

Registered number 00883375

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## **RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

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### **DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011**



**RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

**COMPANY INFORMATION**

<b>DIRECTORS</b>	D S Larsen B J S Mathews U Quellmann
<b>COMPANY SECRETARY</b>	G J C Aldridge
<b>REGISTERED NUMBER</b>	00883375
<b>REGISTERED OFFICE</b>	2 Eastbourne Terrace London W2 6LG
<b>AUDITOR</b>	Grant Thornton UK LLP Statutory Auditor, Chartered Accountants Grant Thornton House Melton Street Euston Square London NW1 2EP

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**RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

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## **RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**

The directors present their report and the financial statements for the year ended 31 December 2011

#### **PRINCIPAL ACTIVITIES**

Rio Tinto Aluminium Holdings (UK) Limited (the "Company") is a wholly owned subsidiary of Rio Tinto Metals Limited and a member of the Rio Tinto Group (the "Group") The Company is an investment holding company for the Group

#### **BUSINESS REVIEW**

The Company's results from year to year are highly sensitive to the timing of dividend flows and of movements in provisions, and do not necessarily reflect the performance of its group undertakings

The Company's directors are of the opinion that there are no meaningful financial or non financial key performance indicators that would be necessary or appropriate for an understanding of the development, performance or position of the Company's activities

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £3,000 (2010 - £2,000)

No interim dividends were paid during the year (2010 - nil) The directors do not recommend the payment of a final dividend (2010 - nil)

#### **DIRECTORS**

The directors who served during the year and to the date of signing this report were

D S Larsen  
B J S Mathews  
U Quellmann

No director had a material interest in any contract or arrangement during the year to which the Company or any subsidiary is or was a party

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Company's principal risks and uncertainties are integrated with those of the Group and are not managed separately The Group's risk factors and policies for financial risk management are also discussed in its 2011 Annual Report which does not form part of this report

## **RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Directors' 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 judgments and 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,
- 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.

#### **FUTURE DEVELOPMENTS**

The Company's future developments are integrated with those of the Group which are discussed in its 2011 Annual Report which does not form part of this report.

#### **INDEMNITIES AND INSURANCE**

The Group has purchased directors' and officers' insurance during the year to indemnify individual directors' and officers' personal legal liability and costs for claims arising out of actions taken in connection with the Group's business.

#### **PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

**RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**AUDITORS**

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

This report was approved by the board and signed on its behalf



**G J C Aldridge**  
Secretary

Date 22 June 2012

2 Eastbourne Terrace  
London  
W2 6LG

## **RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

We have audited the financial statements of Rio Tinto Aluminium Holdings (UK) Limited for the year ended 31 December 2011, which comprise the profit and loss account, the balance sheet and the related notes. 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 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 explained more fully in the Directors' responsibilities statement set out on page 2, 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**

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### **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 2011 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 MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

**RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

**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

*Grant Thornton UK LLP*

Richard Hagley (Senior statutory auditor)  
for and on behalf of  
**Grant Thornton UK LLP**  
Statutory Auditor, Chartered Accountants  
London

22 June 2012



**RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 £000	2010 £000
Interest receivable	4	47	40
Interest payable	5	(44)	(38)
		<u>          </u>	<u>          </u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>3</b>	<b>2</b>
Tax on profit on ordinary activities	6	-	-
		<u>          </u>	<u>          </u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>12</b>	<b>3</b>	<b>2</b>
		<u>          </u>	<u>          </u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account


The notes on pages 8 to 13 form part of these financial statements

**RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**  
**REGISTERED NUMBER 00883375**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2011**

	Note	£000	2011 £000	£000	2010 £000
<b>FIXED ASSETS</b>					
Investments	7		-		-
<b>CURRENT ASSETS</b>					
Debtors	9	7,924		7,877	
<b>CREDITORS</b> amounts falling due within one year	10	(7,081)		(7,037)	
<b>NET CURRENT ASSETS</b>			843		840
<b>NET ASSETS</b>			843		840
<b>CAPITAL AND RESERVES</b>					
Called up share capital	11		1,000		1,000
Profit and loss account	12		(157)		(160)
<b>SHAREHOLDERS' FUNDS</b>	13		843		840

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



**B J S Mathews**  
Director

Date 22 June 2012

The notes on pages 8 to 13 form part of these financial statements

## **RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011**

#### **1 ACCOUNTING POLICIES**

##### **1.1 Basis of preparation of financial statements**

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards. The directors have reviewed the Company's existing accounting policies and consider that they are suitable. The principle accounting policies have been consistently applied.

The ultimate parent has confirmed that it has been its practice to ensure that wholly owned subsidiaries are in a position to meet debts as they fall due, and hence the directors consider it appropriate to prepare the financial statements on a going concern basis.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

##### **1.2 Cash flow**

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

##### **1.3 Investments**

Investments held as fixed assets are shown at cost less provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future cash flows of the relevant cash generating unit or disposal value if higher. The discount rate applied is based upon the Company's weighted average cost of capital, with appropriate adjustment for the risks associated with the relevant unit.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indications exist, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. After such a reversal, the depreciation charge is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

##### **1.4 Taxation**

The Company does not pay for, or receive payment for, any group relief claimed from, or surrendered to, other Group companies.

