

**Company Registration No. 2649815**

**Anglo Industrial Minerals Holdings Limited**

**Report and Financial Statements**

**31 December 2007**

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# **Anglo Industrial Minerals Holdings Limited**

## **Report and Financial Statements 2007**

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# **Anglo Industrial Minerals Holdings Limited**

## **Report and Financial Statements 2007**

### **General information**

#### **Directors**

K C Hajar  
D M Weston

#### **Secretary**

A W Hodges

#### **Registered office**

20 Carlton House Terrace  
London SW1Y 5AN

#### **Auditors**

Deloitte & Touche LLP  
Chartered Accountants  
London

# **Anglo Industrial Minerals Holdings Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2007

This directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985

### **Principal activity and business review**

The Company is a holding company, holding investments in the United Kingdom as part of the Anglo American plc group of companies. Future performance depends on the trading results of its subsidiaries which the directors believe to be satisfactory. There have not been any significant changes in the Company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

The Company has traded at a profit during the period, as noted below.

The balance sheet on page 7 of the financial statements shows that the Company's net current assets have increased by £811,929 compared to the prior year, principally due to tax credits from utilisation of unprovided losses brought forward.

The Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business.

### **Results and dividends**

The profit after tax for the year was £811,929 (2006: £122,372,087). The directors do not recommend the payment of a dividend for the year (2006: £145,248,000).

An interim dividend of 38.5p per ordinary share, amounting to £11,000,000, was paid on 23 June 2008.

### **Directors and their interests**

Unless otherwise indicated the following served as directors throughout the year and to the present time:

K C Hajar  
D M Weston

### **Principal risks and uncertainties**

The directors considered the risks attached to the Company's financial instruments which principally comprise operating creditors and loans to and from other group companies. The directors have taken a prudent approach in their consideration of the various risks attached to the financial instruments of the Company. The Company's exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of assets, liabilities and the financial statements.

The directors' policy on hedging is to hedge all financial risks where it is feasible and cost effective to do so. The Company had no hedged transactions during the year.

# **Anglo Industrial Minerals Holdings Limited**

## **Directors' report (continued)**

### **Auditors**

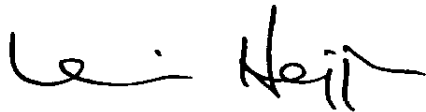
Each of the persons who are directors at the date of approval of this report confirm that

- (1) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (2) the director has taken all 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

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

In accordance with Section 386 of the Companies Act 1985, Deloitte & Touche LLP are deemed to remain in office as auditors under the terms of an elective resolution dated 25 October 1999

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



K C Hajar

Director

23 October 2008

# **Anglo Industrial Minerals Holdings Limited**

## **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). The financial statements are required by law to 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 estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, and
- 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 proper accounting records that 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 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 Industrial Minerals Holdings Limited**

We have audited the financial statements of Anglo Industrial Minerals Holdings Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 an auditors' report 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

## **Basis of audit opinion**

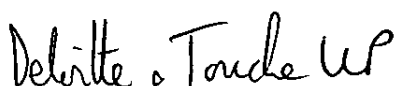
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.



**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors  
London, UK

23 October 2008

# Anglo Industrial Minerals Holdings Limited

## Profit and loss account

Year ended 31 December 2007

|   | Note | 2007<br>£       | 2006<br>£           |
|---|------|-----------------|---------------------|
| Amounts written off investments                             | 9    | -               | (19,473,752)        |
| <b>Loss on ordinary activities before finance charges</b>   |      | <b>-</b>        | <b>(19,473,752)</b> |
| Interest receivable and similar income                      | 4    | 14,070          | 145,267,556         |
| Interest payable and similar charges                        | 5    | (57,465)        | (8,833,525)         |
| <b>(Loss)/profit on ordinary activities before taxation</b> | 2    | <b>(43,395)</b> | <b>116,960,279</b>  |
| Tax credit on (loss)/profit on ordinary activities          | 6    | 855,324         | 5,411,808           |
| <b>Profit for the financial year</b>                        |      | <b>811,929</b>  | <b>122,372,087</b>  |

