

**ANGLO AMERICAN SERVICES (RUSSIA)  
LIMITED**

## Report and Financial Statements

**31 December 2004**



# ANGLO AMERICAN SERVICES (RUSSIA) LIMITED

## REPORT AND FINANCIAL STATEMENTS 2004

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# **ANGLO AMERICAN SERVICES (RUSSIA) LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2004**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

N Jordan  
O C Ryan  
G A Wilkinson

#### **SECRETARY**

G A Wilkinson

#### **REGISTERED OFFICE**

20 Carlton House Terrace  
London  
SW1Y 5AN

#### **BANKERS**

Barclays Bank Plc  
1 Churchill Place  
Canary Wharf  
London E14 5HP

#### **AUDITORS**

Deloitte & Touche LLP  
Chartered Accountants  
Hill House  
1 Little New Street  
London EC4A 3TR

# ANGLO AMERICAN SERVICES (RUSSIA) LIMITED

## DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the period from the date of incorporation on 2 March 2004 to 31 December 2004.

## PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The company was incorporated on 2 March 2004 and is engaged in investigating potential investment opportunities overseas, operating through a representative office in Russia. The directors have the present intention of maintaining the business in its current form for the foreseeable future.

## RESULTS AND DIVIDENDS

The loss after taxation for the period was £462,621. The directors do not recommend the payment of a dividend for the period.

## DIRECTORS AND THEIR INTERESTS

Other than noted below, the following served as directors during the period and to the present time:

Hackwood Directors Limited - resigned 14 April 2004

N Jordan - appointed 14 April 2004

O C Ryan - appointed 28 April 2004

G A Wilkinson - appointed 14 April 2004

### Directors' share options

	Holding at 2 March 2004*	Anglo American plc options <sup>(1)</sup> Options Granted during the period	Options Exercised / Lapsed during the period	Holding at 31 December 2004
O C Ryan	22,000	11,871	-	33,871

	Anglo American long term incentive plan (LTIP) Total beneficial interest in LTIP at 2 March 2004*	Number of shares conditionally awarded during the period	Total beneficial interest in LTIP at 31 December 2004
O C Ryan	8,100	-	8,100

### Directors' share interests

The interests of directors who held office at 31 December 2004 in Ordinary Shares ("Shares") of Anglo American plc were as follows:

	As at 2 March 2004*		As at 31 December 2004	
	Beneficial	Conditional <sup>(1)</sup>	Beneficial	Conditional <sup>(1)(2)</sup>
O C Ryan	86	86	170	6,420

\* Or date of appointment.

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

<sup>(2)</sup> With effect from 1 January 2004, grants under the LTIP Scheme ceased to be by way of low cost options, and since that date are by way of conditional grants of shares.

# ANGLO AMERICAN SERVICES (RUSSIA) LIMITED

## DIRECTORS' REPORT (CONTINUED)

The interests Mr N Jordan and Mr G A Wilkinson are disclosed in the annual financial statements of Anglo American Finance (UK) PLC

### AUDITORS

Deloitte & Touche LLP were appointed as the Company's first auditors on 10 February 2004. 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 14 April 2004.

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



N Jordan  
Director

13 October

2005

**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 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 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 AMERICAN SERVICES (RUSSIA)OVERSEAS LIMITED**

We have audited the financial statements of Anglo American Services Overseas Limited for the period ended 31 December 2004 which comprise the profit and loss account, the balance sheet and the related notes 1 to 10. 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**

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 period and consider the implications for our report if we become aware of any apparent misstatements.

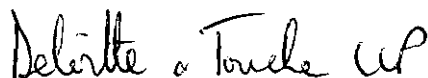
### **Basis of audit opinion**

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 2004 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors  
London

17 October 2005

# ANGLO AMERICAN SERVICES (RUSSIA) LIMITED

## PROFIT AND LOSS ACCOUNT

Period ended 31 December 2004

	Note	2 March to 31 December 2004 £
Administrative expenses		<u>(462,621)</u>
<b>OPERATING LOSS</b>	3	(462,621)
Interest receivable and similar income		<u>-</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(462,621)
Tax on loss on ordinary activities	4	<u>-</u>
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED LOSS FOR THE FINANCIAL PERIOD</b>	7, 8	<u><u>(462,621)</u></u>

All amounts derive from continuing operations.

There are no recognised gains or losses for the current financial period other than the loss shown above and therefore no separate statement of total recognised gains and losses has been presented.



