

Registration number: 06404791

RTA HOLDCO 4 LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**



RTA HOLDCO 4 LIMITED

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RTA HOLDCO 4 LIMITED

COMPANY INFORMATION

Directors	R A Avery J P Kiddle A Martins Alexandre
Company secretary	Rio Tinto Secretariat Limited
Registration number	06404791
Registered office	6 St James's Square London United Kingdom SW1Y 4AD
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London United Kingdom WC2N 6RH

RTA HOLDCO 4 LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their Strategic report on RTA Holdco 4 Limited (the "Company") for the year ended 31 December 2019.

Introduction

The Company was incorporated, domiciled and registered in England and Wales under the Companies Act 2006 and is a private company limited by shares. The Company's ultimate parent undertaking and controlling party is Rio Tinto plc, which together with Rio Tinto Limited and their respective subsidiaries form the Rio Tinto Group (the "Group").

The Company is an intermediate holding company for the Group.

Business review

The Company's principal continuing activity during the year was an intermediate investment holding company for the Group. The directors review the value of the Company's investments at each year end. As a result of these reviews an impairment loss of \$181,000,000 (2018: \$nil) has been provided for in these financial statements.

Principal risks and uncertainties

The Company's principal risks and uncertainties, such as financial, operational and compliance risks, are integrated with those of the Group and are not managed separately.

Assessment of the potential economic and non-economic consequences of risks is undertaken by the Group's business units and functions using the framework defined by the Group's risk policy and standard. Once identified, each principal risk and uncertainty is reviewed and monitored by the relevant internal experts and by the Risk Management Committee, the relevant board committees and the board. Full details of the Group's risk factors and policies for financial risk management are discussed in its 2019 Annual report which does not form part of this report.

Since the issuance of the Group 2019 Annual Report, the spread and impact of the COVID-19 virus has significantly increased. It is uncertain to what extent the COVID-19 health crisis will impact the operations and financial position of the Company, however, management is closely monitoring the development of the COVID-19 outbreak and its related impact on the Company.

Key performance indicators

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.

RTA HOLDCO 4 LIMITED

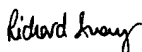
**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

Section 172(1) statement

Section 172 of the Companies Act 2006 requires the directors of a company to act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this, section 172 also requires the directors to have regard, amongst other matters, to the interests of wider stakeholders; including, for example, employees, suppliers, customers and others. In discharging their section 172 duties, the directors do this.

The views of and the impact of the Company's activities on its stakeholders are an important consideration for the directors when making relevant decisions specific to the Company. More generally however, the size and spread of both our stakeholders and the Rio Tinto Group means, in practice, that stakeholder engagement best takes place at an operational or group level. For further details on how the Group engages with stakeholders, please see pages 92 to 93 of the Rio Tinto plc 2019 Annual Report.

The report was approved by the board and signed on its behalf by:



.....
R A Avery
Director.

Date: 29-09-20

RTA HOLDCO 4 LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their report and the audited financial statements for the year ended 31 December 2019.

Results and dividends

The loss for the financial year, after taxation, amounted to \$168,572,000 (2018: loss of \$32,386,000).

No interim dividend was paid during the year (2018: \$nil). The directors do not recommend the payment of a final dividend (2018: \$nil).

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

R A Avery

J P Kiddle (appointed 19 April 2019)

A Martins Alexandre (appointed 7 June 2019)

M P Bossick (resigned 19 April 2019)

P I Hedley (resigned 7 June 2019)

The directors had no material interest in any contract or arrangement during the year to which the Company or any subsidiary is, or was, a party.

Statement of directors' responsibilities in respect of the Financial statements

The directors are responsible for preparing the Annual Report and the Financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

RTA HOLDCO 4 LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

Indemnities and insurance

In accordance with section 233 of the Companies Act 2006 the Company has purchased and maintains insurance against liabilities arising from claims against directors' and officers' actions taken in connection with the Group's business.

