

db ETC Plc

Directors' report and audited financial statements

For the year ended 31 December 2011

Registered number: 103781

db ETC Plc

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Directors and other information

Directors

Ogier Corporate Director (Jersey) 3 Limited
Ogier Corporate Director (Jersey) 4 Limited
Ed Fletcher
Alan Booth (alternate Director to Ed Fletcher)

Registered office

St Paul's Gate
New Street
St Helier
Jersey
JE4 8ZB
Channel Islands

**Administrator, determination agent and
company secretary**

Deutsche International Corporate Services Limited
St Paul's Gate
New Street
St Helier
Jersey
JE4 8ZB
Channel Islands

Independent auditor

KPMG Channel Islands Limited
5 St Andrew's Place
Charing Cross
Jersey
JE4 8WQ
Channel Islands

**Authorised participant, arranger,
issuing and paying agent, programme
counterparty and metal agent**

Deutsche Bank AG
London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Note trustee

Deutsche Trustee Company Limited
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Directors' report

The directors present their annual report and the audited financial statements of db ETC Plc (the "Company"), for the year ended 31 December 2011.

Principal activities

The Company was incorporated on 6 August 2009 as a public limited company in Jersey under the Companies (Jersey) Law 1991 with company number 103781.

The principal activity of the Company, under the Secured ETC Precious Metal Securities Programme (the "Programme"), is the issue from time to time of secured precious metal linked securities ("ETC Securities"), where recourse in respect of such transactions is limited to the proceeds of enforcement of the security over the Company's assets.

With respect to each Series of ETC Securities, the Company's main assets are its holdings of underlying metal and its interests under the related Balancing Agreement. The obligations of the Company under the ETC Securities of a series will be secured in favour of the Trustee by an assignment by way of security of all the Company's rights, title, interest and benefit present and future against the Secured Account Custodian, the Subscription Account Custodian and any Sub-Custodian relating to the underlying metal in respect of this Series of ETC Securities.

The net proceeds from the issue of a series of ETC Securities are used to purchase an amount of unallocated metal which, in accordance with the custody agreement for secured accounts will, to the extent possible, be allocated to physical metal bars or other metal shapes and be held in the secured allocated account. Any remaining metal is held in the secured unallocated account. Such underlying metal is used to meet the Company's obligations under the relevant series of ETC Securities and the relevant Balancing Agreement.

General information regarding the Company is further described in note 1 of the financial statements.

The ETC Securities are listed on various exchanges, including London, Switzerland, Milan and Frankfurt.

Key performance indicators

The Company is a Special Purpose Vehicle ("SPV") and its principal activity is the issue of secured precious metal linked securities. The best benchmark is the price of the relevant metal in which the proceeds of the ETC Securities are invested in. For all Series, the performance closely followed the movement in the metal linked to the Series.

The directors confirm that the key performance indicators as disclosed are those that are used to assess the performance of the Company.

During the year:

- the Company made a loss of EUR 922,427 (2010: profit of EUR 949,927);
- the net fair value loss of inventories amounted to EUR 7,577,082 (2010: gain of EUR 104,228,396); and
- the net fair value gain on financial liabilities designated at fair value through profit or loss amounted to EUR 6,642,155 (2010: loss of EUR 103,293,469). A breakdown of the fair value gain per series of ETC securities is described in note 11 of the financial statements
- the following new series of ETC Securities were issued:
 - Series 11 - db Physical Rhodium ETC
 - Series 12 - db Physical Rhodium ETC (EUR)
 - Series 13 - db Physical Gold GBP Hedged ETC
 - Series 14 - db Physical Silver GBP Hedged ETC
 - Series 15 - db Physical Gold SGD Hedged ETC
- there were new subscriptions in the following existing series of ETC Securities:
 - Series 01 - db Physical Gold ETC
 - Series 02 - db Physical Gold Euro Hedged ETC
 - Series 03 - db Physical Silver ETC
 - Series 04 - db Physical Silver Euro Hedged ETC
 - Series 05 - db Physical Platinum ETC
 - Series 06 - db Physical Platinum Euro Hedged ETC
 - Series 07 - db Physical Palladium ETC
 - Series 08 - db Physical Palladium Euro Hedged ETC
 - Series 09 - db Physical Gold ETC
 - Series 10 - db Physical Silver ETC

