

Anglo American Capital plc

Directors' responsibilities statement

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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

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Independent auditor's report to the members of Anglo American Capital plc

We have audited the financial statements of Anglo American Capital plc for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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Independent auditor's report to the members of Anglo American Capital plc

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Manbinder Rana F.C.A (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, UK

10 March 2015

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Anglo American Capital plc
Company Registration No. 04658814

Profit and loss account For the year ended 31 December 2014

US\$'000	Note	2014	2013
Administrative expenses		(4,871)	(5,917)
Operating loss	3	(4,871)	(5,917)
Interest receivable and similar income	4	1,101,625	1,355,479
Interest payable and similar charges	4	(530,633)	(717,571)
Profit on ordinary activities before taxation		566,121	631,991
Tax charge on profit on ordinary activities	5	(9,757)	(13,067)
Profit on ordinary activities after taxation and retained profit for the financial year		556,364	618,924

All results derive from continuing operations.

There are no recognised gains and losses for the year other than the profit shown above or the dividends paid during the year. Therefore no separate statement of total recognised gains and losses has been presented.

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Anglo American Capital plc
Company Registration No. 04658814

Balance sheet
31 December 2014

US\$'000	Note	2014	2013
Non-current assets			
Other financial assets (derivatives)	7	962,282	598,928
		962,282	598,928
Current assets			
Debtors – due within one year	8	30,544,106	36,952,371
Investments	9	4,894,946	3,210,151
Other financial assets (derivatives)	7	66,694	27,068
		35,505,746	40,189,590
Creditors: amounts falling due within one year			
Short-term borrowings	6	(19,459,255)	(25,042,660)
Other creditors	6	(229,710)	(256,262)
Other financial liabilities (derivatives)	6,7	(383,500)	(95,655)
		(20,072,465)	(25,394,577)
Net current assets		15,433,281	14,795,013
Total assets less current liabilities		16,395,563	15,393,941
Creditors: amounts falling due after more than one year			
Medium and long-term borrowings	6	(14,056,183)	(13,131,580)
Other financial liabilities (derivatives)	6,7	(1,646,455)	(625,798)
		(15,702,638)	(13,757,378)
Net assets		692,925	1,636,563
Capital and reserves			
Called-up share capital	11	1	1
Share premium account	12	20,000	20,000
Capital contribution	14	1,000	1,000
Profit and loss account	12	671,924	1,615,562
Total shareholders' funds	13	692,925	1,636,563

The financial statements of Anglo American Capital plc were approved by the Board of Directors and authorised for issue on 10 March 2015. They were signed on its behalf by:


A.W. Hodges
Director

Anglo American Capital plc

Notes to the accounts

Year ended 31 December 2014

1. Accounting policies

The financial statements have been prepared in accordance with applicable United Kingdom law and Accounting Standards (UK GAAP). The financial information has been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments. The particular accounting policies adopted have been applied consistently throughout the current and prior year.

Anglo American Capital plc intends to apply FRS 101 in its financial statements for the financial year ended 2015.

Going concern

The financial statements have been prepared on a going concern basis. The Company's ability to continue as a going concern is assessed in conjunction with the Group, as its viability is dependent on the ability of other group companies to settle their intercompany balances with the Company. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group will be able to operate within the level of its current facilities for the foreseeable future. The directors of the Company are satisfied after appropriate consultation with the directors of Anglo American plc that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for foreseeable future.

Preference shares

Under FRS 25 "Financial Instruments: Presentation", where the terms of issuance require the issuer to redeem preference shares for a fixed or determinable amount at a fixed or determinable future date, or where the holder has the option of redemption, these shares are classified as liabilities and the dividends paid on these shares classified as a finance cost. When preference shares are non-redeemable, the appropriate classification is determined by the other rights that attach to them which are not at the discretion of the directors. The Company's preference shares entitle the holders to a fixed cumulative dividend of 3% per annum and these shares are, therefore, considered financial liabilities.

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. Profits and losses arising on foreign currency transactions and balances are recognised in the profit and loss account.

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 at the balance sheet date.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation. A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

Anglo American Capital plc

Notes to the accounts
Year ended 31 December 2014

1. Accounting policies (continued)

Derivative financial instruments and hedge accounting

In order to manage its exposure to foreign exchange and interest rate risks, the Company enters into foreign exchange forward, interest rate and cross currency interest rate swap contracts. Net income or expense associated with interest rate swap agreements is recognised on an accruals basis over the life of the swap agreements as a component of interest.

All derivatives are held at fair value on the balance sheet within other financial assets (derivatives) or other financial liabilities (derivatives) and are classified as current or non-current depending on the maturity of the derivative.