Going concern

The directors consider that use of the going concern basis of accounting is appropriate. In arriving at this conclusion they have considered the Company's activities, future plans and possible events that could threaten the appropriateness of using the going concern basis and they have received an undertaking from Rio Tinto International Holdings Limited that it will not seek repayment of a loan outstanding until the Company has sufficient funds to do so.

Principal activities

The Company's principal activity during the year was an intermediate investment holding company for the Group.

Matters subsequent to the end of the financial year

Subsequent to 31 December 2019, a global health crisis had emerged. In an attempt to combat the spread of the COVID-19 virus, the United Kingdom together with many nations around the world have and will continue to impose restrictions on gatherings of people in workplaces, social settings and travel. These necessary restrictions will have a significant impact on commerce and job losses. It is widely expected that global GDP will be negative in the second half of 2020. The extent and duration of the health crisis and recessionary business activity is unknown, although a number of leading health organisations and economists expect significant impacts on the economy to last at least 18 months.

To date, commodity supply is being disrupted as restrictions impact, for example, supply-chain, mobility, workforce, market demand and trade flow impacts. Specifically, this may impact the expected credit losses on amounts due from fellow group undertakings, and in turn the Company's ability to meet its financial obligations. Any financial impact to the Company's results of operations and financial position are considered non-adjusting post balance sheet events and will accordingly be reflected in the periods post 31 December 2019. While the full consequences of the COVID-19 health crisis and its effect on the Company's operations and financial position cannot yet be determined, management is closely monitoring the development of the outbreak and its related impact. Due to the Group's strong balance sheet, the directors continue to believe that the Company can continue its operations in line with its going concern statement as set out in Note 1.

No other matter or circumstance has arisen since 31 December 2019 that has significantly affected the Company's operations, results or state of affairs, or may do so in future years.

Future developments

The Company's future developments are integrated with those of the Group which are discussed in the Group's 2019 Annual report, which does not form part of this report.

Financial risk management

Please refer to the Strategic report, principal risks and uncertainties section.

RTA HOLDCO 4 LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

Disclosure of information to auditors

Each of the persons who were 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 relevant audit information and to establish that the Company's auditors are aware of that information.

Reappointment of auditors

PricewaterhouseCoopers LLP acted as auditor of the Company for the year ended 31 December 2019 and will resign in 2020. It is the intention of the directors to appoint KPMG LLP as the Company's auditor for the year ended 31 December 2020 in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed by order of the board.

Mike Pasmore

.....
Director, for and on behalf of Rio Tinto Secretariat Limited
Company secretary

Date: 29-09-20

6 St James's Square
London
United Kingdom
SW1Y 4AD

Independent auditors' report to the members of RTA Holdco 4 Limited

Report on the audit of the financial statements

Opinion

In our opinion, RTA Holdco 4 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 31 December 2019; the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the Notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

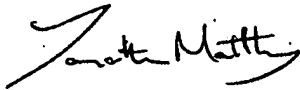
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Jonathan Matthews (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
29 September 2020

RTA HOLDCO 4 LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

		2019	2018
	Note	\$ 000	\$ 000
Dividend income	4	48,571	-
Net impairment	7	(181,000)	-
Finance costs	5	<u>(44,143)</u>	<u>(39,386)</u>
Loss before taxation	3	(176,572)	(39,386)
Taxation	6	<u>8,000</u>	<u>7,000</u>
Loss for the financial year		<u>(168,572)</u>	<u>(32,386)</u>
Other comprehensive income/(expense)		<u>-</u>	<u>-</u>
Total comprehensive expense for the financial year		<u>(168,572)</u>	<u>(32,386)</u>

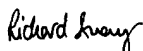
The notes on pages 13 to 23 form an integral part of these financial statements.