Directors' report (continued)

Key performance indicators (continued)

During the year:

- There were partial redemptions in the following ETC securities:
 - Series 01 - db Physical Gold ETC
 - Series 02 - db Physical Gold Euro Hedged ETC
 - Series 03 - db Physical Silver ETC
 - Series 04 - db Physical Silver Euro Hedged ETC
 - Series 05 - db Physical Platinum ETC
 - Series 06 - db Physical Platinum Euro Hedged ETC
 - Series 07 - db Physical Palladium ETC
 - Series 08 - db Physical Palladium Euro Hedged ETC
 - Series 09 - db Physical Gold ETC
 - Series 10 - db Physical Silver ETC
 - Series 13 - db Physical Gold GBP Hedged ETC
 - Series 14 - db Physical Silver GBP Hedged ETC

As at 31 December 2011:

- the Company's total fair value of financial liabilities designated at fair value through profit or loss was EUR 1,464,775,682 (2010: EUR 718,884,792); and
- the net assets were EUR 27,502 (2010: EUR 949,929).
- the Company has the following series of ETC Securities in issue:
 - Series 01 - db Physical Gold ETC
 - Series 02 - db Physical Gold Euro Hedged ETC
 - Series 03 - db Physical Silver ETC
 - Series 04 - db Physical Silver Euro Hedged ETC
 - Series 05 - db Physical Platinum ETC
 - Series 06 - db Physical Platinum Euro Hedged ETC
 - Series 07 - db Physical Palladium ETC
 - Series 08 - db Physical Palladium Euro Hedged ETC
 - Series 09 - db Physical Gold ETC
 - Series 10 - db Physical Silver ETC
 - Series 11 - db Physical Rhodium ETC
 - Series 12 - db Physical Rhodium ETC (EUR)
 - Series 13 - db Physical Gold GBP Hedged ETC
 - Series 14 - db Physical Silver GBP Hedged ETC
 - Series 15 - db Physical Gold SGD Hedged ETC

Future developments

The directors expect that the present level of activity will be sustained for the foreseeable future. The Board will continue to seek new opportunities for the Company and will continue to ensure proper management of the current portfolio of Series of the Company.

Going concern

The Company's financial statements for the year ended 31 December 2011 have been prepared on a going concern basis. Each asset is referenced to a specific Series of ETC Securities and any loss derived from the asset will be ultimately borne by the relevant ETC securities holders. The directors anticipate that assets will continue to generate enough cash flows on an ongoing basis to meet the financial liabilities as they fall due.

Business risks and principal uncertainties

The Company is subject to various risks. The key risks facing the Company relate to their use of financial instruments and other risks arising from the inventory which are set out in note 14 to the financial statements.

Results and dividends for the year and state of affairs at 31 December 2011

The results for the year are set out on page 8. The directors do not recommend the payment of a dividend for the year (2010: nil).

Directors' report (continued)

Changes in directors, secretary and registered office

There were no change in directors, secretary and registered office during the year.

Directors, secretary and their interests

None of the directors or the secretary who held office on 31 December 2011 held any shares or debt securities in the Company at that date, or during the year. There were no contracts of any significance in relation to the business of the Company in which the directors had any interest. As disclosed in note 17, Related Party Transactions, Ed Fletcher, acting as director for the Company, and Alan Booth, as alternate director for Ed Fletcher, are both employees of Deutsche Bank International Limited who provide administrative services to the Company through their subsidiary, Deutsche International Corporate Services Limited. See note 17 for full details of the relationships entered into between the Company and the Deutsche bank Group.

Shares and shareholders

The authorised share capital of the Company is GBP 10,000 divided into 10,000 shares of €1 each (the "Shares") of which 2 are issued and fully paid and are directly held by Ogier Nominees (Jersey) Limited and Reigo Nominees (Jersey) Limited (the "Share Trustees") under the terms of a declaration of trust (the "Declaration of Trust") under which the Share Trustees hold the benefit of the shares on trust for charitable purposes. There are no other rights that pertain to the shares and the shareholders.


Subsequent events

Significant events that require disclosure to the financial statement since the year end and up to the date of approving this report have been disclosed in note 20 to the financial statements.

Independent auditors

In accordance with Jersey Company Law, KPMG Channel Islands Limited, Chartered Accountants and Recognized Auditor will continue in office.

