

Edgar Filing: RIO TINTO PLC - Form 11-K

RIO TINTO PLC  
Form 11-K  
November 03, 2005

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

-----  
FORM 11-K  
-----

ANNUAL REPORT PURSUANT TO SECTION 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

(Mark one)

ANNUAL report pursuant to section 15(d) of the Securities Exchange Act of 1934

For Fiscal year ended December 31, 2003

or

Transition report pursuant to Section 15(d) of the Securities Exchange Act  
(No fee required)

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-10533

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

RIO TINTO AMERICA INC. SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the Plan and the address of its principal executive office:

Rio Tinto plc, 6 St. James's Square, London, SW1Y 4LD, England

Page 1 of 17

RIO TINTO AMERICA INC. SAVINGS PLAN

CONTENTS

Report of Independent Registered Public Accounting Firm .....3

Financial Statements:

Statement of Assets Available

Edgar Filing: RIO TINTO PLC - Form 11-K

for Benefits.....4

Statement of Changes in Assets  
Available for Benefits.....5

Notes to Financial Statements.....6 - 12

Supplemental Schedule:

Schedule H, line 4i - Schedule of Assets Held for Investment  
Purposes at December 31, 2003.....14

Supplemental schedules required by the Employee Retirement Income Security Act of 1974 that are omitted are not applicable to the Rio Tinto America Inc. Savings Plan.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Participants and Administrator of  
The Rio Tinto America Inc. Savings Plan

In our opinion, the accompanying statement of assets available for benefits and the related statement of changes in assets available for benefits present fairly, in all material respects, the assets available for benefits of the Rio Tinto America Inc. Savings Plan (the "Plan") at December 31, 2003, and the changes in assets available for benefits for the year then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management; our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of Assets Held for Investment Purposes at December 31, 2003 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the 2003 basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic

Edgar Filing: RIO TINTO PLC - Form 11-K

financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP  
PricewaterhouseCoopers LLP  
Salt Lake City, Utah  
September 23, 2005

Page 3 of 17

RIO TINTO AMERICA INC. SAVINGS PLAN

Statement of Assets Available for Benefits  
As of December 31, 2003

	2003
	-----
Assets	
-----	
Investments	\$ 365,814,328
	-----
Receivables:	
Employee Contributions	42,809
Employer Contributions	23,338
	-----
	66,147
	-----
Assets available for benefits	\$ 365,880,475
	=====

The accompanying notes are an integral part of the financial statements  
Page 4 of 17

RIO TINTO AMERICA INC. SAVINGS PLAN

Statement of Changes in Assets Available for Benefits  
For the Year ended December 31, 2003

	2003
	-----
Additions:	
Transfers in:	

Edgar Filing: RIO TINTO PLC - Form 11-K

Transfer from the Kennectott Savings and Investment Plan	\$ 221,535,778
Transfer from the U.S. Borax Inc. Thrift Plan for Salaried Employees	69,256,942
Transfer from the U.S. Borax Inc. 401(k) plan for Hourly Employees	48,154
Transfer from the Luzenac America, Inc. Investment Savings Plan	17,072,680
	-----
Total transfers in	307,913,554
	-----
Investment income:	
Interest and dividends	8,931,005
Net appreciation in fair value of investments	52,022,890
	-----
Total investment income	60,953,895
	-----
Contributions:	
Employee contributions	18,741,384
Employer contributions	9,913,245
	-----
Total contributions	28,654,629
	-----
Deductions:	
Administrative fees	(108,679)
Benefits paid to participants	(31,532,924)
	-----
Total deductions	(31,641,603)
	-----
Net increase	365,880,475
Assets available for benefits	
Beginning of year	-
	-----
End of year	\$ 365,880,475
	=====

The accompanying notes are an integral part of the financial statements

Page 5 of 17

RIO TINTO AMERICA INC. SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

-----

The financial statements of the Rio Tinto America Inc. Savings Plan (the Plan) have been prepared on the accrual basis of accounting.

## Edgar Filing: RIO TINTO PLC - Form 11-K

The Plan presents in the statement of changes in assets available for benefits the net appreciation (depreciation) in the fair value of its investments which consists of the realized gains (losses) and the unrealized appreciation (depreciation) on those investments.