RTA HOLDCO 4 LIMITED

(REGISTRATION NUMBER: 06404791)
BALANCE SHEET AS AT 31 DECEMBER 2019

	Note	2019 \$ 000	2018 \$ 000
ASSETS			
Non-current assets			
Investments	7	3,060,740	3,241,740
Current assets			
Trade and other receivables	8	8,000	7,000
Total assets		3,068,740	3,248,740
LIABILITIES			
Current liabilities			
Borrowings and other financial liabilities	9	(1,926,742)	(1,938,170)
Total liabilities		(1,926,742)	(1,938,170)
Net assets		1,141,998	1,310,570
EQUITY			
Share capital	10	2,263,581	2,263,581
Share premium account	11	630,155	630,155
Capital reserve	11	471,335	471,335
Accumulated losses		(2,223,073)	(2,054,501)
Total equity		1,141,998	1,310,570

These financial statements were approved and authorised by the board and were signed on its behalf by:



.....
R A Avery
Director

Date: 29-09-20

The notes on pages 13 to 23 form an integral part of these financial statements.

RTA HOLDCO 4 LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Share capital \$ 000	Share premium account \$ 000	Capital reserve \$ 000	Accumulated losses \$ 000	Total equity \$ 000
At 1 January 2019	2,263,581	630,155	471,335	(2,054,501)	1,310,570
Comprehensive expense:					
Loss for the financial year	-	-	-	(168,572)	(168,572)
Total comprehensive expense for the financial year	-	-	-	(168,572)	(168,572)
At 31 December 2019	2,263,581	630,155	471,335	(2,223,073)	1,141,998

	Share capital \$ 000	Share premium account \$ 000	Capital redemption reserve \$ 000	Accumulated losses \$ 000	Total equity \$ 000
At 1 January 2018	2,263,581	630,155	471,335	(2,022,115)	1,342,956
Comprehensive expense:					
Loss for the financial year	-	-	-	(32,386)	(32,386)
Total comprehensive expense for the financial year	-	-	-	(32,386)	(32,386)
At 31 December 2018	2,263,581	630,155	471,335	(2,054,501)	1,310,570

The notes on pages 13 to 23 form an integral part of these financial statements.

RTA HOLDCO 4 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

This note provides a list of all significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation of the financial statements

The financial statements have been prepared using the historical cost convention, and in accordance with the Companies Act 2006, as applicable to companies using Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

The Company is a subsidiary company and is exempt from the requirement to prepare consolidated financial statements by virtue of section 400 of the Companies Act 2006. These financial statements are therefore separate financial statements.

The financial statements are presented in US Dollars (\$) and all amounts are rounded to the nearest thousand ('000) unless otherwise stated.

1.2 Financial Reporting Standard 101 - Reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial instruments: Disclosures;
- the requirements of paragraphs 91 - 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Where required, equivalent disclosures are given in the consolidated financial statements of Rio Tinto plc which can be obtained as set out in note 12.

RTA HOLDCO 4 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

1 Accounting policies (continued)

1.3 Changes in accounting policy

The Company has applied the following interpretations, standards and amendments for the first time in their annual reporting period commencing 1 January 2019:

- IFRS 16 Leases;
- IFRIC 23 Uncertainty over Income Tax Treatments;
- IFRS 9 Prepayment Features with Negative Compensation (Amendments to IFRS 9);
- IAS 28 Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28);
- Annual Improvements to IFRS 2015-2017 Cycle; and
- Plan Amendment, Curtailment or Settlement (Amendments to IAS 19).

These amendments did not have a material impact on the Company's financial statements for the year ended 31 December 2019, did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect future periods.

1.4 Going concern

The directors consider that use of the going concern basis of accounting is appropriate. In arriving at this conclusion they have considered the Company's activities, future plans and possible events that could threaten the appropriateness of using the going concern basis and they have received an undertaking from Rio Tinto International Holdings Limited that it will not seek repayment of a loan outstanding until the Company has sufficient funds to do so.

Additionally, the directors have considered the implications and potential risks of COVID-19 to the Company's operations. The directors have also taken into consideration the timing of liabilities falling due and the credit rating of the entities from which the receivables are due.

1.5 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). These financial statements are presented in US Dollars (\$), which is the Company's functional and presentation currency.

RTA HOLDCO 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

1 Accounting policies (continued)**1.6 Foreign currency translation (continued)****(b) Transactions and balances**

Transactions denominated in other currencies are converted to the functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at year-end exchange rates. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are translated using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

1.7 Revenue**Dividend income**

Dividend income is recognised when the right to receive payment is established. Dividends from subsidiary undertakings registered overseas are presented inclusive of any overseas withholding tax.