On behalf of the Board



Director

27.4.12.

Date

Alan Booth
Alternate Director

Statement of directors' responsibilities

The directors are responsible for preparing the financial statements, in accordance with applicable law and international financial reporting standards ("IFRS") as adopted by the European Union ("EU").

Company law requires the directors to prepare the financial statements for each financial year which give a true and fair view of the state of the affairs of the Company and of the profit or loss of the Company for that year.

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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

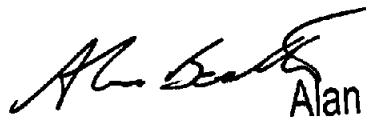
The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also required by the Transparency (Directive 2004/109/EC) Regulation 2007 to include a Directors' report containing a fair review of the business and a description of the principal risks and uncertainties facing the Company.

The directors confirm that, to the best of their knowledge and belief:

- they have complied with the above requirements in preparing the financial statements;
- the financial statements, prepared in accordance with IFRS as adopted by the EU, give a true and fair view, of the state of the financial position and of the profit of the Company for the year then ended; and
- the Directors' report includes a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal risks and uncertainties that it faces.

On behalf of the Board


Alan Booth
27.4.2012. Alternate Director

Director

Date



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Jersey JE4 8WQ
Channel Islands

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Independent auditor's report to the members of db ETC Plc

We have audited the financial statements of db ETC Plc for the year ended 31 December 2011 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



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Independent auditor's report to the members of db ETC Plc – continued

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 loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Eric J. Bertrand

for and on behalf of KPMG Channel Islands Limited
Chartered Accountants and Recognized Auditor

27 April 2012

Notes:

- *The maintenance and integrity of the websites on which these financial statements are published is the responsibility of third parties; the work carried out by auditors does not involve consideration of these matters and accordingly, KPMG Channel Islands Limited accepts no responsibility for any changes that may have occurred to the financial statements or our audit report since 27 April 2012. KPMG Channel Islands Limited has carried out no procedures of any nature subsequent to 27 April 2012 which in any way extends this date.*
- *Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The directors shall remain responsible for establishing and controlling the process for doing so, and for ensuring that the financial statements are complete and unaltered in any way.*

Statement of comprehensive income
For the year ended 31 December 2011

	Notes	Year ended 31-Dec-11 EUR	Year ended 31-Dec-10 EUR
Net fair value (loss)/gain on inventories	4	(7,577,082)	104,228,396
Net fair value gain/(loss) on financial liabilities designated at fair value through profit or loss	5	6,642,155	(103,293,469)
Other income	6	12,500	15,000
Operating (loss)/profit before taxation		<u>(922,427)</u>	<u>949,927</u>
Taxation	7	-	-
Total comprehensive (loss)/income for the year		<u>(922,427)</u>	<u>949,927</u>

The accompanying notes to the financial statements on pages 12 to 24 form an integral part of these financial statements.

Statement of financial position
As at 31 December 2011

	Notes	31-Dec-11 EUR	31-Dec-10 EUR
Current Assets			
Cash and cash equivalents	8	2	15,002
Other receivables	9	27,500	-
Inventories held at fair value	10	1,464,775,682	719,819,719
Total assets		<u>1,464,803,184</u>	<u>719,834,721</u>
Liabilities and equity			
Current Liabilities			
Financial liabilities designated at fair value through profit or loss	11	1,464,775,682	718,884,792
Total liabilities		<u>1,464,775,682</u>	<u>718,884,792</u>
Equity			
Share capital- equity	12	2	2
Retained earnings		27,500	949,927
Total equity		<u>27,502</u>	<u>949,929</u>
Total liabilities and equity		<u>1,464,803,184</u>	<u>719,834,721</u>

The financial statements on pages 8 to 24 were approved by the Board and authorised for issue on 27 April 2012

On behalf of the Board


Alan Booth
Alternate Director

Director

Date: 24.4.12.

The accompanying notes to the financial statements on pages 12 to 24 form an integral part of these financial statements.

