

**RTA HOLDCO 4 LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

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<b>RTA HOLDCO 4 LIMITED</b>
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**COMPANY INFORMATION****DIRECTORS**

M D Andrewes  
J T C Slade  
D G Witthoft

**COMPANY SECRETARY**

G J C Aldridge

**REGISTERED NUMBER**

6404791

**REGISTERED OFFICE**

2 Eastbourne Terrace  
London  
W2 6LG

**INDEPENDENT AUDITOR**

Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Grant Thornton House  
Melton Street  
Euston Square  
London  
NW1 2EP

**RTA HOLDCO 4 LIMITED**

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## **RTA HOLDCO 4 LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013**

The directors present their report and the financial statements for the year ended 31 December 2013.

#### **RESULTS AND DIVIDENDS**

The loss for the year, after taxation, amounted to \$397,638,000 (2012 - loss \$1,104,055,000) and has been transferred to reserves.

No dividend was proposed or paid during the year (2012: \$nil).

#### **DIRECTOR**

The directors who served during the year and subsequently were:

M D Andrewes (appointed 24 July 2013)  
J T C Slade (appointed 5 March 2014)  
D G Witthoft (appointed 5 March 2014)  
U Quellmann (resigned 5 March 2014)  
D S Larsen (resigned 5 March 2014)  
E B Evans (appointed 1 July 2013 and resigned 5 March 2014)  
M P Bossick (appointed 20 May 2013 and resigned 24 July 2013)  
J C Juggins (resigned 5 April 2013)  
B J S Mathews (resigned 3 May 2013)

#### **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 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;
- 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.

#### **POST BALANCE SHEET EVENTS**

On 22 January 2014 the Company increased its investment in RTA Holdco Australia 1 Pty by a total of A\$1,037,000,000 (\$912,691,000) through the purchase of additional shares issued by that company.

**RTA HOLDCO 4 LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2013  
PROVISION OF INFORMATION TO AUDITOR**


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 auditor is 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 relevant audit information and to establish that the Company's auditor is aware of that information.

**AUDITOR**

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 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 is signed by order of the board.



**G J C Aldridge**  
Secretary

Date: 2 September 2014

2 Eastbourne Terrace  
London  
W2 6LG

**RTA HOLDCO 4 LIMITED**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**INTRODUCTION**

The Company's principal activity is that of an intermediate holding company.

**BUSINESS REVIEW**

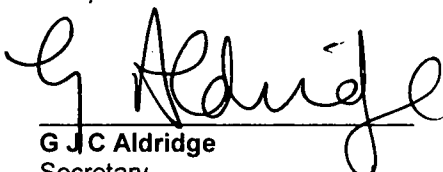
The Company owns the entire share capital of RTA Holdco Australia 1 Pty Limited. The directors review the value of this investment at each year end. As a result of these reviews impairment losses of \$395,286,000 (2012: \$1,100,849,000) have been provided for in these financial statements.

The directors have taken advantage of the exemption from producing consolidated financial statements for its group under Section 400 of the Companies Act 2006. Thus these financial statements are for the Company only. The results of the Company and its group are included in the consolidated financial statements of Rio Tinto plc.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Due to the nature of the Company's activities, its exposure to financial risks is limited and is actively managed by the directors.

This report was approved by the board on 2 September 2014 and is signed by order of the board.



**G J C Aldridge**  
Secretary

## **RTA HOLDCO 4 LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RTA HOLDCO 4 LIMITED**

We have audited the financial statements of RTA Holdco 4 Limited for the year ended 31 December 2013, 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 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 on page 1, 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 (APB'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 Financial Reporting Council'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 2013 and of its loss 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**RTA HOLDCO 4 LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RTA HOLDCO 4 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

2 September 2014

**RTA HOLDCO 4 LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 \$000	2012 \$000
<b>EXCEPTIONAL ITEMS</b>			
Other exceptional items	4	(395,286)	(1,100,849)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		(395,286)	(1,100,849)
Interest payable and similar charges	3	(3,352)	(4,206)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(398,638)	(1,105,055)
Tax on loss on ordinary activities	5	1,000	1,000
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(397,638)</u>	<u>(1,104,055)</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account.

The notes on pages 8 to 12 form part of these financial statements.

**RTA HOLDCO 4 LIMITED**  
**REGISTERED NUMBER: 6404791**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2013**

	Note	\$000	2013 \$000	\$000	2012 \$000
<b>FIXED ASSETS</b>					
Investments	6		566,332		961,618
<b>CURRENT ASSETS</b>					
Debtors		1,000		1,000	
<b>CREDITORS: amounts falling due within one year</b>	8	(2,226,730)		(2,224,378)	
<b>NET CURRENT LIABILITIES</b>			(2,225,730)		(2,223,378)
<b>NET LIABILITIES</b>			(1,659,398)		(1,261,760)
<b>CAPITAL AND RESERVES</b>					
Called up share capital	9		-		-
Share premium account	10		630,155		630,155
Profit and loss account	10		(2,289,553)		(1,891,915)
<b>SHAREHOLDERS' DEFICIT</b>	11		(1,659,398)		(1,261,760)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 September 2014.



**D G Witthoft**  
Director

The notes on pages 8 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The 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 principal accounting policies have been consistently applied.

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 Foreign currencies**

Transactions denominated in foreign currencies are translated at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Differences on exchange are accounted for in the profit and loss account.

The financial statements have been presented in US Dollars. As the majority of transactions are in US Dollars, the directors are of the opinion that this is the functional currency of the Company. The period end exchange rate was US\$1.6521 : £1.

