RIO TINTO PLC
Form 11-K
June 30, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

(Mark One)

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

For the fiscal year ended December 31, 2007

or

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

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:

KENNECOTT CORPORATION SAVINGS PLAN FOR HOURLY EMPLOYEES

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

Rio Tinto plc
5 Aldermanbury Square
London EC2V 7HR
United Kingdom

KENNECOTT CORPORATION SAVINGS PLAN FOR HOURLY EMPLOYEES

Financial Statements and Supplemental Schedules

As of December 31, 2007 and 2006 and for the Year Ended December 31, 2007

Together with Report of Independent Registered Public Accounting Firm

KENNECOTT CORPORATION SAVINGS PLAN
FOR HOURLY EMPLOYEES
Table of Contents

All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable to the Kennecott Corporation Savings Plan for Hourly Employees.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Plan Administrator (Vice President, Human Resources - Kennecott Utah Copper Corporation)
Kennecott Corporation Savings Plan for Hourly Employees

We have audited the accompanying statements of assets available for benefits of the Kennecott Corporation Savings Plan for Hourly Employees (the Plan) as of December 31, 2007 and 2006 and the related statement of changes in assets available for benefits for the year ended December 31, 2007. 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 audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets available for benefits of the Kennecott Corporation Savings Plan for Hourly Employees as of December 31, 2007 and 2006, and the changes in assets available for benefits for the year ended December 31, 2007 in conformity with U.S. generally accepted accounting principles.

Our audits of the financial statements were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2007 and the supplemental Schedule of Delinquent Contributions for the year ended December 31, 2007 are presented for the purpose of additional analysis and are not a required part of the basic financial statements, but is supplementary information required by the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules are the responsibility of the Plan's management and have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Tanner LC

Salt Lake City, Utah
June 27, 2008

KENNECOTT CORPORATION SAVINGS PLAN
FOR HOURLY EMPLOYEES
Statements of Assets Available for Benefits

	December 31, 2007	2006
Assets		
Investments, at fair value	$ 58,673,209	$ 52,059,493
Receivables:		
Employee contributions	31,592	96,521
Employer contributions	9,580	29,429
Total receivables	41,172	125,950
Assets available for benefits, at fair value	58,714,381	52,185,443
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	65,110	149,419
Assets available for benefits	$ 58,779,491	$ 52,334,862

See accompanying notes to financial statements.

KENNECOTT CORPORATION SAVINGS PLAN
FOR HOURLY EMPLOYEES
Statement of Changes in Assets Available for Benefits

	Year Ended December 31, 2007
Additions to assets attributed to:	
Contributions:	
Employee	$ 2,750,962
Employer	808,426
Total contributions	3,559,388
Investment income:	
Net appreciation in fair value of investments	5,240,896
Interest and dividends	3,635,796
Total investment income	8,876,692
Total additions	12,436,080
Deductions from assets attributed to:	
Transfers to the Rio Tinto America Inc. Savings Plan	1,171,841
Benefits paid to participants	4,817,340
Administrative expenses	2,270
Total deductions	5,991,451
Increase in assets available for benefits	6,444,629
Assets available for benefits:	
Beginning of year	52,334,862
End of year	$ 58,779,491

See accompanying notes to financial statements.

1. Description of the Plan

The following brief description of the Kennecott Corporation Savings Plan for Hourly Employees (the Plan) is provided for general information purposes only. Participants should refer to the Plan document and the summary plan description for more complete information.

General

The Plan is a defined contribution plan covering all full-time hourly employees who are represented by or included in a collective bargaining unit of Kennecott Utah Copper Corporation and its affiliates (collectively, the Company or the Employer), as defined in the Plan document. Eligible employees can participate in the Plan immediately after completing three months of continuous service. Kennecott Utah Copper Corporation is an indirect wholly owned subsidiary of Rio Tinto America, Inc., which is an indirect wholly owned subsidiary of Rio Tinto plc (the Parent). The Plan is intended to be a qualified retirement plan under the Internal Revenue Code (IRC) and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Contributions

Each year, participants may elect under a salary reduction agreement to contribute to the Plan an amount not less than 1% and not more than 19% of their eligible compensation on a before-tax basis through payroll deductions. Contributions are limited by the IRC, which established a maximum contribution of $15,500 ($20,500 for participants over age 50) for the year ended December 31, 2007. Participant contributions are recorded in the period during which the amounts are withheld from participant earnings. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

The Company matches the participants' contributions to the Plan at 50%, up to the first 6% of their eligible compensation. Matching contributions are recorded on the date the related participant contributions are withheld.

1. Description of the Plan Continued

Participant Accounts

Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contributions, the Company's matching contribution, and an allocation of the Plan's earnings, and is charged with withdrawals and an allocation of the Plan's losses and administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participant-Directed Options for Investments

Participants direct the investment of their contributions and the Company matching contributions into various investment options offered by the Plan. Investment options include mutual funds, common collective trusts, common stock of the Parent in the form of American Depositary Receipts (ADRs), and a stable value fund consisting of a money market fund and synthetic guaranteed investment contracts.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. A participant is 100% cliff vested after three years of credited service.

Payment of Benefits

On termination of service due to death, disability, or retirement, participants or their beneficiaries may elect to receive a lump-sum distribution in an amount equal to the value of the participants' vested interests in their accounts. Under certain circumstances, participants may withdraw their contributions prior to the occurrence of these events.

Transfers

Along with the Plan, the Company also sponsors another 401(k) plan that covers non-represented employees. If employees change from union to non-union status during the year, their account balances are transferred from the Plan to the non-union plan; namely, the Rio Tinto America Inc. Savings Plan. For the year ended December 31, 2007, transfers out of the Plan totaled $1,171,841.

1. Description of the Plan Continued

Forfeited Accounts

Forfeited non-vested participant account balances may be used to reduce future Company contributions to the Plan. Forfeitures were $8,757 for the year ended December 31, 2007. Interest and dividends attributable to the forfeitures were $895 for the year ended December 31, 2007. As of December 31, 2007 and 2006, the balance of the forfeiture account was $13,980 and $4,328, respectively.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

As described in Financial Accounting Standards Board Staff Position AAG INV-1 and SOP 94-4-1, Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans (the FSP), investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. As required by the FSP, the Statement of Assets Available for Benefits presents the fair value of the investment contract as well as the adjustment of the fully benefit-responsive investment contract from fair value to contract value. The Statement of Changes in Assets Available for Benefits is prepared on a contract value basis.

Use of Estimates

The preparation of the Plan's financial statements in conformity with U.S. generally accepted accounting principles requires Plan management 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.

2. Summary of Significant Accounting Policies Continued

Risks and Uncertainties

The Plan provides for investments in securities that are exposed to various