Statement of changes in equity
For the year ended 31 December 2011

	Share capital EUR	Retained earnings EUR	Total equity EUR
Balance as at 1 January 2010	2	-	2
<i>Total comprehensive income for the year</i>			-
Profit for the year	-	949,927	949,927
Total comprehensive income for the year	-	949,927	949,927
Balance as at 31 December 2010	2	949,927	949,929
Balance as at 1 January 2011	2	949,927	949,929
<i>Total comprehensive loss for the year</i>			(922,427)
Loss for the year	-	(922,427)	(922,427)
Total comprehensive loss for the year	-	(922,427)	(922,427)
Balance as at 31 December 2011	2	27,500	27,502

The accompanying notes to the financial statements on pages 12 to 24 form an integral part of these financial statements.

Statement of cash flows

For the year ended 31 December 2011

	Notes	Year ended 31-Dec-11 EUR	Year ended 31-Dec-10 EUR
Cash flows from operating activities			
(Loss)/profit for the year		(922,427)	949,927
<i>Adjustments for:</i>			
Net fair value loss/(gain) on inventories	10	7,577,082	(104,228,396)
Net fair value (gain)/loss on financial liabilities designated at fair value through profit or loss	11	(6,642,155)	103,293,469
Increase in other receivables	9	(27,500)	-
Net cash (used in)/generated from operating activities		<u>(15,000)</u>	<u>15,000</u>
Cash flows from investing activities			
Purchase of inventories	10	(1,419,708,778)	(646,421,626)
Proceeds from disposal of inventories	10	<u>667,175,733</u>	<u>30,830,303</u>
Net cash used in investing activities		<u>(752,533,045)</u>	<u>(615,591,323)</u>
Cash flows from financing activities			
Proceeds from issuance of financial liabilities designated at fair value through profit or loss	11	1,419,708,778	646,421,626
Redemption of financial liabilities designated at fair value through profit or loss	11	<u>(667,175,733)</u>	<u>(30,830,303)</u>
Net cash generated from financing activities		<u>752,533,045</u>	<u>615,591,323</u>
Net (decrease)/increase in cash and cash equivalents		(15,000)	15,000
Cash and cash equivalents at the start of the year	8	15,002	2
Cash and cash equivalents at the end of the year	8	<u>2</u>	<u>15,002</u>

The accompanying notes to the financial statements on pages 12 to 24 form an integral part of these financial statements.

Notes to the financial statements
For the year ended 31 December 2011

1 General information

The Company was incorporated on 6 August 2009 as a public limited company in Jersey under the Companies (Jersey) Law 1991, as amended, with company number 103781.

The principal activity of the Company, under the Secured ETC Precious Metal Securities Programme (the "Programme"), is to issue from time to time secured precious metal linked securities ("ETC Securities"), where recourse in respect of such transactions is limited to the proceeds of enforcement of the security over the Company's assets.

The Company has no direct employees.

The ETC Securities are listed on various exchanges, including London, Switzerland, Milan and Frankfurt.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and in accordance with the Companies (Jersey) Law 1991.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2011; the comparative information for the year ended 31 December 2010 presented in these financial statements has been prepared using the same accounting policies. As disclosed in note 15, the Company has used the same basis for valuing the ETC Securities as has been used for fair valuing the inventories. In the prior year, the ETC Securities were valued using the closing price on the relevant stock exchange.

These financial statements have been prepared on a going concern basis as disclosed in the Directors' report.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- Inventories held at fair value are measured at fair value; and
- Financial liabilities designated at fair value through profit or loss are measured at fair value.

The methods used to measure fair values are discussed further in note 3 and 15.

(c) Functional and presentation currency

Functional currency is the currency of the primary economic environment in which the entity operates. The financial liabilities designated at fair value through profit or loss are primarily denominated in EUR. Hence, the directors believe that the functional and the presentation currency should be EUR as EUR most faithfully represents the economic effects of the underlying transactions, events and conditions of the Company.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Details of material judgements and estimates have been further described in accounting policy 3(c) "Financial instruments" and note 15 to the financial statements..

Key sources of estimation uncertainty

Determining fair values

The determination of fair value for financial liabilities is described in note 15 "Fair value". For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Notes to the financial statements (continued)
For the year ended 31 December 2011

2 Basis of preparation (continued)

(e) Changes in accounting standards

(i) *Standards and amendments to existing standards effective 1 January adopted*

The amendment to IAS 24, 'Related party disclosures', clarifies the definitions of a related party. The new definition clarifies in which circumstances persons and key management personnel affect related party relationships of an entity. The amendment also introduces an exemption from the general related-party disclosure requirements for transactions with a government and entities that are controlled, jointly controlled or significantly influenced by the same government as the reporting entity. The adoption of the amendment did not have any impact on the Company's financial statements.