**1.4 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 income 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 investment is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, had no impairment loss been recognised for the investment in prior years. Such reversal is recognised in the profit and loss account.

**1.5 Related parties**

The Company has taken advantage of the exemption under paragraph 3(c) from the provision of Financial Reporting Statement 8 "Related Party Disclosures", on the grounds that it is a wholly owned subsidiary of a group headed by Rio Tinto plc, whose accounts are publicly available.

**RTA HOLDCO 4 LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**1. ACCOUNTING POLICIES (continued)**

**1.6 Taxation**

The charge for taxation is based on the result for the year and, where applicable, takes into account deferred taxation arising because of timing differences between the treatment of certain items for taxation and accounting purposes.

Payment / receipt for group relief claims / surrenders is accounted for except where the amount falls below the de-minimis threshold adopted.

**2. DIRECTORS' REMUNERATION**

The Company has no employees. The directors did not receive any remuneration (2012 - \$nil). The directors are remunerated by other group companies for their services to the group as a whole.

**3. INTEREST PAYABLE**

	2013 \$000	2012 \$000
On loans from group undertakings	3,352	4,206
	<u>3,352</u>	<u>4,206</u>

**4. EXCEPTIONAL ITEMS**

	2013 \$000	2012 \$000
Impairment provision against fixed asset investment values	395,286	1,100,849
	<u>395,286</u>	<u>1,100,849</u>

The directors review the value of investments at each year end. As a result of these reviews impairment losses of \$395,286,000 (2012: \$1,100,849,000) have been provided for.

**5. TAXATION**

	2013 \$000	2012 \$000
UK corporation tax credit on loss for the year	(1,000)	(1,000)
	<u>(1,000)</u>	<u>(1,000)</u>

**RTA HOLDCO 4 LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**5. TAXATION (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2012 - higher than) the standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%). The differences are explained below:

	2013 \$000	2012 \$000
Loss on ordinary activities before tax	(398,638)	(1,105,055)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%)	(92,683)	(270,738)
<b>Effects of:</b>		
Non-tax deductible impairment	91,904	269,708
Other differences leading to an increase / (decrease) in the tax charge	(221)	30
<b>Current tax credit for the year (see note above)</b>	(1,000)	(1,000)

**Factors that may affect future tax charges**

Reductions in the main rate of UK corporation tax, to 21% with effect from 1 April 2014 and 20% with effect from 1 April 2015, were substantively enacted on 2 July 2013. These reductions have no impact on the financial statements prepared to 31 December 2013.

**6. INVESTMENTS**

	Investments in subsidiary companies \$000
<b>Cost or valuation</b>	
At 1 January 2013 and 31 December 2013	2,845,467
<b>Impairment</b>	
At 1 January 2013	1,883,849
Charge for the year	395,286
At 31 December 2013	2,279,135
<b>Net book value</b>	
At 31 December 2013	566,332
At 31 December 2012	961,618

**RTA HOLDCO 4 LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**7. POST BALANCE SHEET EVENTS**

On 22 January 2014 the Company increased its investment in RTA Holdco Australia 1 Pty by a total of A\$1,037,000,000 (\$912,691,000) through the purchase of additional shares issued by that company.

**8. CREDITORS:**

**Amounts falling due within one year**

	2013 \$000	2012 \$000
Amounts owed to group undertakings	2,226,730	2,224,378

Amounts owed to group undertakings are unsecured, and have no fixed date of repayment.

**9. SHARE CAPITAL**

	2013 \$000	2012 \$000
<b>Allotted, called up and fully paid</b>		
101 Ordinary Shares shares of \$1 each	-	-

On 1 November 2012 the Company issued 100 new Ordinary \$1 Shares to its immediate parent in exchange for the entire share capital of its fellow subsidiary Alcan Holdings Australia Pty Ltd. The fair value of this company was agreed as \$630,155,528 and accordingly an amount of \$630,155,428 was credited to the share premium account. On the same day the Company sold its share in Alcan Holdings Australia Pty Limited to its subsidiary company RTA Holdco Australia 1 Pty Limited.

**10. RESERVES**

	Share premium account \$000	Profit and loss account \$000
At 1 January 2013	630,155	(1,891,915)
Loss for the financial year		(397,638)
At 31 December 2013	630,155	(2,289,553)

**11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT**

	2013 \$000	2012 \$000
Opening shareholders' deficit	(1,261,760)	(787,860)
Loss for the financial year	(397,638)	(1,104,055)
Share premium on shares issued (net of expenses)	-	630,155
Closing shareholders' deficit	(1,659,398)	(1,261,760)

## RTA HOLDCO 4 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

#### 12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent company is Rio Tinto International Holdings Limited and its ultimate parent undertaking and ultimate controlling party is Rio Tinto plc, both companies incorporated in England and Wales. Rio Tinto plc heads both the largest and the smallest group for which consolidated financial statements are prepared. 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).

The Company has taken advantage of the exemption granted by FRS 8 and has not disclosed details of transactions with fellow group undertakings.

#### 13. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
RTA Holdco Australia 1 Pty Limited	Australia	100	Holding Company
RTA Holdco Australia 5 Pty Limited	Australia	100	Bauxite And Alumina Trading

From 1 February 2013 the principal activity of RTA Holdco Australia 5 Pty Limited became bauxite and alumina trading when it acquired a 41.4% interest in Queensland Alumina Limited ("QAL"). QAL's principal activity is the operation of a plant at Gladstone in Queensland that processes bauxite into alumina. Prior to this the company was dormant.