There are no recognised gains or losses for the current year or the preceding financial year other than as stated in the profit and loss account

All amounts derive from continuing operations



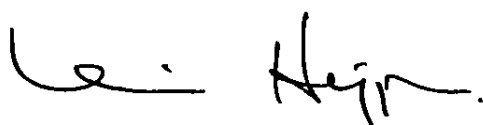
# Anglo Industrial Minerals Holdings Limited

## Balance sheet 31 December 2007

|  | Note   | 2007<br>£     | 2006<br>£     |
|--|--------|---------------|---------------|
| <b>Fixed assets</b>                                  |        |               |               |
| Investments  | 9      | 223,348,766   | 224,368,603   |
| <b>Current assets</b>                                |        |               |               |
| Debtors due within one year                          | 10     | 17,167,514    | 16,272,189    |
| Debtors due after more than one year                 | 10     | 188,618,286   | 187,695,916   |
| Cash at bank and in hand                             |        | 295,355       | 234,670       |
|  |        | 206,081,155   | 204,202,775   |
| <b>Creditors amounts falling due within one year</b> | 11     | (139,930,130) | (139,883,516) |
| <b>Net current assets</b>                            |        | 66,151,025    | 64,319,259    |
| <b>Net assets</b>                                    |        | 289,499,791   | 288,687,862   |
| <b>Capital and reserves</b>                          |        |               |               |
| Called up share capital                              | 12, 13 | 28,570,002    | 28,570,002    |
| Share premium account                                | 13     | 259,511,374   | 259,511,374   |
| Profit and loss account                              | 13     | 1,418,415     | 606,486       |
| <b>Shareholder's funds</b>                           | 14     | 289,499,791   | 288,687,862   |

These financial statements were approved by the Board of Directors on 23 October 2008

Signed on behalf of the Board of Directors



K C Hajar

Director

# Anglo Industrial Minerals Holdings Limited

## Notes to the accounts

Year ended 31 December 2007

### 1. Accounting policies

The financial statements are prepared in accordance with United Kingdom law and accounting standards. All accounting policies have been applied consistently throughout the current and prior year. The particular accounting policies adopted are described below.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

#### Investments

Fixed assets investments are stated at cost less provision for any impairment.

#### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise 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. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

### 2. (Loss)/ profit on ordinary activities before taxation

Audit fees were borne by Tarmac Limited, a group company, in the current and preceding year. Audit fees in respect of the audit of the Company's annual accounts for the year amounted to £3,000 (2006: £3,000).

### 3. Information regarding directors and employees

There were no employees during the year (2006 – none). The directors received no emoluments in respect of their services to the Company during the year (2006 – £nil).

### 4. Interest receivable and similar income

|  | 2007<br>£     | 2006<br>£          |
|--|---------------|--------------------|
| Bank interest receivable                   | 14,070        | 19,556             |
| Dividends received from group undertakings | -             | 145,248,000        |
|  | <u>14,070</u> | <u>145,267,556</u> |

# Anglo Industrial Minerals Holdings Limited

## Notes to the accounts

Year ended 31 December 2007

### 5. Interest payable and similar charges

|  | 2007<br>£     | 2006<br>£        |
|--|---------------|------------------|
| Interest payable on loan from immediate parent company | -             | 8,691,111        |
| Foreign exchange loss on investments                   | 57,465        | 142,414          |
|  | <u>57,465</u> | <u>8,833,525</u> |

