
RIO TINTO VOSTOK LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

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RIO TINTO VOSTOK LIMITED

COMPANY INFORMATION

DIRECTORS

M D Andrewes
E B Evans
K M Tainton

COMPANY SECRETARY

H C Day

REGISTERED NUMBER

05524741

REGISTERED OFFICE

6 St James's Square
London
SW1Y 4AD

AUDITOR

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

RIO TINTO VOSTOK LIMITED

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RIO TINTO VOSTOK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to \$12,000 (2013 - \$29,000)

No interim dividend was paid during the year (2013 - nil). The directors do not recommend the payment of a final dividend (2013 - nil).

DIRECTORS

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

D S Larsen (resigned 5 March 2014)
U Quellmann (resigned 5 March 2014)
A K Zur (resigned 27 May 2015)
M D Andrewes
E B Evans
K M Tainton (appointed 4 June 2014)

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

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' report, strategic 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.

FUTURE DEVELOPMENTS

The Company's future developments are integrated with those of the Group which are discussed in its 2014 Annual Report which does not form part of this report.

RIO TINTO VOSTOK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

INDEMNITIES AND INSURANCE

The Articles of Association of the Company's ultimate parent, Rio Tinto plc, provides for it to indemnify, to the extent permitted by law, its officers and officers of wholly owned subsidiaries against liabilities arising from the conduct of the Rio Tinto Group's business. The directors and the company secretary of Rio Tinto plc and certain employees serving as directors of certain subsidiaries, at the Group's request, have been indemnified in accordance with these provisions. Ms Evans was indemnified by Rio Tinto plc in September 2013 by virtue of her office as Secretary. Mr Andrewes was indemnified by Rio Tinto plc in June 2014. No amount has been paid under any of these indemnities during the year.

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.

DISCLOSURE 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 signed on its behalf.


.....
K M Tainton
Director

Date: 30 September 2015

6 St James's Square
London
SW1Y 4AD

RIO TINTO VOSTOK LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

INTRODUCTION

Rio Tinto Vostok Limited (the "Company") is a wholly owned subsidiary of Rio Tinto Minerals Development Limited and a member of the Rio Tinto Group (the "Group"). The Company continues to provide services to other members of the Group.

BUSINESS REVIEW

The Company's future developments are integrated with those of the Group which are discussed in its 2014 Annual Report which does not form part of this report.

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 2014 Annual Report which does not form part of this report.

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.

This report was approved by the board on 30 September 2015 and signed on its behalf.



.....
K M Tainton
Director

RIO TINTO VOSTOK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIO TINTO VOSTOK LIMITED

We have audited the financial statements of Rio Tinto Vostok Limited for the year ended 31 December 2014, 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 set out 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/auditscopeukprivate.

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 2014 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 and Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.

RIO TINTO VOSTOK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIO TINTO VOSTOK 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

Date: *30 September 2015*

RIO TINTO VOSTOK LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 \$000	2013 \$000
TURNOVER	1,2	173	396
Operating costs		<u>(161)</u>	<u>(367)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		12	29
Tax on profit on ordinary activities	6	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR	11	<u>12</u>	<u>29</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

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

RIO TINTO VOSTOK LIMITED
REGISTERED NUMBER: 05524741

BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	\$000	2014 \$000	\$000	2013 \$000
CURRENT ASSETS					
Debtors	8	177		56	
Cash at bank		599		745	
		<u>776</u>		<u>801</u>	
CREDITORS: amounts falling due within one year	9	(506)		(543)	
NET CURRENT ASSETS			270		258
NET ASSETS			<u>270</u>		<u>258</u>
CAPITAL AND RESERVES					
Called up share capital	10		-		-
Profit and loss account	11		270		258
SHAREHOLDERS' FUNDS	12		<u>270</u>		<u>258</u>

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



.....
K M Tainton
 Director

Date: 30 September 2015

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

RIO TINTO VOSTOK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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 going concern and have concluded that the use of the going concern basis of accounting is appropriate. The directors have considered activities and future plans, and the particular business risks that might arise that could threaten the appropriateness of adopting the going concern basis of accounting. There are no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern.