1.8 Finance income and costs

Finance income includes interest income. Interest income is recognised on a time proportionate basis using the effective interest method.

Finance costs includes interest expense and similar charges. Interest expense is recognised on a time proportionate basis using the effective interest method.

1.9 Taxation

Current tax, including UK corporation tax and overseas 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. Until 31 December 2018, the Company established provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. From 1 January 2019, where the amount of tax payable or recoverable is uncertain, the Company establishes provisions based on either: the Company's judgment of the most likely amount of the liability or recovery; or, when there is a wide range of possible outcomes, a probability weighted average approach.

Except as otherwise required by IAS 12 ("Income Taxes"), deferred tax is provided in full on temporary differences at the balance sheet date.

RTA HOLDCO 4 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

1 Accounting policies (continued)

1.10 Financial assets

Classification and measurement

The Company classifies its financial assets in the following categories:

- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income ("FVOCI"); or
- financial assets at fair value through the profit or loss ("FVPL").

Classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of financial assets at initial recognition. Generally, the Company does not acquire financial assets for the purpose of selling in the short term. The Company's business model is primarily that of 'Hold to collect' (where assets are held in order to collect contractual cash flows). When the Company enters into derivative contracts, these transactions are designed to reduce exposures relating to assets and liabilities, firm commitments or anticipated transactions.

Accounting policies for the categories which the Company holds financial assets are set out below.

Financial assets at amortised cost

This classification applies to debt instruments which are held under a hold to collect business model and which have cash flows that meet the "Solely payments of principal and interest" (SPPI) criteria.

At initial recognition, trade receivables that do not have a significant financing component, are recognised at their transaction price. Other financial assets are initially recognised at fair value plus related transaction costs; they are subsequently measured at amortised cost using the effective interest method. Any gain or loss on de-recognition or modification of a financial asset held at amortised cost is recognised in profit or loss.

Impairment

A forward looking expected credit loss ("ECL") review is required for; debt instruments measured at amortised cost or held at fair value through other comprehensive income; loan commitments and financial guarantees not measured at fair value through profit or loss; lease receivables and trade receivables that give rise to an unconditional right to consideration.

As permitted by IFRS 9, the Company applies the "simplified approach" to external trade receivable balances and the "general approach" to all other financial assets. The general approach incorporates a review for any significant increase in counterparty credit risk since inception. The ECL reviews include assumptions about the risk of default and expected loss rates. For trade receivables, the assessment takes into account the use of credit enhancements, for example, letters of credit. Impairments for undrawn loan commitments are reflected as a provision.

1.11 Borrowings and financial liabilities

Borrowings and other financial liabilities (including trade payables but excluding derivative liabilities) are recognised initially at fair value, net of transaction costs incurred, and are subsequently measured at amortised cost.

RTA HOLDCO 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

1 Accounting policies (continued)**1.12 Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2 Critical accounting estimates and judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. These judgements and assumptions are based on management's best knowledge of the facts and circumstances, but actual results may differ materially from the amounts included in the financial statements. The estimates and assumptions that could have a significant impact on the results of the Company are set out below.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount exceeds its recoverable amount. The assessment of the carrying amount often requires estimates of future cash flows and foreign exchange rates.

Impairment of financial assets

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience.

3 Loss before taxation

- (a) The audit fee of \$6,764 (2018: \$6,290) is borne by a fellow group undertaking.
- (b) No emoluments were paid or payable to directors during the year in respect of their services to the Company (2018: \$nil).
- (c) The average number of persons employed during the year, excluding directors, was nil (2018: nil).
- (d) Employees who are involved in the management and operation of the Company have contracts of service with other Group entities and therefore their remuneration is included within those entities' financial statements.