IFRS 7 (amendment) 'Financial instruments: Disclosures'. This amendment was part of the IASB's annual improvement project published in May 2010. The amendment emphasises the interaction between quantitative and qualitative disclosures about the nature and extent of risks associated with financial instruments. Adoption of this amendment did not have a significant impact on the Company's financial statements.

'Improvements to IFRS' were issued in May 2010 and contain several amendments to IFRS, which the IASB considers non-urgent but necessary. 'Improvements to IFRS' comprise amendments that result in accounting changes for presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual standards. Most of the amendments are effective for annual periods beginning on or after 1 January 2011. No material changes to accounting policies are expected as a result of these amendments.

There are no other standards, interpretations or amendments to existing standards that are effective that would be expected to have a significant impact on the Company.

(ii) *Applicable new standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2011 and not early adopted*

IFRS 9, 'Financial instruments', effective for annual periods beginning on or after 1 January 2015, specifies how an entity should classify and measure financial assets and liabilities, including some hybrid contracts. The standard improves and simplifies the approach for classification and measurement of financial assets compared with the requirements of IAS 39. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged. The standard applies a consistent approach to classifying financial assets and replaces the numerous categories of financial assets in IAS 39, each of which had its own classification criteria. The standard is not expected to have a significant impact on the Company's financial position or performance, as it is expected that the Company will continue to classify its financial assets and financial liabilities as being at fair value through profit or loss.

IFRS 13, 'Fair value measurement', effective for annual periods beginning on or after 1 January 2013 improves consistency and reduces complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company.

Notes to the financial statements (continued)
For the year ended 31 December 2011

3 Significant accounting policies

(a) Foreign currency translation

Transactions in foreign currencies are translated into the functional currency at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

Gains and losses arising on retranslation of inventories and financial instruments at fair value through profit or loss are included in the statement of comprehensive income.

(b) Inventories

Inventories are held at fair value less costs to sell, in accordance with IAS 2 "Inventories".

Valuation of inventories

The gold is recorded at market value using the PM fix on 29 December 2011 quoted by the London Bullion Market Association. The PM fix on 29 December 2011 was used to value the gold as this was the last PM fix price available from the London Bullion Market Association for the year.

The silver is recorded at market value using the fix on 30 December 2011 quoted by the London Bullion Market Association. The fix on 30 December 2011 was used to value the silver as this was the last fix price available from the London Bullion Market Association for the year.

The platinum is recorded at market value using the PM fix on 29 December 2011 quoted by the London Platinum and Palladium Market. The PM fix on 29 December 2011 was used to value the platinum as this was the last PM fix price available from the London Platinum and Palladium Market for the year.

The palladium is recorded at market value using the PM fix on 29 December 2011 quoted by the London Platinum and Palladium Market. The PM fix on 29 December 2011 was used to value the palladium as this was the last PM fix price available from the London Platinum and Palladium Market for the year.

The rhodium is recorded at market value using the fix on 30 December 2011 quoted by Comdaq. The fix on 30 December 2011 was used to value the rhodium as this was the last fix price available from the Comdaq for the year.

(c) Financial instruments

Initial recognition

Financial liabilities at fair value through profit or loss are recognised initially at the trade date at which the Company becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the date they are originated.

Financial liabilities at fair value through profit or loss are measured at fair value, with transaction costs recognised in the statement of comprehensive income. Financial assets and liabilities not at fair value through profit or loss are measured initially at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Classification

The Company has classified financial instruments into the following categories:

Financial liabilities at fair value through profit or loss:

- Designated at fair value through profit or loss – ETC Securities issued

Financial assets at amortised cost:

- Cash and cash equivalents and other receivables.

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method or any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Notes to the financial statements (continued)
For the year ended 31 December 2011

3 Significant accounting policies (continued)

(c) Financial instruments (continued)

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Subsequent measurement

After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss at their fair value. Subsequent changes in the fair value of financial instruments designated at fair value through profit or loss are recognised directly in the statement of comprehensive income. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value measurement principles

Quoted prices are available on recognised stock exchanges for the financial liabilities at fair value through profit or loss and were used as a measurement basis in 31 December 2010 financial statements. However, the directors have determined that prices calculated by the Determination Agent, Deutsche International Corporate Services (Ireland) Limited, should be used as a measurement basis at 31 December 2011 as these prices most accurately reflect the obligations of the Company under the terms of the Series Issue Deeds.