Use of Estimates - The preparation of the Plan's financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator to make estimates and assumptions that affect the reported amounts of assets available for benefits at the date of the financial statements, the changes in assets available for benefits during the reporting period and, when applicable, the disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Risks And Uncertainties - The Plan provides for various investment options, in any combination of stocks, bonds, mutual funds and other investment securities as designated by the employee. Investment securities are exposed to various risks, such as interest rate and market fluctuations and credit risk. Due to the level of risk associated with certain investment securities, changes in the values of investment securities may occur in the near term. Such changes could materially affect participants' account balances and the amounts reported in the statement of assets available for benefits.

Payment of Benefits - Benefits are recorded when paid.

Investment Valuation and Income Recognition - The Plan's investments are stated at fair value except for its insurance contracts, which are valued at contract value (Note 3). Quoted market prices are used to value investments. Shares of mutual funds are valued at the net asset value held by the Plan at year end. Participant loans are valued at their outstanding balances, which approximate fair value.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

### 2. DESCRIPTION OF THE PLAN

-----  
The following brief description of the Plan is provided for general information purposes only. Participants should refer to the summary Plan description, "Rio Tinto America Savings Plan," which provides a detailed discussion of the Plan, benefits and vesting of participants.

Page 6 of 17

## RIO TINTO AMERICA INC. SAVINGS PLAN

### NOTES TO FINANCIAL STATEMENTS

### 2. DESCRIPTION OF THE PLAN, (continued)

-----  
General - The Plan was created effective January 1, 2003, by a merger of the Kennecott Savings and Investment Plan, the U.S. Borax Inc. Thrift Plan for Salaried Employees, and the Luzenac America Inc. Investment Savings Plan. Effective January 1, 2003, the assets of these plans, which totaled \$307,913,554, were transferred to the Plan. The Plan is a defined contribution plan covering all non-represented employees of Rio Tinto America Inc. and Participating Companies

## Edgar Filing: RIO TINTO PLC - Form 11-K

(collectively the Company), as defined in the Plan. In addition, the Plan covers the Luzenac America Inc. represented hourly employees at Three Forks and Windsor. Rio Tinto America Inc. is an indirect wholly-owned subsidiary of Rio Tinto plc. Rio Tinto plc and Rio Tinto Limited entered into a dual listed companies merger in 1995 with the effect that the two companies operate as one business organization. All eligible full-time employees of the Company can participate in the Plan immediately upon employment. All temporary and part-time employees are eligible after completing 1,000 hours during a 12-month period.

**Contributions** - An eligible employee may make a contribution of 1% to 50% of his/her salary on a before-tax basis via payroll deduction up to a maximum of \$12,000 for 2003. Eligible employees may also contribute on an after-tax basis from 1% to 50% of their eligible salary. Total before-tax and after-tax contributions may not exceed 50% of eligible salary. Contributions are allocated among 17 funds in 2003, as designated by the employee. For all locations other than Luzenac America Inc., the Company matches employee contributions dollar for dollar up to 6% of base pay. For Luzenac America Inc. salaried and non-represented hourly employees, the Company matches 70 cents for every dollar up to 6% of base pay. For Luzenac America Inc. represented employees at Three Forks, the Company matched 40 cents for every dollar up to 6% of base pay prior to August 1, 2003, and 45 cents for every dollar up to 6% of base pay on or after August 1, 2003. For Luzenac America Inc. represented employees at Windsor; the Company matches 25 cents for every dollar up to 6% of base pay. The Company match is invested in the same manner as the employee's contributions.

**Participant Accounts** - Each participant's investment account is credited with the participant's contributions and an allocation of the Company's contributions and Plan earnings and is charged with an allocation of investment management fees. Allocations are based on participant earnings or account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

**Loans** - Participants may borrow against their account balances. The amount of the loan may not exceed the lesser of \$50,000 or 50% of the participant's vested account balance. A participant may not request a loan for less than \$1,000 and may not have more than two loans outstanding from the Plan. All loans are collateralized by 50% of the participant's vested account balance. Interest is charged on loans at a rate equal to the prime rate (4.00% at December 31, 2003) plus one percent. Repayment is made through payroll deductions and the term of repayment may not be greater than ten years.