The directors have reviewed the Company's existing accounting policies and consider that they are suitable. The principal accounting policies have been consistently applied.

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 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives.

1.5 Taxation

The Company pays for any group relief received only where it is justified by commercial circumstances.

1.6 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.

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.

RIO TINTO VOSTOK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES (continued)

1.7 Presentation currency

The principal currency affecting the Company's operations is the US dollar, and all financing provided to and by the Company is denominated in the US dollar. Accordingly, the directors regard the US dollar as the principal currency affecting the Company's own cashflows. As a result, the financial statements are presented in US dollars. The year end exchange rate was US\$1.56: £1 (2013 - US\$1.65: £1).

1.8 Currency translation

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

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

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

2. TURNOVER

All turnover arose outside the UK (2013 - outside the UK).

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The auditor's remuneration of \$10,631 (2013 - \$9,986) is borne by a fellow group undertaking.

The profit is stated after charging:

	2014 \$000	2013 \$000
Difference on foreign exchange	33	119

RIO TINTO VOSTOK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2014 \$000	2013 \$000
Wages and salaries	67	166
Social security costs	44	55
	<u>111</u>	<u>221</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2014 No.	2013 No.
Administration	<u>1</u>	<u>1</u>

The staff cost includes recharges from a fellow group company for an employee working on behalf of the Company. All employees work outside the United Kingdom.

5. DIRECTORS' REMUNERATION

	2014 \$000	2013 \$000
Remuneration	<u>7</u>	<u>78</u>

6. TAXATION

	2014 \$000	2013 \$000
UK corporation tax charge on profit for the year	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 21.50% (2013 - 23.25%). The differences are explained below:

	2014 \$000	2013 \$000
Profit on ordinary activities before tax	<u>12</u>	<u>29</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.50% (2013 - 23.25%)	3	7
Effects of:		
Capital allowances for year in excess of depreciation	(4)	(1)
Group relief	1	(6)
Current tax charge for the year	<u>-</u>	<u>-</u>

RIO TINTO VOSTOK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

6. TAXATION (continued)

Factors that may affect future tax charges

Reductions to the main rate of UK corporation tax, to 21% effective from 1 April 2014 and 20% with effect from 1 April 2015, were substantively enacted on 2 July 2013.

7. TANGIBLE FIXED ASSETS

	Motor vehicles \$000	Office equipment \$000	Total \$000
Cost			
At 1 January 2014	54	7	61
Disposals	(54)	-	(54)
At 31 December 2014	-	7	7
Depreciation			
At 1 January 2014	54	7	61
On disposals	(54)	-	(54)
At 31 December 2014	-	7	7
Net book value			
At 31 December 2014	-	-	-
At 31 December 2013	-	-	-

8. DEBTORS

	2014 \$000	2013 \$000
Amounts owed by Group undertakings	177	-
Other debtors	-	56
	<u>177</u>	<u>56</u>

The above amounts are interest-free and are repayable on demand.

9. CREDITORS: Amounts falling due within one year

	2014 \$000	2013 \$000
Amounts owed to group undertakings	505	543
Other creditors	1	-
	<u>506</u>	<u>543</u>

RIO TINTO VOSTOK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

10. SHARE CAPITAL

	2014 \$000	2013 \$000
Allotted, called up and fully paid		
2 Ordinary shares of \$1 each	-	-

11. RESERVES

	Profit and loss account \$000
At 1 January 2014	258
Profit for the financial year	12
At 31 December 2014	270

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 \$000	2013 \$000
Opening shareholders' funds	258	229
Profit for the financial year	12	29
Closing shareholders' funds	270	258

13. 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 transaction are wholly owned by the Group.

During 2014 an amount of \$57,000 (2013: \$34,000) was paid by the company on behalf of Andrei Zur. These amounts were fully reimbursed during the years in which they were paid.

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is Rio Tinto Minerals Development 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 6 St James's Square, London, SW1Y 4AD, or from the Rio Tinto website at www.riotinto.com.