### 6. Tax credit on (loss)/ profit on ordinary activities

|  | 2007<br>£      | 2006<br>£        |
|--|----------------|------------------|
| <b>Current tax:</b>  |                |                  |
| Balancing payment received under transfer pricing regime   | 3,419,829      | 5,411,808        |
| Amount receivable for group relief   | (2,480,353)    | -                |
| Adjustments in respect of previous years   | (84,152)       | -                |
|  | <u>855,324</u> | <u>5,411,808</u> |
| <b>Tax credit on (loss)/ profit on ordinary activities</b>   | <u>855,324</u> | <u>5,411,808</u> |
| <b>Factors affecting tax credit for the year:</b>  |                |                  |
| (Loss)/ profit on ordinary activities before tax   | (43,396)       | 116,960,279      |
| Profit/(loss) on ordinary activities multiplied by<br>standard rate of corporation tax in the UK of 30% (2007 30%) | 13,019         | (35,088,084)     |
| Non-taxable income   | -              | 43,574,401       |
| Non-deductible item – impairment of investment   | -              | (5,842,126)      |
| Utilisation of unprovided losses brought forward   | 926,457        | 2,767,617        |
| Adjustments to tax charge in respect of previous periods   | (84,152)       | -                |
|  | <u>855,324</u> | <u>5,411,808</u> |
| <b>Current tax credit for the year</b>   | <u>855,324</u> | <u>5,411,808</u> |

# Anglo Industrial Minerals Holdings Limited

## Notes to the accounts Year ended 31 December 2007

### 7. Dividends

|   | 2007<br>£ | 2006<br>£   |
|---|-----------|-------------|
| Final paid nil (2006 508 4p) per £1 share | -         | 145,248,000 |

### 8. Deferred tax

|                                 | 2007          |                 | 2006          |                 |
|---------------------------------|---------------|-----------------|---------------|-----------------|
|                                 | Provided<br>£ | Unprovided<br>£ | Provided<br>£ | Unprovided<br>£ |
| Tax losses carried forward      | -             | -               | -             | 842,305         |
| Undiscounted deferred tax asset | -             | -               | -             | 842,305         |

### 9. Investments held as fixed assets

|  | 2007<br>£   | 2006<br>£   |
|--|-------------|-------------|
| <b>Shares in subsidiary undertakings</b> |             |             |
| <b>Cost</b>                              |             |             |
| Cost at 1 January                        | 349,842,355 | 338,211,017 |
| Capital contribution to subsidiary       | -           | 11,773,752  |
| Disposal of shares                       | (962,372)   | -           |
| Foreign exchange loss on shares          | (57,465)    | (142,414)   |
| Cost at 31 December                      | 348,822,518 | 349,842,355 |
| <b>Provisions</b>                        |             |             |
| At 1 January                             | 125,473,752 | 106,000,000 |
| Provision for impairment                 | -           | 19,473,752  |
| At 31 December                           | 125,473,752 | 125,473,752 |
| <b>Net book value</b>                    |             |             |
| At 31 December                           | 223,348,766 | 224,368,603 |

# Anglo Industrial Minerals Holdings Limited

## Notes to the accounts

Year ended 31 December 2007

### 9. Investments held as fixed assets (continued)

The Company's wholly owned subsidiaries are all incorporated in Great Britain and are listed below

| Subsidiary                        | Nature of Business                                |
|-----------------------------------|---|
| Anglo Industrial Minerals Limited | Services Company                                  |
| Buxton Lime Industries Limited    | Industrial Minerals Company                       |
| Tarmac Southern Limited           | Industrial Minerals Company                       |
| Tarmac Western Limited            | Industrial Minerals Company                       |
| Tarmac Concrete Products Limited  | Industrial Minerals Company                       |
| Tilcon Holdings Limited           | Holding Company for Industrial Minerals Companies |

Group accounts have not been prepared as the Company is a wholly owned subsidiary of another company incorporated within the European Union and is exempt from preparing group accounts under s228 of the Companies Act 1985. Consequently the financial statements present information about the Company as an individual undertaking rather than as a group