Page 7 of 17

### RIO TINTO AMERICA INC. SAVINGS PLAN

#### NOTES TO FINANCIAL STATEMENTS

#### 2. DESCRIPTION OF THE PLAN, (continued)

-----  
**Vesting** - Participants who were active at the time the prior plans were merged into the Plan, and all employees who become participants after January 1, 2003, are immediately vested in their voluntary contributions, the Company match contribution and any actual earnings thereon. Participants of prior plans who terminated prior to establishment of the Plan and who were not yet vested in the Company

## Edgar Filing: RIO TINTO PLC - Form 11-K

match contributions in the prior plan when their accounts were merged into the Plan, will not vest in those contributions unless they are re-employed by the Company.

Payment of Benefits - On termination of service, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in a lump-sum amount or annual, semi-annual, quarterly or monthly installments.

Account Forfeitures - Forfeited non-vested amounts are used to reduce Company contributions. Forfeitures from the Plan for the year ended December 31, 2003 were \$28,722. No forfeitures were used to reduce employer contributions for the year ended December 31, 2003. On a periodic basis, the Plan administrator directs that accumulated, multi-year forfeitures be used to offset employer contributions. As of December 31, 2003, the Plan had \$60,837 of unused, forfeited non-vested amounts.

Administrative - The Administrative Committee, consisting of three or more persons appointed by the Board of Directors of Rio Tinto America Inc., administers the Plan. The Administrative Committee has the sole power and responsibility to interpret and construe the provisions of the Plan and decide on any disputes, and in general, to direct the administration of the Plan.

Expenses - Putnum manages all investments except for the Plan's Dwight Stable Value Fund and the Company pays all other costs and expenses incurred in administering the Plan. A third party investment manager manages the Plan's Dwight Stable Value Fund. The investment manager receives an investment management fee at an annual rate of 0.9% of the Dwight Stable Value Fund's fair value calculated based on the Fund's average month-end balance for each calendar quarter and paid quarterly. The investment management fees totaling \$108,679 for the year ended December 31, 2003 were paid by participants of the Dwight Stable Value Fund. Transaction costs associated with the purchase or sale of Rio Tinto plc ADRs are paid by the participant.

Plan Termination - The Board of Directors of Rio Tinto America Inc. reserves the right at any time and from time to time, and retroactively if deemed necessary or appropriate, to amend in whole or in part any or all of the provisions of the Plan, except as otherwise provided by law.

Rio Tinto America Inc. may, at any time, terminate or amend the Plan. On termination of the Plan, each participant's account shall become fully vested and nonforfeitable and distribution of Plan assets shall be made as directed by the Administrative Committee.

Page 8 of 17

RIO TINTO AMERICA INC. SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

### 3. INVESTMENTS

-----

Investments in common collective trust funds are stated at fair value based upon the market value of the underlying securities, as determined or provided by the Trustee. Collective trust funds represent investments in pooled funds. Investments are purchased and sold at the fair value of the underlying securities and receive the interest and

## Edgar Filing: RIO TINTO PLC - Form 11-K

dividend earnings of the underlying securities.

Shares of mutual funds are valued at the net asset value of shares held by the Plan at year end.

Investments in common stock are stated at fair value based on quoted market prices.

The Plan invests in both group annuity contracts and synthetic investment contracts. The Plan has entered into investment contracts with various insurance companies. The Plan maintains the contributions in a pooled account. The account is credited with earnings on the underlying investments and charged for Plan withdrawals and administrative expenses charged. The contracts are included in the financial statements at contract value, (which represents contributions made under the contract, plus earnings, less withdrawals and administrative expenses) because it is fully benefit responsive. For example, participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

The guaranteed investment contracts held by the Plan are accounted for at their contract value (representing invested principal plus accrued interest) as reported by the contract issuers. Synthetic investment contracts have crediting rates that reset quarterly based on a pre-determined crediting rate formula. This formula factors in the contract value, the market value, the yield to maturity and the underlying fixed income investments. In all cases, the contract value is determined by increasing the principal balance by accrued interest that is based on the contract value crediting rate of each contract.