# ANGLO AMERICAN SERVICES (RUSSIA) LIMITED

## BALANCE SHEET 31 December 2004

	Note	2004 £
<b>FIXED ASSETS</b>	5	175,027
<b>CURRENT ASSETS</b>		
Amounts owed by group undertakings		1
Prepayments		37,299
Cash at bank and in hand		19,085
		<u>56,385</u>
<b>CREDITORS: amounts falling due within one year</b>		
Amounts owed to group undertakings		(691,617)
Accruals		(2,415)
		<u>(694,032)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(637,647)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES AND NET LIABILITIES</b>		<u>(462,620)</u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital	6	1
Profit and loss account		(462,621)
<b>EQUITY SHAREHOLDERS' DEFICIT</b>	7	<u>(462,620)</u>

These financial statements were approved by the Board of Directors on 13 October 2005.

Signed on behalf of the Board of Directors

  
Director

**NOTES TO THE ACCOUNTS**  
**Period ended 31 December 2004**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies are described below, and have been applied consistently.

**Basis of preparation**

The financial statements are prepared under the historical cost convention.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation, calculated to write off in equal instalments the cost less estimated residual value of each asset over its estimated useful life.

Leasehold buildings, comprising property improvements, are depreciated over ten years. Other assets are depreciated over a period of four years except for telephone and security which are depreciated over a period of five years.

**Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amount 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 tax is provided in full on timing differences which 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 is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. 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.

**Cash flow statement**

The company has also taken advantage of the exemption from preparing a cash flow statement granted under Financial Reporting Standard 1.

**2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

The company had three employees during the period. The directors received no remuneration during the period.

	<b>2 March to</b>
	<b>31</b>
	<b>December</b>
	<b>2004</b>
	<b>£</b>
<b>Staff costs were:</b>	
Salaries	142,141
Social security costs	1,860
Other pension costs	19,712
	<hr/>
	163,713
	<hr/>

**NOTES TO THE ACCOUNTS**  
**Period ended 31 December 2004**

**3. OPERATING LOSS**

Operating loss is stated after charging:

	2 March to 31 December 2004 £
Auditors' remuneration	2,415

**4. TAX ON LOSS ON ORDINARY ACTIVITIES**

	2 March to 31 December 2004 £
Current tax:	
Group relief	-
Adjustment in respect of prior periods	-
Tax on loss on ordinary activities	-
Factors affecting tax charge:	
Loss on ordinary activities before tax	(462,621)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2002: 30%)	138,786
Pre-trading expenditure	(138,786)
Current tax for the period	-

# ANGLO AMERICAN SERVICES (RUSSIA) LIMITED

## NOTES TO THE ACCOUNTS Period ended 31 December 2004

### 5. TANGIBLE FIXED ASSETS

	Motor vehicles, fixtures and fittings £	Total £
<b>Cost</b>		
At 2 March 2004	-	-
Additions	175,027	175,027
	<hr/>	<hr/>
At 31 December 2004	175,027	175,027
	<hr/>	<hr/>
<b>Depreciation</b>		
At 2 March 2004	-	-
Charge for the period	-	-
Disposals	-	-
	<hr/>	<hr/>
At 31 December 2004	-	-
	<hr/>	<hr/>

### 6. CALLED UP SHARE CAPITAL

	2004 £
<b>Authorised:</b>	
100 ordinary shares of £1 each	100
	<hr/>
<b>Called up, allotted and unpaid:</b>	
1 ordinary share of £1 each	1
	<hr/>

### 7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS / (DEFICIT)

	2004 £
Opening shareholders' funds	1
Loss for the period	(462,621)
	<hr/>
Closing shareholders' deficit	(462,620)
	<hr/>

**NOTES TO THE ACCOUNTS**  
**Period ended 31 December 2004**

**8. PROFIT AND LOSS ACCOUNT**

	2004 £
At 2 March 2004	-
Loss for the period	(462,621)
At 31 December 2004	<u>(462,621)</u>

**9. RELATED PARTY TRANSACTIONS**

At 31 December 2004, as identified in note 10, 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 group companies.

**10. ULTIMATE PARENT COMPANY**

The immediate parent company is Anglo American Finance (UK) PLC, a company incorporated in England and Wales.

The ultimate parent company and controlling party is Anglo American plc, a company incorporated in Great Britain and registered in England and Wales. Anglo American plc is the parent undertaking of the largest and smallest group which includes the Company and for which group accounts are prepared. Its financial statements may be obtained from the Company Secretary, 20 Carlton House Terrace, London SW1Y 5AN.