For an effective hedge of an exposure to changes in fair value, the hedged item is adjusted for changes in the fair value attributable to the risk being hedged with the corresponding entry in the profit and loss account. Gains or losses from revaluing the associated derivative are also recognised in the profit and loss account, resulting in an offset.

Where, during the life of the hedge relationship the hedge becomes ineffective, hedge accounting is discontinued and the future fair value changes on the hedge instrument are recorded in the profit and loss account but are no longer offset with the fair value changes of the underlying hedged item.

Changes in fair value of any derivative instruments that are not hedge accounted are recognised immediately in the profit and loss account and are classified within net interest receivable and payable.

Segmental Analysis

The Company has only one business unit and operates in one geographical region, being the UK and has therefore not performed an analysis of results by business unit or geographical region.

Bank borrowings

Interest bearing bank loans and overdrafts are recorded net of direct transaction costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis and charged to the profit and loss account using the effective interest method. They are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Cash flows

As the Company is a wholly owned subsidiary of Anglo American plc ("parent undertaking"), the cash flows of the Company are included in the publicly available consolidated financial statements of its parent undertaking. Consequently the Company is exempt, under the provisions of Financial Reporting Standard 1 (Revised 1996) – "Cash flow statements", from publishing a separate cash flow statement.

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Anglo American Capital plc

Notes to the accounts
Year ended 31 December 2014

1. Accounting policies (continued)

Investments

Investments comprise short term, highly liquid investments in liquidity funds and US Treasury funds that are readily convertible to a known amount of cash and that are subject to an insignificant risk of changes in value.

Reporting currency

As permitted by UK Company law, the Company reports in US dollars, the currency in which most of its business is conducted.

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Anglo American Capital plc

Notes to the accounts Year ended 31 December 2014

2. Information regarding directors and employees

The Company has no employees (2013: Nil). The directors received no remuneration in respect of their services to the Company (2013: \$Nil).

3. Operating loss

Operating loss is stated after charging:

US\$'000	2014	2013
Auditor's remuneration for audit of Anglo American Capital plc	17	17
Management fees	4,854	5,900
	4,871	5,917

4. Net finance income

US\$'000	2014	2013
Interest receivable and similar income		
Interest income	3,179	2,693
Interest receivable from group companies:		
Other group companies	1,098,446	1,317,156
Fair value gains on derivatives	-	35,630
Interest receivable and similar income	1,101,625	1,355,479
Interest payable and similar charges		
Interest on bank overdrafts and loans	(390,933)	(420,978)
Interest payable to group companies		
Anglo American plc	(7,462)	(13,703)
Other group companies	(5,710)	(235,562)
Foreign exchange losses	(32,854)	(47,328)
Fair value losses on derivatives	(93,674)	-
Interest payable and similar charges	(530,633)	(717,571)
Net finance income	570,992	637,908

Fair value gains and losses on derivatives, presented above, include the mark-to-market fair value of changes of interest rate derivatives and currency derivatives designated as fair value hedges, net of fair value changes in the associated hedged risk.

Anglo American Capital plc

Notes to the accounts
Year ended 31 December 2014

5(a). Tax charge on profit on ordinary activities

US\$'000	2014	2013
Current tax		
UK corporation tax on profits for the year (21.5% (2013: 23.25%))	(9,753)	(13,067)
Prior year adjustment	(4)	-
Double tax relief	9,753	13,067
Overseas tax - Withholding tax	(9,753)	(13,067)
Total tax on profit on ordinary activities	(9,757)	(13,067)

5(b). Factors affecting tax charge for year

US\$'000	2014	2013
Profit on ordinary activities before tax	566,121	631,991
Estimated amount of tax on ordinary activities (calculated at standard rate of corporation tax in the UK of 21.5% (2013: 23.25%))	121,716	146,938
Expenses not deductible for tax purposes	170	66
Prior year adjustment	4	-
Group relief received for nil consideration	(112,133)	(133,937)
Current tax charge for the year	9,757	13,067

On 2 July 2013, Finance Act 2013 was substantively enacted and provided for a reduction in the main rate of UK corporation tax from 23% to 21% effective from 1 April 2014, and a further 1% reduction to 20% from 1 April 2015. The reduced rate of 20% has therefore been reflected in the calculation of deferred tax at the balance sheet date.

6. Financial liabilities

In 2014, the Company issued: a €750 million four year 1.75% bond and a €750 million nine year 3.25% bond under the existing Euro Medium Term Note programme. In addition, the Company issued: a \$500 million seven year 4.125% bond and a \$500 million two year floating rate note at 3mth USD Libor plus 0.95%.