Synthetic investment contracts are comprised of both investment and contractual components. The investment component consists of securities or units of a commingled pooled fund of fixed-income securities, referred to as the underlying investments. Underlying investments may include, but are not limited to:

- o Units of collective investment trusts ("CITs"), shares of mutual funds, or actively managed accounts, which may include CITs and mutual funds which provide for contract value accounting as part of the CIT or mutual fund structure. Any CIT or mutual fund investment shall have a stated target minimum average credit rating of "AA".
- o U.S. Treasuries and other securities backed by the full faith and credit of the U.S. Government.
- o Securities rated "AAA" at time of purchase and issued by U.S. Government Sponsored Entities.
- o Other fixed income investments such as mortgage-backed securities, asset-backed securities, collateralized mortgage obligations, corporate debt obligations and structured notes, in each case rated "AAA" at the time of purchase.

Page 9 of 17

RIO TINTO AMERICA INC. SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

3. INVESTMENTS (continued)

-----



## Edgar Filing: RIO TINTO PLC - Form 11-K

The underlying investments are "wrapped" by contracts issued by third-party financial institutions. These wrap contracts provide benefit withdrawals and investment exchanges at the full contract values of the synthetic contracts (i.e., principal plus accrued interest) notwithstanding the actual market value of the underlying investments (i.e. fair value of security plus accrued interest). In this manner, wrap contracts are designed to smooth out the impact of normal market fluctuations associated with the performance of the underlying investments.

The difference between the market value of the underlying investments and the reported value of the synthetic contract is generally the implicit value of the wrap contract. A positive value implies that the wrap contract issuer is obligated to the Fund for the indicated amount in the event of benefit withdrawals and or investment exchanges from the contract. A negative value for the wrap contract indicates that the market value of the underlying investment exceeds the contract value.

The crediting rate of a particular synthetic contract is reset on a fixed schedule basis and is thus tied to the performance of the underlying investments.

DESCRIPTION AND UNDERLYING INVESTMENTS	TOTAL FAIR VALUE	WRAPPER VALUE	CONTRACT VALUE
SYNTHETIC GUARANTEED CONTRACTS			
Monumental Life Insurance Company			
MDA00131TR, no set maturity date, 4.80%	\$ 52,164,999	\$ (2,141,906)	\$ 50,023,093
State Street Bank			
101035, no set maturity date, 4.87%	36,772,538	(1,051,704)	35,720,834
	-----	-----	-----
TOTAL SYNTHETIC GUARANTEED CONTRACTS	\$ 88,937,537	\$ (3,193,610)	\$ 85,743,927
	=====	=====	=====

At December 31, 2003, all investments were held by Putnam Investments.

During 2003, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$52,022,890.

	2003
	-----
Common Collective Trust	\$ 6,768,607
Mutual Funds	40,883,552
Common Stock	4,370,731
	-----
	\$ 52,022,890
	=====

# Edgar Filing: RIO TINTO PLC - Form 11-K

## NOTES TO FINANCIAL STATEMENTS

### 3. INVESTMENTS (continued)

The following information presents the fair value of all investments by type of investment as of December 31, 2003:

	2003
	-----
Money Market	
Mellon Bank - STIF Account	\$ 1,144,926
	-----
	\$ 1,144,926
	-----
Common Collective Trust	
SEI Stable Asset Fund	15,268,178
Putnam S&P 500 Index Fund	29,624,988 *
	-----
	44,893,166
	-----
Mutual Fund	
Managers Special Equity Fund	8,492,658
Dreyfus Mid-Cap Value Fund	9,594,037
PIMCO Total Return Fund	14,266,157
MSIF Institutional International Equity Fund	4,634,342
Dodge & Cox Stock Fund	15,598,101
UAM/ICM Small Company Fund	7,053,532
Putnam Asset Allocation: Growth Fund	4,839,201
Putnam Asset Allocation: Balanced Fund	7,309,471
Putnam Asset Allocation: Conservative Fund	4,041,344
Putnam International Equity Fund	20,244,427 *
Putnam Investors Fund	9,073,778
Putnam Fund for Growth and Income	34,564,952 *
Putnam New Opportunities Fund	32,551,173 *
Putnam Voyager Fund	32,506,709 *
	-----
	204,769,882
	-----
Guaranteed Insurance Contracts	
Monumental Life Insurance Company	3,485,759
Pacific Mutual Insurance Company	1,666,713
	-----
	5,152,472
	-----
Synthetic Guaranteed Contracts	
Monumental Life Insurance Company	50,023,093 *
State Street Bank	35,720,834 *
	-----
	85,743,927
	-----
Common Stock	
Rio Tinto plc ADRs	14,597,746
	-----
Pending Account	
Pending Account	79,326
	-----
Loan Fund	
Participant Loans	9,432,883
	-----
Total Investments	\$ 365,814,328

=====

\* Represents 5% or more of assets available for benefits

Page 11 of 17

RIO TINTO AMERICA INC. SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

4. INCOME TAX STATUS  
-----

The trust established under the Plan to hold the Plan's assets is qualified pursuant to the appropriate section of the Internal Revenue Code, and, accordingly, the trust's net investment income is exempt from income taxes. The Plan is applying for a favorable tax determination letter from the Internal Revenue Service and the Plan Administrator believes that the Plan will qualify as designed.

