

Company Registration No. 02437321

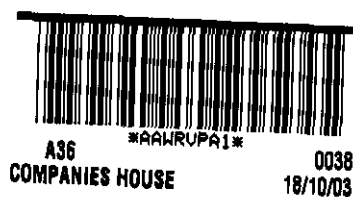
**Deloitte  
& Touche**

**REUNION MINING LIMITED**

**Report and Financial Statements**

**31 December 2002**

**Deloitte & Touche LLP  
London**



**REPORT AND FINANCIAL STATEMENTS 2002**

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**REPORT AND FINANCIAL STATEMENTS 2002**

**GENERAL INFORMATION**

**DIRECTORS**

N Jordan  
P G Whitcutt  
G A Wilkinson

**SECRETARY**

G A Wilkinson

**REGISTERED OFFICE**

20 Carlton House Terrace  
London SW1Y 5AN

**AUDITORS**

Deloitte & Touche LLP  
London

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2002.

### **PRINCIPAL ACTIVITY AND FUTURE PROSPECTS**

The Company is an investment holding company. The directors do not foresee any changes in the company's current activities, and believe the company's future prospects to be satisfactory.

### **RESULTS AND DIVIDENDS**

The profit for the year was £50,623,000 (2001 - £225,000). The directors do not recommend the payment of a dividend for the year (2001 - £nil).

### **DIRECTORS AND THEIR INTERESTS**

The following served as directors throughout the year and to the present time:

N Jordan  
P G Whitcutt  
G A Wilkinson

Mr N Jordan has held one ordinary share, non-beneficially, in the Company throughout the current and preceding year. Other than the aforementioned, none of the directors had any disclosable interests in the shares of the Company during the current and preceding year.

Directors' interests in Anglo American plc and other group companies are disclosed in the annual financial statements of Anglo American Finance (UK) PLC.

### **AUDITORS**

Deloitte & Touche has informed the directors that they have transferred their business to a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000, to be known as Deloitte & Touche LLP. The directors have used the Company's statutory power to give consent to the appointment of Deloitte & Touche being treated as extending to Deloitte & Touche LLP.

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 11 September 2000.

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



G A Wilkinson

Secretary

10 October 2003

## **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 REUNION  
MINING LIMITED**

We have audited the financial statements of Reunion Mining Limited for the year ended 31 December 2002 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. 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 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 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Deloitte & Touche LLP

London

Chartered Accountants and Registered Auditors

10 October 2003

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 December 2002**

	Note	2002 £'000	2001 £'000
Administrative expenses		(74)	(2)
<b>OPERATING LOSS</b>	2	(74)	(2)
Income from fixed asset investments		50,390	-
Other interest receivable and similar income	3	307	237
Interest payable and similar charges	5	-	(10)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		50,623	225
Tax on profit on ordinary activities	6	-	-
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		50,623	225
<b>Profit and loss account brought forward</b>		(25,767)	(25,992)
<b>Profit and loss account carried forward</b>		24,856	(25,767)

All amounts derive from continuing operations.


There are no recognised gains and losses or other movements in shareholders' funds for the current year and preceding year other than as stated in the profit and loss account. Accordingly, neither a statement of total recognised gains and losses nor a reconciliation of movements in shareholders' funds has been prepared.

**BALANCE SHEET**  
**at 31 December 2002**

	Note	2002 £'000	2001 £'000
<b>FIXED ASSETS</b>			
Investments	7	-	-
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		65	968
Debtors	8	47,121	-
		<u>47,186</u>	<u>968</u>
<b>CREDITORS: amount falling due within one year</b>	9	<u>(25)</u>	<u>(4,500)</u>
<b>NET CURRENT ASSETS/ (LIABILITIES) AND TOTAL ASSETS LESS CURRENT LIABILITIES</b>		47,161	(3,532)
<b>CREDITORS: amounts falling due after more than one year</b>	10	<u>(1,125)</u>	<u>(1,055)</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>46,036</u>	<u>(4,587)</u>
<b>CAPITAL AND RESERVES</b>			
Called up equity share capital	11	4,540	4,540
Share premium account		16,640	16,640
Profit and loss account		<u>24,856</u>	<u>(25,767)</u>
<b>EQUITY SHAREHOLDERS' FUNDS/ (DEFICIT)</b>		<u>46,036</u>	<u>(4,587)</u>

These financial statements were approved by the Board of Directors on 10 October 2003.