4 Revenue

	2019 \$ 000	2018 \$ 000
Dividend income	48,571	-
	<u>48,571</u>	<u>-</u>

RTA HOLDCO 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

5 Finance costs

	2019 \$ 000	2018 \$ 000
Interest payable on loans from group undertakings	44,143	39,386
	<u>44,143</u>	<u>39,386</u>

6 Taxation

	2019 \$ 000	2018 \$ 000
Current tax		
Corporation tax	(8,000)	(7,000)
Total current tax	<u>(8,000)</u>	<u>(7,000)</u>
Tax benefit in statement of comprehensive income	<u>(8,000)</u>	<u>(7,000)</u>

The tax assessed for the year is higher than the standard rate of corporation tax in the UK (2018: higher than the standard rate of corporation tax in the UK) of 19% for the year ended 31 December 2019 (2018: 19%).

The differences are reconciled below:

	2019 \$ 000	2018 \$ 000
Loss before taxation	(176,572)	(39,386)
Loss before taxation multiplied by the standard rate of corporation tax in the UK	(33,549)	(7,483)
Increase from effect of expenses not deductible in determining taxable profit (tax loss)	34,390	-
Increase arising from group relief tax reconciliation	387	483
Decrease from effect dividends from UK companies	(9,228)	-
Total tax benefit for the financial year	<u>(8,000)</u>	<u>(7,000)</u>

Legislation to reduce the main rate of UK corporation tax from 19% to 17% from 1 April 2020 was enacted on 15 September 2016.

A change to the main UK corporation tax rate was substantively enacted on 17 March 2020. The rate applicable from 1 April 2020 now remains at 19%, rather than the previously enacted reduction to 17%.

RTA HOLDCO 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

7 Investments

	Investment in subsidiaries \$ 000
Cost	
At 1 January 2019	5,219,720
At 31 December 2019	5,219,720
impairment	
At 1 January 2019	1,977,980
Impairment charges	181,000
At 31 December 2019	2,158,980
Carrying amount	
At 31 December 2019	3,060,740
At 31 December 2018	3,241,740

The Company's direct and indirect investments are listed in note 13. The directors review the value of the Company's investments at each year end. This review identified a further impairment charges of \$181 million (2018 \$nil) was required which has been provided for in these financial statements.

8 Trade and other receivables

	2019 \$ 000	2018 \$ 000
Current		
Taxation owed by group undertakings	8,000	7,000
	<u>8,000</u>	<u>7,000</u>

9 Borrowings and other financial liabilities

	2019 \$ 000	2018 \$ 000
Current		
Amount due to group undertakings	1,926,742	1,938,170
	<u>1,926,742</u>	<u>1,938,170</u>

Amounts owed to group undertakings bear interest based on USD LIBOR plus a margin and are repayable on demand.

RTA HOLDCO 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

10 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No. 000	\$ 000	No. 000	\$ 000
Ordinary shares of of \$1 each	1,670,000	1,670,000	1,670,000	1,670,000
Ordinary shares of of \$0.732815 each	810,000	593,581	810,000	593,581
	<u>2,480,000</u>	<u>2,263,581</u>	<u>2,480,000</u>	<u>2,263,581</u>

11 Reserves

The share premium represents the value in excess of nominal value received by the Company in consideration for issuing its shares.

Capital reserve represents a capital contribution received by the Company in the form of a loan payable being forgiven by its parent.

12 Parent and ultimate parent undertaking

The Company's immediate parent undertaking is Rio Tinto International Holdings 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 the Rio Tinto plc consolidated financial statements can be obtained from the registered office at 6 St James's Square, London, United Kingdom, SW1Y4AD or from the Rio Tinto website at www.riotinto.com.

13 Related undertakings

In accordance with section 409 of the Companies Act 2006, disclosed below in a full list of related undertakings of the Company. Related undertakings include "subsidiaries", "associated undertakings" and "significant holdings in undertakings other than subsidiary companies". The registered office address, country of incorporation, classes of shares and the effective percentage of equity owned by the Company calculated by reference to voting rights, is disclosed as at 31 December 2019.