All notes are guaranteed by Anglo American plc. Any bonds issued in currencies other than US Dollar are hedged to US Dollar, and any fixed interest rate coupons are swapped to result in floating interest rates being paid. For all outstanding US Dollar, Euro, Sterling, Australian Dollar and Japanese Yen bonds fair value hedges are put in place with the related interest rate swaps.

Anglo American Capital plc

Notes to the accounts
Year ended 31 December 2014

6. Financial Liabilities (continued)

Fair values of financial liabilities

The carrying value and fair value of financial liabilities are as follows:

US\$'000	2014		2013	
	Fair values	Carrying Values	Fair values	Carrying Values
Other creditors (including interest accruals)	229,710	229,710	256,262	256,262
Other financial liabilities (derivatives)	2,029,955	2,029,955	721,453	721,453
Current external borrowings	1,348,953	1,344,411	1,389,238	1,369,172
Current borrowings from group companies (excluding AA plc)	4,371,813	4,371,813	9,791,679	9,791,679
Anglo American plc	13,743,031	13,743,031	13,881,809	13,881,809
Preference shares	79	79	79	79
Non-current external borrowings	14,337,491	14,056,104	13,393,848	13,131,501
Total financial liabilities	36,061,032	35,775,103	39,434,368	39,151,955

Fair value is determined by reference to quoted market prices for similar issues, where applicable; in all other cases, the directors consider that the carrying value is a good approximation to fair value.

In accordance with FRS 25 "Financial Instruments: Presentation" and FRS 26 "Financial Instruments: Recognition and Measurement", the borrowings are presented on an unhedged basis. The fair value of associated derivatives is recorded separately within 'Other financial assets' and 'Other financial liabilities' (see note 7).

In accordance with exemptions under FRS 29 'Financial Instruments: Disclosures', the Company has not presented the financial instruments disclosures required by the standard, as disclosures which are equivalent to the standard are included in the Group's consolidated financial statements. Therefore this exempts the Company from this disclosure in this report.

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Anglo American Capital plc

Notes to the accounts
Year ended 31 December 2014

6. Financial Liabilities (continued)

Maturity profile

All liabilities are unsecured. The maturity profile of the Company's borrowings at 31 December 2014 was as follows.

US\$'000	Within 1 year or on demand	Between 1-2 years	Between 2-5 years	After 5 years	Total
At 31 December 2014					
Bank loans and overdrafts	116,893				116,893
Bond issues	1,227,518	1,458,691	7,276,270	5,321,143	15,283,622
Preference shares				79	79
Borrowings from group Companies	18,114,844				18,114,844
Total borrowings (excluding hedges)	19,459,255	1,458,691	7,276,270	5,321,222	33,515,438

US\$'000	Within 1 year or on demand	Between 1-2 years	Between 2-5 years	After 5 years	Total
At 31 December 2013					
Bank loans and overdrafts	112,813	-	-	-	112,813
Bond issues	1,256,359	1,444,955	5,953,691	5,732,855	14,387,860
Preference shares	-	-	-	79	79
Borrowings from group Companies	23,673,488	-	-	-	23,673,488
Total borrowings (excluding hedges)	25,042,660	1,444,955	5,953,691	5,732,934	38,174,240

The effect of derivatives used to hedge interest and currency risk is as follows:

US\$'000	Within 1 year or on demand	Between 1-2 years	Between 2-5 years	After 5 years	Total
At 31 December 2014					
Total borrowings ⁽¹⁾	1,344,411	1,458,691	7,276,270	5,321,222	15,400,594
Interest rate swaps	(14,252)	(49,231)	(259,909)	(279,104)	(602,496)
Currency derivatives	365,441	226,377	630,150	415,890	1,637,858
Total hedged borrowings	1,695,600	1,635,837	7,646,511	5,458,008	16,435,956

Anglo American Capital plc

Notes to the accounts
Year ended 31 December 2014

6. Financial Liabilities (continued)

US\$'000	Within 1 year or on demand	Between 1-2 years	Between 2-5 years	After 5 years	Total
At 31 December 2013					
Total borrowings ⁽¹⁾	1,369,172	1,444,955	5,953,691	5,732,934	14,500,752
Interest rate swaps	(6,422)	(67,629)	(140,497)	(3,911)	(218,459)
Currency derivatives	-	204,893	194,933	(160,919)	238,907
Total hedged borrowings	1,362,750	1,582,219	6,008,127	5,568,104	14,521,200

