990
Administrative expenses		(1,862,194)	(4,014,044)
Other operating income		1,326,136	974,293
OPERATING PROFIT	4	3,938,070	1,034,239
Interest receivable and similar income		279,551	187,660
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		4,217,621	1,221,899
Tax on profit on ordinary activities	5	(1,245,238)	(236,017)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		2,972,383	985,882
Dividends paid and proposed		(985,882)	(1,509,865)
Retained profit/(loss) for the financial year		1,986,501	(523,983)
Profit and loss account brought forward		985,882	1,509,865
Profit and loss account carried forward		2,972,383	985,882

A statement of total recognised gains and losses has not been presented since there are no recognised gains or losses other than the gain for the current and preceeding year.

There were no movements in equity shareholders' funds in the current and preceding financial year other than the profit attributable to the members of the Company in the current year and loss in the preceding year.

All activities derive from continuing operations.

ANGLO COAL MARKETING LIMITED

**Deloitte
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BALANCE SHEET 31 December 2001

	Note	2001 US\$	2000 US\$
CURRENT ASSETS			
Stocks	6	-	476,018
Debtors	7	6,158,869	9,885,957
Cash at bank		13,353,560	4,839,250
		<u>19,512,429</u>	<u>15,201,225</u>
CREDITORS: amounts falling due within one year	8	<u>(11,419,716)</u>	<u>(9,095,013)</u>
NET CURRENT ASSETS		<u>8,092,713</u>	<u>6,106,212</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,092,713</u>	<u>6,106,212</u>
NET ASSETS		<u>8,092,713</u>	<u>6,106,212</u>
CAPITAL AND RESERVES			
Called up share capital	9	5,120,330	5,120,330
Profit and loss account		2,972,383	985,882
EQUITY SHAREHOLDERS' FUNDS		<u>8,092,713</u>	<u>6,106,212</u>

These financial statements were approved by the Board of Directors on 23rd October 2002.

Signed on behalf of the Board of Directors

C R Wiggill
Director



NOTES TO THE ACCOUNTS**Year ended 31 December 2001****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover

In 2000 turnover related principally to the direct and indirect marketing of coal. Commissions received for marketing coal within the Anglo American group were disclosed under other operating income. Due to the increasing significance of such operations to the Company, such commissions have been disclosed under turnover in 2001. Comparative figures have been represented accordingly.

Foreign currency

Foreign currency transactions are recorded at the exchange rates ruling on the dates of those transactions. Foreign currency monetary assets and liabilities have been translated at the year end rate. Any gains or losses are incorporated into the profit and loss account.

Deferred taxation

Deferred taxation is provided at the anticipated tax rates on timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements to the extent that a liability or asset is expected to crystallise in the future.

Stock

Stocks of coal are stated at the lower of cost and net realisable value.

2. TURNOVER

	2001 US\$	2000 Restated US\$
Geographical markets		
Africa	4,912,461	1,719,387
Americas	11,468,823	8,453,711
Asia	433,151	19,756,630
Europe	26,961,446	56,840,952
	<u>43,775,881</u>	<u>86,770,680</u>

NOTES TO THE ACCOUNTS**Year ended 31 December 2001****3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

The average number of staff (including directors) employed by the Company during the year was 10 (2000: 10).

Staff costs for the above persons:

	2001	2000
	US\$	US\$
Salaries	1,186,474	1,406,739
Social security costs	115,315	150,459
	<u>1,301,789</u>	<u>1,557,198</u>

Directors' emoluments and highest paid director

	2001	2000
	US\$	US\$
Aggregate emoluments	430,282	297,497
Contributions to defined contribution pension scheme	34,562	10,892
	<u>464,844</u>	<u>308,389</u>

As at 31 December 2001 there was only one director paid for his services to the Company. Other directors are employees of Anglo American plc group companies and are remunerated by their respective employing company within the group.

As at 31 December 2001 there was one director who was a member of a defined contribution scheme (2000: one). The above disclosures thus relate to the highest paid director.

4. OPERATING PROFIT

	2001	2000
	US\$	US\$
Operating profit is after charging/(crediting):		
Depreciation – owned assets	-	32,439
Auditors' remuneration – audit	18,320	18,684
Rentals under operating leases	-	160,920
Loss on disposal of fixed assets	-	14,353
(Profit)/loss on foreign currency retranslation	(10,974)	30,674
	<u>(10,974)</u>	<u>30,674</u>

NOTES TO THE ACCOUNTS

Year ended 31 December 2001

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2001	2000
	US\$	US\$
UK corporation tax at 30% (2000: 30%) based on the profit for the financial year	1,248,433	238,076
Adjustments in respect of prior years	(3,195)	-
	<u>1,245,238</u>	<u>238,076</u>
Deferred taxation	-	(2,059)
	<u>1,245,238</u>	<u>236,017</u>

6. STOCKS

	2001	2000
	US\$	US\$
Goods for resale – Coal	-	476,018

7. DEBTORS

	2001	2000
	US\$	US\$
Trade debtors	4,320,075	5,810,978
Amounts owed by group undertakings	1,696,383	3,642,129
Other debtors	142,411	432,850
	<u>6,158,869</u>	<u>9,885,957</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001	2000
	US\$	US\$
Trade creditors	7,426,418	4,434,603
Amounts owed to group undertakings	1,341,817	1,513,236
Taxation payable	1,245,238	588,879
Other creditors	29,065	76,143
Accruals and deferred income	1,377,178	2,482,152
	<u>11,419,716</u>	<u>9,095,013</u>

NOTES TO THE ACCOUNTS
Year ended 31 December 2001

9. CALLED UP SHARE CAPITAL

	2001	2000
	US\$	US\$
Authorised:		
3,075,000 ordinary shares of £1 each	5,120,330	5,120,330
Called up, allotted and fully paid:		
3,075,000 ordinary shares of £1 each	5,120,330	5,120,330

10. OPERATING LEASE COMMITMENTS

As at 31 December 2001 the Company was committed to making the following payments during the next year in respect of operating leases:

	Land and buildings 2001	2000
	US\$	US\$
Leases which expire:		
Within one year	-	-
Between one and five years	-	178,884
After five years	-	-
	-	178,884

The Company's sole operating lease was assigned to a third party in April 2001.

11. RELATED PARTY TRANSACTIONS

At 31 December 2001, as identified in note 12, Anglo American plc, a company incorporated in Great Britain was the Company's ultimate parent company. The Company has taken advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard 8 not to disclose related party transactions with Anglo American group companies.

12. ULTIMATE PARENT COMPANY

The directors consider Anglo American plc to be the current ultimate parent company and controlling party. Copies of the group accounts of Anglo American plc, which include the results of the Company, are available from Anglo American plc at 20 Carlton House Terrace, London, SW1Y 5AN.

The Company's immediate parent company is Anglo American Finance (UK) PLC, a company incorporated in Great Britain.