### 10. Debtors

|                                      | 2007<br>£          | 2006<br>£          |
|--------------------------------------|--------------------|--------------------|
| <b>Due within one year:</b>          |                    |                    |
| Prepayments and accrued income       | 80,000             | 40,000             |
| Group relief                         | 17,087,514         | 16,232,189         |
|                                      | <u>17,167,514</u>  | <u>16,272,189</u>  |
| <b>Due after more than one year:</b> |                    |                    |
| Amounts owed by group undertakings   | 188,578,286        | 187,615,916        |
| Prepayments and accrued income       | 40,000             | 80,000             |
|                                      | <u>188,618,286</u> | <u>187,695,916</u> |

### 11. Creditors: amounts falling due within one year

|  | 2007<br>£          | 2006<br>£          |
|--|--------------------|--------------------|
| Amounts owed to subsidiary undertakings  | 36,498,153         | 36,498,153         |
| Amounts owed to other group undertakings | 103,431,977        | 103,385,363        |
|  | <u>139,930,130</u> | <u>139,883,516</u> |

# Anglo Industrial Minerals Holdings Limited

## Notes to the accounts

### Year ended 31 December 2007

#### 12. Called up share capital

|   | 2007<br>£  | 2006<br>£  |
|---|------------|------------|
| <b>Authorised:</b>                                      |            |            |
| 50,000,000 (2006 50,000,000) ordinary shares of £1 each | 50,000,000 | 50,000,000 |
| <b>Called up, allotted and fully paid:</b>              |            |            |
| 28,570,002 (2006 28,570,002) ordinary shares of £1 each | 28,570,002 | 28,570,002 |

#### 13. Reserves

|  | Share<br>capital<br>£ | Share<br>premium<br>account<br>£ | Profit and<br>loss reserve<br>£ | Total<br>£  |
|--|-----------------------|----------------------------------|---------------------------------|-------------|
| 1 January 2007                                   | 28,570,002            | 259,511,374                      | 606,486                         | 288,687,862 |
| Retained profit for the financial year (note 14) | -                     | -                                | 811,929                         | 811,929     |
| 31 December 2007                                 | 28,570,002            | 259,511,374                      | 1,418,415                       | 289,499,791 |

#### 14. Reconciliation of movements in shareholder's funds

|   | 2007<br>£   | 2006<br>£     |
|---|-------------|---------------|
| Profit for the year   | 811,929     | 122,372,087   |
| Dividends   | -           | (145,248,000) |
| Retained profit/ (loss) for the financial year                                      | 811,929     | (22,875,913)  |
| Net proceeds of capital contribution on write off of loan payable to parent company | -           | 230,115,536   |
| Net proceeds of issue of ordinary share capital                                     | -           | 245,231,374   |
| Net addition to shareholder's funds   | 811,929     | 452,470,997   |
| Opening shareholder's funds/ (deficit)  | 288,687,862 | (163,783,135) |
| Closing shareholder's funds   | 289,499,791 | 288,687,862   |

#### 15. Contingent liabilities

The Company has guaranteed the performance of certain of its wholly owned subsidiaries in respect of contract work performed in the United Kingdom

#### 16. Events after the balance sheet date

An interim dividend of 38 5p per ordinary share amounting to £11,000,000 was paid on 23 June 2008

# **Anglo Industrial Minerals Holdings Limited**

## **Notes to the accounts**

### **Year ended 31 December 2007**

#### **17. Related party transactions**

At 31 December 2007, as identified in note 18, Anglo American plc is 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 plc group companies.

#### **17. Cash flow statement**

This Company has not prepared a cash flow statement being a wholly owned subsidiary of a parent undertaking incorporated within the European Union which publishes consolidated financial statements and which include consolidated cash flow statements dealing with the cash flows of the group.

#### **18 Ultimate parent company**

The immediate parent company is Anglo American Finance (UK) Limited, a company incorporated in Great Britain.

The ultimate parent company and ultimate controlling entity is Anglo American plc a company incorporated in Great Britain. The smallest and largest group that publishes consolidated accounts incorporating the results of this Company is Anglo American plc. Copies of the accounts of the immediate and ultimate parent companies are available from the Company Secretary, 20 Carlton House Terrace, London, SW1Y 5AN.