(1) Excludes other creditors and amounts payable to group companies

Currency and interest rate profile

The exposure of the Company to interest rate and currency risk with respect to financial liabilities is as follows:

US\$'000	Total	Floating rate borrowings	Fixed rate borrowings	Effective interest rate %	Weighted average rate is fixed in years
At 31 December 2014					
US\$	4,365,571	616,090	3,749,481	4.34	4.00
Sterling	700,836	-	700,836	6.88	3.33
Euro	9,827,986	-	9,827,986	3.18	4.29
Other currencies	506,201	-	506,201	4.97	3.55
Gross borrowings (excluding hedges)	15,400,594	616,090	14,784,504	3.73	4.27
Impact of Interest Rate Swaps	-	14,784,504	(14,784,504)		
Gross borrowings (after hedges)	15,400,594	15,400,594	-		
Borrowings from group Companies & Other creditors	18,344,554				
Derivatives	2,029,955				
Total financial liabilities	35,775,103				

Anglo American Capital plc

Notes to the accounts
Year ended 31 December 2014

6. Financial Liabilities (continued)

US\$'000	Total	Floating rate borrowings	Fixed rate borrowings	Effective interest rate %	Weighted average for which rate is fixed in years
At 31 December 2013					
US\$	4,562,865	112,813	4,450,052	6.14	3.92
Sterling	746,938	-	746,938	6.88	4.33
Euro	8,655,768	-	8,655,768	3.25	4.82
Other currencies	535,181	-	535,181	4.91	4.92
Gross borrowings (excluding hedges)	14,500,752	112,813	14,387,939	4.39	4.95
Impact of Interest Rate Swaps	-	14,387,939	(14,387,939)		
Gross borrowings (after hedges)	14,500,752	14,500,752	-		
Borrowings from group Companies & Other creditors	23,929,750				
Derivatives	721,453				
Total financial liabilities	39,151,955				

Undrawn committed borrowing facilities

The Company is a borrower under a renegotiated \$5.0 billion facility due to mature in April 2019. As at 31 December 2014 there were no outstanding amounts drawn under this committed facility (2013: \$Nil).

7. Other financial assets/liabilities

In accordance with FRS 25 and 26, the fair values of all derivatives and financial assets and liabilities designated as fair value through profit and loss are separately recorded on the balance sheet within 'Other financial assets' and 'Other financial liabilities'. Derivatives are classified as current or non-current depending on their maturity. Derivatives are only used to hedge fluctuations in foreign exchange rates and interest rates. They are not used for speculative purposes.

Foreign exchange risk

The Company uses currency swaps to limit the effects of movements in exchange rates on foreign currency denominated assets and liabilities.

Anglo American Capital plc

Notes to the accounts
Year ended 31 December 2014

7. Other financial assets/liabilities (continued)

Interest rate risk

The Company uses interest rate swap contracts to manage its exposure to interest rate movements on a portion of its existing debt.

Liquidity risk

The Company ensures that there are sufficient committed loan facilities in order to meet short term business requirements, after taking into account cash flows from operations and its holdings of cash and cash equivalents, as well as any distribution restrictions that exist.

Fair value hedges

The Company policy is to borrow funds at floating rates of interest. The Company uses interest rate swaps to manage its exposure to interest rate movements and the majority are designated as fair value hedges. The respective carrying values of the hedged debt are adjusted to reflect the fair value of the interest rate risk being hedged. Subsequent changes in the fair value of the hedged risk are offset against fair value changes in the interest rate swap and classified within financing costs in the profit and loss account.

Other derivatives

Where the Company has chosen not to designate derivatives as hedges ('Held-for-trading'), fair value changes are recognised through the profit and loss account and are classified within net finance costs.

The fair values of the open derivative positions as at 31 December 2014 are as follows:

US\$'000	Asset	Liability
Current		
Fair value hedge		
Interest rate swaps	14,252	-
Held-for-trading		
Cross currency swaps	-	(365,441)
Foreign currency forwards	52,442	(18,059)
Total current derivatives	66,694	(383,500)
Non current		
Fair value hedge		
Interest rate swaps	615,255	(27,011)
Held-for-trading		
Cross currency swaps	-	(1,272,417)
Foreign currency forwards	347,027	(347,027)
Total non-current derivatives	962,282	(1,646,455)

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Notes to the accounts
Year ended 31 December 2014

7. Other financial assets/liabilities (continued)

The fair values of the open derivative positions as at 31 December 2013 were as follows:

US\$'000	Asset	Liability
Current		
Fair value hedge		
Interest rate swaps	6,422	-
Held-for-trading		
Cross currency swaps	18,680	(93,689)
Foreign currency forwards	1,966	(1,966)
Total current derivatives	27,068	(95,655)
Non current		
Fair value hedge		
Interest rate swaps	350,536	(138,499)
Held-for-trading		
Cross currency swaps	248,392	(487,299)
Total non-current derivatives	598,928	(625,798)

8.

