

TARMAC ROADSTONE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001

(Registered in England and Wales, Number 368254)



TARMAC ROADSTONE LIMITED

Director's Report

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

Business Review and future developments

The company acts as a manager in respect of certain of the activities of its immediate parent undertaking, Tarmac Limited. The company has received no income nor incurred expenditure in respect of its management activities during the year ended 31 December 2001 and is not expected to trade in the foreseeable future.

The company is the United Kingdom holding company of Tarmac Roadstone Australia (Pty) Limited.

Directors and their interests

The directors serving during the year were:-

J F Bowater

J R Stirk

No director has any beneficial interests in the share or loan capital of the company.

The beneficial interest of J F Bowater in the share capital, including share options of the company's ultimate parent company, Anglo American Plc, are disclosed in the financial statements of Tarmac Limited.

The interests of J R Stirk are shown below:-

		Ordinary shares of 50 cents each	
		31 December 2001	31 December 2000
Number of Shares			
J R Stirk		-	-
		Ordinary shares of 50 cents each	
		31 December 2000	31 December 2001
		Granted	
Number of Share Options			
J R Stirk		13,480	19,480
		6,000	

The directors interest above for 31 December 2000 have been restated to reflect the three-for-one bonus issue in May 2001.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgement and estimates that are reasonable and prudent;
- state where applicable accounting standards have been followed, subject to any materials 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By Order of the Board.



C G Reynolds

Secretary

Millfields Road
Ettingshall
Wolverhampton
West Midlands
WV4 6JP

Dated: 18 September 2002

**INDEPENDENT AUDITORS' REPORT TO THE
MEMBERS OF TARMAC ROADSTONE LTD**

We have audited the financial statements on pages 4 to 6 which have been prepared under the accounting policies set out on page 5.

Respective Responsibilities of Directors and Auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 company's state of affairs as at 31 December 2001 and of its result for the year then ended and have properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

**Deloitte and Touche
Chartered Accountants and Registered Auditors
Birmingham**

3 October 2002

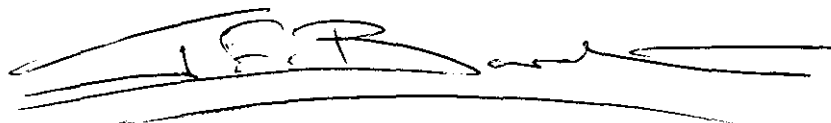
TARMAC ROADSTONE LIMITED

BALANCE SHEET

AT 31 DECEMBER 2001

	NOTE	2001 £	2000 £
Fixes Asset - Investments	3	61,047	61,047
Creditors : Amounts falling due after more than one year	4	(23,051)	(23,051)
Net Assets		<u>37,996</u>	<u>37,996</u>
Capital and Reserves			
Called Up Share Capital	5	2,002	2,002
Profit and Loss Account		<u>35,994</u>	<u>35,994</u>
Equity Shareholders Funds		<u>37,996</u>	<u>37,996</u>

These financial statements were approved by the Board of Directors on 18 September 2002 and signed on its behalf by:-



J F Bowater
DIRECTOR

PROFIT & LOSS ACCOUNT

During the current and preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently during those years the company made neither a profit nor a loss and had no recognised gains or losses.

TARMAC ROADSTONE LIMITED
NOTES (FORMING PART OF THE FINANCIAL STATEMENTS)
FOR THE YEAR ENDED 31 DECEMBER 2001

1. Basis of Accounting

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

2. Directors' Remuneration

No Directors remuneration were paid during either year specifically in respect of services to the company.

3. Investments

	2001	2000
	£	£
Shares at cost in subsidiary undertaking	<u>61,047</u>	<u>61,047</u>

The company owns the whole of the allotted ordinary share capital of Tarmac Roadstone Australia (PTY) Limited, a company incorporated in Australia. The principle activity of this company is that of an investment company.

In the opinion of the Directors the value of the investment in the subsidiary undertaking at 31 December 2001 is not less than the amount at which it is stated in the balance sheet.

Tarmac Roadstone Limited is a wholly owned subsidiary of Tarmac Limited, a company incorporated in Great Britain, and accordingly consolidated financial statements have not been prepared.

4. Creditors : Amounts Falling Due After More Than One Year

	2001	2000
	£	£
Loan due to parent undertaking	<u>23,051</u>	<u>23,051</u>

The loan is unsecured and does not bear interest.

The directors are of the opinion that repayment will not be demanded within the next twelve months.

5. Share Capital	2001	2000
	£	£
Authorised :		
5,000 ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>
Allotted, Called Up and Fully Paid:		
2,002 ordinary shares of £1 each	<u>2,002</u>	<u>2,002</u>

6. Movement in Shareholder's Funds

There was no movement in Shareholders' Funds during either the current or preceding financial year.

7. Ultimate Undertakings

The Company's ultimate parent and controlling undertaking is Anglo American plc, a company incorporated in Great Britain. Copies of the financial statements can be obtained from 20 Carlton House Terrace, London, SW1Y 5AN.