Signed on behalf of the Board of Directors

  
N Jordan  
Director



## NOTES TO THE ACCOUNTS

Year ended 31 December 2002

## 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below. These policies are unchanged from prior years, except for the policy for deferred taxation, which has been amended to reflect the implementation of Financial Reporting Standard 19, Deferred Tax. The adoption of Financial Reporting Standard 19, Deferred Tax has not affected the current year results nor necessitated any restatement of prior year results.

**Basis of preparation**

The financial statements have been prepared under the historical cost convention.

**Deferred taxation**

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.

**Foreign currency**

Foreign currency transactions during the year have been translated and included in the financial statements at the rates of exchange prevailing at the time those transactions were executed. Monetary assets and liabilities denominated in foreign currencies have been translated at the rates of exchange prevailing at the balance sheet date.

## 2. OPERATING LOSS

	2002 £'000	2001 £'000
Operating loss is stated after charging:		
Auditors remuneration	2	2
Exchange rate losses arising on foreign currency borrowings	71	-
	<u>73</u>	<u>2</u>

## 3. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2002 £'000	2001 £'000
Interest receivable on intercompany loan	271	-
Bank interest receivable	36	237
	<u>307</u>	<u>237</u>

## NOTES TO THE ACCOUNTS

Year ended 31 December 2002

## 4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

There were no employees during the current and prior year. The directors received no remuneration during the year (2001: £nil).

## 5. INTEREST PAYABLE AND SIMILAR CHARGES

	2002 £'000	2001 £'000
Interest payable on bank loan	-	10

## 6. TAX ON PROFIT ON ORDINARY ACTIVITIES

## Factors affecting tax charge for the year

The current tax assessed for the year is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	2002 £'000	2001 £'000
Profit on ordinary activities before tax	50,623	225
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2001:30%)	15,187	68
Effects of:		
UK dividends received	(15,117)	-
Utilisation of tax losses brought forward	(70)	(68)
Current tax charge for year	-	-

## 7. FIXED ASSET INVESTMENTS

	2002 £'000	2001 £'000
Subsidiary undertaking	-	-

The Company owns 100% of the ordinary shares in Reunion Group Limited, a company incorporated in Great Britain.

## 8. DEBTORS

	2002 £'000	2001 £'000
Amounts due from ultimate parent company	47,121	-

NOTES TO THE ACCOUNTS  
Year ended 31 December 2002

## 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £'000	2001 £'000
Trade creditors	14	11
Interest payable	11	11
Amounts owed to group undertakings	-	4,478
	<u>25</u>	<u>4,500</u>

## 10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2002 £'000	2001 restated £'000
Amounts owed to ultimate parent company	<u>1,125</u>	<u>1,055</u>

Amounts owed to ultimate parent company, Anglo American plc were classified incorrectly as bank loans as at 31 December 2001.

## 11. DEFERRED TAX

	2002 £'000	2001 £'000	2002 £'000	2001 £'000
	Provided	Unprovided	Provided	Unprovided
Tax losses carried forward	-	2,319	-	2,249
Undiscounted provision for deferred tax	<u>-</u>	<u>2,319</u>	<u>-</u>	<u>2,249</u>

## 12. CALLED UP EQUITY SHARE CAPITAL

	2002 £'000	2001 £'000
<b>Authorised:</b>		
50,000,000 ordinary shares of 10p each	<u>5,000</u>	<u>5,000</u>
<b>Called up, allotted and fully paid:</b>		
45,400,000 ordinary shares of 10p each	<u>4,540</u>	<u>4,540</u>

## 13. RELATED PARTY TRANSACTIONS

At 31 December 2002, as identified in note 14, 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.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2002**

**14. CONTROL**

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

The ultimate parent company and controlling party is Anglo American plc, a company incorporated in Great Britain. Anglo American plc is the parent undertaking of the largest and smallest group which includes the company for which group accounts are prepared. Copies of the group accounts, including the Company, are available from Anglo American plc at 20 Carlton House Terrace, London SW1Y 5AN.