Debtors	2014	2013
US\$'000		
Amounts due from fellow Group undertakings:		
Anglo American plc	405	202
Other Group companies	30,364,242	36,754,132
Interest receivable	179,459	198,037
	30,544,106	36,952,371

Anglo American Capital plc

Notes to the accounts
Year ended 31 December 2014

9. Financial assets

The carrying amount and fair values of financial assets are as follows:

US\$'000	2014		2013	
	Estimated fair value	Carrying value	Estimated fair value	Carrying value
Debtors	30,544,106	30,544,106	36,952,371	36,952,371
Investments	4,894,946	4,894,946	3,210,151	3,210,151
Other financial assets (derivatives)	1,028,976	1,028,976	625,996	625,996
Total financial assets	36,468,028	36,468,028	40,788,518	40,788,518

Currency and interest rate profile

The exposure of the Company to interest rate and currency risk is in respect of financial assets as follows:

Floating rate financial assets		Total	Total
US\$ '000		2014	2013
US\$	4,877,272	3,197,307	
Sterling	17,674	12,844	
Total (excluding derivatives)	4,894,946	3,210,151	
Derivatives	1,028,976	625,996	
Total financial assets (excluding debtors)	5,923,922	3,836,147	

Financial assets include loans to and deposits from other group companies which are denominated in a variety of currencies. Therefore entities may have both loans and deposits in different currencies which are set-off on conversion to US Dollar. Interest on floating rate assets is based on the relevant national inter-bank rates.

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Anglo American Capital plc

Notes to the accounts
Year ended 31 December 2014

9. Financial assets (continued)

The following methods were used to estimate the fair value of the financial assets and liabilities:

Short and long-term debt

Fair value is determined by reference to quoted market prices for similar issues, where applicable, otherwise carrying value is used as an approximation to fair value.

Derivative instruments

Fair value is determined by reference to market prices where available, otherwise pricing or valuation models are applied to current market information to estimate their value.

10. Preference shares

US\$'000	2014	2013
Authorised:		
50,000 3% cumulative preference shares of £1 each	79	79
Called up, allotted and fully paid:		
50,000 3% cumulative preference shares of £1 each	79	79

The 3% preference shares of £1 each entitle the holders to receive a cumulative preferential dividend at the rate of 3% per annum, on the paid up capital. On a return of capital on winding up, the holders of preference shares have the right to the repayment of a sum equal to the nominal capital and any premiums paid up or credited as paid up on the preference shares held by them, and accruals, if any, of the preferential dividend whether accrued or not up to the date of commencement of winding up.

11. Called-up share capital

US\$'000	2014	2013
Authorised:		
1,000,000,000 ordinary shares of US\$1 each	1,000,000	1,000,000
	1,000,000	1,000,000
Called up, allotted and fully paid:		
1,200 ordinary shares of US\$1 each	1	1
	1	1

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Notes to the accounts
Year ended 31 December 2014

12. Profit and Loss account & Share Premium

Profit and Loss account:		2014	2013
US\$'000			
At 1 January		1,615,562	996,643
Profit for financial year		556,364	618,924
Dividend paid		(1,500,002)	(5)
At 31 December		671,924	1,615,562
Share Premium:			
US\$'000		2014	2013
At 1 January		20,000	20,000
At 31 December		20,000	20,000

13. Reconciliation of movements in shareholders' funds

US\$'000		2014	2013
Opening shareholders' funds		1,636,563	1,017,644
Profit for the financial year		556,364	618,924
Dividend paid		(1,500,002)	(5)
Closing shareholders' funds		692,925	1,636,563

14. Capital Contribution

US\$'000		2014	2013
Capital contribution		1,000	1,000
At 31 December		1,000	1,000

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Anglo American Capital plc

Notes to the accounts

Year ended 31 December 2014

15. Related party transactions

At 31 December 2014, as identified in note 16, 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 – 'Related Party Disclosures' not to disclose related party transactions with Anglo American Group companies. There were no other related party transactions.

16. Ultimate parent company

The immediate and ultimate parent company and controlling entity is Anglo American plc, a company incorporated in Great Britain and registered in England and Wales.

Anglo American plc is head of the largest and smallest group of undertakings of which the Company is a member and for which Group accounts are prepared.

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.

17. Events occurring after end of year

There have been no reportable events since 31 December 2014.