Withholding taxes incurred on the receipt of interest and dividends from overseas group companies are presented as part of the taxation charge in the profit and loss account.

## **RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011**

#### **1. ACCOUNTING POLICIES (continued)**

##### **1.5 Deferred taxation**

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

Deferred tax is recognised in respect of the retained earnings of an overseas subsidiary, associate or joint venture only to the extent that there is a commitment to remit the earnings

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

##### **1.6 Currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

##### **1.7 Dividends**

Final dividends are recognised when the obligation to make payment is established. Interim dividends are recognised when paid

##### **1.8 Interest**

Interest is accounted for on an accruals basis. Interest receivable from subsidiary undertakings registered overseas is presented inclusive of any overseas withholding tax

##### **1.9 Reporting format**

The Company acts as an investment holding company, and hence the dividends received from investee companies and any impairment provisions against investments are presented as operating items

#### **2. OPERATING PROFIT**

The auditor's remuneration of £4,570 (2010 - £4,570) is borne by a fellow group undertaking

#### **3. STAFF COSTS**

The company has no employees (2010 - nil). The directors did not receive any remuneration (2010 - nil)

# RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

### 4 INTEREST RECEIVABLE

	2011 £000	2010 £000
Interest receivable from group undertakings	47	40

### 5. INTEREST PAYABLE

	2011 £000	2010 £000
Interest payable to group undertakings	44	38

### 6. TAXATION

	2011 £000	2010 £000
UK corporation tax charge on profit for the year	-	-

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 26.5% (2010 - 28%). The differences are explained below

	2011 £000	2010 £000
Profit on ordinary activities before tax	3	2
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 - 28%)	1	1
Effects of		
Other differences leading to a decrease in the tax charge	(1)	(1)
Current tax charge for the year	-	-

#### Factors that may affect future tax charges

Legislation was enacted in March 2012 to reduce the UK statutory corporation tax rate to 24% from 1 April 2012

The March 2012 Budget Statement announced further reductions to the UK statutory corporation tax rate 23% effective 1 April 2013 and 22% effective 1 April 2014. These changes will have no impact on the financial statements prepared to 31 December 2011

The Company has deferred tax assets of £54,396 (2010 - £58,747) arising from losses which have not been recognised in the financial statements due to uncertainty about their recoverability. The effect of the tax rate changes announced in March 2012 would be to reduce the unrecognised deferred tax asset to £47,868

**RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**7. FIXED ASSET INVESTMENTS**

	Investments in subsidiary undertakings £000
<b>Cost or valuation</b>	
At 1 January 2011	25,690
Disposals	(590)
At 31 December 2011	<u>25,100</u>
<b>Impairment</b>	
At 1 January 2011	25,690
Disposals	(590)
At 31 December 2011	<u>25,100</u>
<b>Net book value</b>	
At 31 December 2011	<u>-</u>
At 31 December 2010	<u>-</u>

The principal subsidiaries are shown in note 8

**8. PRINCIPAL SUBSIDIARIES**

Company name	Country	Percentage Shareholding	Description
Anglesey Aluminium Limited	England and Wales	51	Holding company - Ordinary £1 00

On 27 December 2011, the Company's subsidiaries Rio Tinto Aluminium (UK) Limited and Rio Tinto Commercial Services Limited were struck off the Register of Companies following an application by their directors

**9. DEBTORS**

	2011 £000	2010 £000
Amounts owed by group undertakings	<u>7,924</u>	<u>7,877</u>

The above amounts owed by group undertakings are interest bearing based on the one month GBP libor rate and are repayable on demand

**RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**10. CREDITORS**

**Amounts falling due within one year**

	2011 £000	2010 £000
Amounts owed to group undertakings	7,081	7,037

The above amounts owed to group undertakings are interest bearing based on the one month USD libor rate and are payable on demand

**11. SHARE CAPITAL**

	2011 £000	2010 £000
<b>Allotted, called up and fully paid</b>		
1,000,000 Ordinary shares of £1 each	1,000	1,000

**12. RESERVES**

	Profit and loss account £000
At 1 January 2011	(160)
Profit for the year	3
At 31 December 2011	(157)

**13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2011 £000	2010 £000
Opening shareholders' funds	840	838
Profit for the year	3	2
Closing shareholders' funds	843	840

**14. RELATED PARTY TRANSACTIONS**

The Company is exempt under FRS 8 from disclosing related party transactions between two or more members of a group, as all subsidiaries which are party to the transactions are wholly owned by the group

**RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The immediate parent undertaking is Rio Tinto Metals Limited. The ultimate parent undertaking and controlling party is Rio Tinto plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Rio Tinto plc consolidated financial statements can be obtained from 2 Eastbourne Terrace, London, W2 6LG, or from the Rio Tinto website at [www.riotinto.com](http://www.riotinto.com).