Details of the subsidiaries as at 31 December 2019 are as follows:

Name of subsidiary	Country	Registered office	Share class	Direct holding % of share class held	Indirect holding % share class held
RTA Holdco Australia 1 Pty Ltd	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD755,000,004.00 Ordinary shares	100	-
			AUD2.00 Ordinary shares	100	-

RTA HOLDCO 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

13 Related undertakings (continued)

Name of subsidiary	Country	Registered office	Share class	Direct holding % of share class held	Indirect holding % share class held
			AUD1.672341 Ordinary shares	100	-
			AUD Ordinary shares	100	-
			AUD Ordinary shares	100	-
RTA Holdco Australia 5 Pty Ltd	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD2.00 Ordinary shares	100	-
Alcan Gove Development Pty Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary shares	-	100
RTA Gove Pty Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Class A Shares	-	100
			AUD1.00 Class B Shares	-	100
Alcan Holdings Australia Pty Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Class A Shares	-	100
			AUD1.00 Ordinary shares	-	100
Alcan Northern Territory Alumina Pty Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary shares	-	100
Alcan South Pacific Pty Ltd	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary shares	-	100
Gove Aluminium Ltd	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 A Non Redeemable Preference shares	-	100
			AUD100.00 A Redeemable Preference Shares	-	100
			AUD1.801851 Ordinary shares	-	100
			AUD1.00 Ordinary shares	-	100

RTA HOLDCO 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

13 Related undertakings (continued)

Name of subsidiary	Country	Registered office	Share class	Direct holding % of share class held	Indirect holding % share class held
Nhulunbuy Corporation Limited*	Australia	19 Westal Street, Nhulunbuy NT 0880, Australia	-	-	-
Queensland Alumina Limited	Australia	Plant Operations Building, Parsons Point, Gladstone QLD 4680, Australia	AUD2.00 Class B Shares	-	100
			AUD2.00 Class C Shares	-	100
Rio Tinto Alcan Technology Pty Ltd	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary shares	-	100
RTA AAL Australia Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1,000.00 Ordinary shares	-	100
			AUD1,000.00 Ordinary shares	-	100
			AUD1.00 Ordinary shares	-	100
			AUD1.00 Ordinary 1 shares	-	100
Swiss Aluminium Australia Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary shares	-	100
			AUD1,000.00 Stock Unit Shares A	-	100
			AUD999.00 Stock Unit Shares B	-	100
			AUD997.00 Stock Unit Shares C	-	100
Trans Territory Pipeline Pty Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary shares	-	100

RTA HOLDCO 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

13 Related undertakings (continued)

* Ownership is held through an interest in capital. The entity has no classes of shares.

14 Related party transactions

The Company has taken advantage of the exemption contained within paragraph 8(k) of FRS 101, and has not disclosed transactions entered into with wholly-owned group entities.

15 Post balance sheet events

Subsequent to 31 December 2019, a global health crisis had emerged. In an attempt to combat the spread of the COVID-19 virus, the United Kingdom together with many nations around the world have and will continue to impose restrictions on gatherings of people in workplaces, social settings and travel. These necessary restrictions will have a significant impact on commerce and job losses. It is widely expected that global GDP will be negative in the second half of 2020. The extent and duration of the health crisis and recessionary business activity is unknown, although a number of leading health organisations and economists expect significant impacts on the economy to last at least 18 months.

To date, commodity supply is being disrupted as restrictions impact, for example, supply-chain, mobility, workforce, market demand and trade flow impacts. Specifically, this may impact the expected credit losses on amounts due from fellow group undertakings, and in turn the Company's ability to meet its financial obligations. Any financial impact to the Company's results of operations and financial position are considered non-adjusting post balance sheet events and will accordingly be reflected in the periods post 31 December 2019. While the full consequences of the COVID-19 health crisis and its effect on the Company's operations and financial position cannot yet be determined, management is closely monitoring the development of the outbreak and its related impact. Due to the Group's strong balance sheet, the directors continue to believe that the Company can continue its operations in line with its going concern statement as set out in Note 1.

No other matter or circumstance has arisen since 31 December 2019 that has significantly affected the Company's operations, results or state of affairs, or may do so in future years.