5. PARTIES-IN-INTEREST TRANSACTIONS  
-----

Certain Plan investments are managed by Putnam Investments. Putnam Investments is the trustee as defined by the Plan, therefore, these transactions qualify as party-in-interest transactions.

Transactions associated with Rio Tinto plc ADRs are considered party-in-interest transactions since Rio Tinto plc is the parent of the Company.

Page 12 of 17

SUPPLEMENTAL SCHEDULE

Edgar Filing: RIO TINTO PLC - Form 11-K

Page 13 of 17

RIO TINTO AMERICA INC. SAVINGS PLAN  
FORM 5500 DETAIL SCHEDULE

Schedule H, line 4i - Schedule of Assets Held for Investment Purposes at Dec

(a)	(b)	(c)
	Identity of issue, borrower, lessor or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity
	Mellon Bank - STIF Account	Money Market
	SEI Stable Asset Fund	Common Collective Trust
(2)	Putnam S&P 500 Index Fund	Common Collective Trust
		Total Common Collective Trusts
	Managers Special Equity Fund	Mutual Fund
	Dreyfus Mid-Cap Value Fund	Mutual Fund
	PIMCO Total Return Fund	Mutual Fund
	MSIF Institutional International Equity Fund	Mutual Fund
	Dodge & Cox Stock Fund	Mutual Fund
	UAM/ICM Small Company Fund	Mutual Fund
(2)	Putnam Asset Allocation: Growth Fund	Mutual Fund
(2)	Putnam Asset Allocation: Balanced Fund	Mutual Fund
(2)	Putnam Asset Allocation: Conservative Fund	Mutual Fund
(2)	Putnam International Equity Fund	Mutual Fund
(2)	Putnam Investors Fund	Mutual Fund
(2)	Putnam Fund for Growth and Income	Mutual Fund
(2)	Putnam New Opportunities Fund	Mutual Fund
(2)	Putnam Voyager Fund	Mutual Fund
		Total Mutual Funds
	Monumental Life Insurance Company	GIC, final due 06/15/05, 6.60%
	Pacific Mutual Insurance Company	GIC, due 06/15/04, 6.60%
		Total Guaranteed Insurance Contracts
	Monumental Life Insurance Company	Synthetic GIC, Dwight Core Int Fund, no specified maturity date, 4.8%
	Monumental Life Insurance Company	Synthetic GIC, Dwight Managed Target 2, no specified maturity date, 4.8%
	Monumental Life Insurance Company	Synthetic GIC, Dwight Managed Target 5, no maturity date, 4.8%
	Monumental Life Insurance Company	Wrap contract
	State Street Bank	Synthetic GIC, Dwight Core Int Fund, no specified maturity date, 4.87%
	State Street Bank	Synthetic GIC, Dwight Managed Target 2, no specified maturity date, 4.87%

Edgar Filing: RIO TINTO PLC - Form 11-K

State Street Bank

Synthetic GIC, Dwight Managed Target 5, no maturity date, 4.87%  
Wrap contract

State Street Bank

Total Synthetic Guaranteed Investment Contract

(2) Rio Tinto plc ADRs

Common Stock

Pending Account

Pending Account

Participant Loans

Loan Account

Total Investments

Page 14 of 17

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

RIO TINTO AMERICA INC. SAVINGS PLAN

By: /s/ Steven Saperstein

-----  
Name: Steven Saperstein  
Title: Chief HR, Communications  
External Affairs Officer

Date: November 2, 2005

Page 15 of 17

Exhibit            Description  
-----            -----

Edgar Filing: RIO TINTO PLC - Form 11-K

23.1

Consent of PricewaterhouseCoopers LLP

Page 16 of 17