The prices are calculated using the spot price of the relevant underlying metal adjusted for product fees. The product fees range from 0.29% to 0.95% per annum and are accrued on a daily basis by reducing the metal entitlement of each ETC Security.

Identification and measurement of impairment

At each reporting date, the Company assesses whether there is objective evidence that financial assets measured at amortised cost are impaired. A financial asset is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the assets, and that the loss event has an impact on the future cash flows of the assets that can be estimated reliably.

When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment is reversed through profit or loss.

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses are recognised in profit or loss in the statement of comprehensive income. The Company writes off financial assets carried at amortised cost when they are determined to be uncollectible.

(d) Cash and cash equivalents

Cash and cash equivalents include cash held at banks and other short-term highly liquid investments with maturities of less than three months at acquisition, which are subject to insignificant risk of changes in their fair value, and are used by the Company in the management of its short term commitments.

(e) Share capital

Share capital is issued in GBP. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

(f) Net fair value (loss)/gain on inventories

Net fair value (loss)/gain on inventories relates to movement in prices of metals and includes all realised and unrealised fair value changes and foreign exchange differences.

(g) Net fair value gain/(loss) on financial liabilities designated at fair value through profit or loss

Net fair value gain/(loss) on financial liabilities designated at fair value through profit or loss relates to ETC Securities issued and includes all realised and unrealised fair value changes and foreign exchange differences.

(h) Tax on profit on ordinary activities

Profits arising in the Company are subject to tax at the rate of 0%.

Notes to the financial statements (continued)
For the year ended 31 December 2011

3 Significant accounting policies (continued)

(i) Other income

Other income is recognised in the statement of comprehensive income when the right to receive income is established, on an accruals basis.

(j) Other expenses

All expenses incurred by the Company are paid by the arranger, Deutsche Bank AG, London and as such, are not reflected in these financial statements.

(k) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. The board of directors believe that each series can be treated as a segment as the return on each series is linked to a different metal. Furthermore, financial information reviewed by the board of directors is split out by Series and decisions are made on the basis of this information.

The split of financial liabilities designated at fair value through profit or loss by series is shown in note 11 to the financial statements. Financial liabilities relate to ETC Securities. Details of the fair value movement by series and the year end unit price by series are included in note 11 which are the key measures of performance for each series. There were no transactions between reportable segments during the year. All the entity-wide disclosures are covered in the statement of financial position and statement of comprehensive income.

	Year ended 31-Dec-11 EUR	Year ended 31-Dec-10 EUR
4 Net fair value (loss)/gain on inventories		
Net fair value (loss)/gain on inventories	(7,577,082)	104,228,396
	<u>(7,577,082)</u>	<u>104,228,396</u>
5 Net fair value gain/(loss) on financial liabilities designated at fair value through profit or loss		
Net fair value gain/(loss) on ETC Securities	6,642,155	(103,293,469)
	<u>6,642,155</u>	<u>(103,293,469)</u>
6 Other income		
Corporate benefit fee	12,500	15,000
	<u>12,500</u>	<u>15,000</u>
The corporate benefit fees are receivable from the arranger, Deutsche Bank AG, London and represent the Company's profit as a result of entering into the Secured ETC Precious Metal Securities Programme.		
7 Taxation		
The Company is not a regulated financial service company from a Jersey Income Tax perspective. Therefore the Company is liable to Jersey income tax at 0%.		
8 Cash and cash equivalents	31-Dec-11 EUR	31-Dec-10 EUR
Cash at bank	2	15,002
	<u>2</u>	<u>15,002</u>
9 Other receivables	31-Dec-11 EUR	31-Dec-10 EUR
Corporate benefit receivable	27,500	-
	<u>27,500</u>	<u>-</u>

Notes to the financial statements (continued)
For the year ended 31 December 2011

10 Inventories held at fair value	31-Dec-11 EUR	31-Dec-10 EUR
Inventories	1,464,775,682	719,819,719
<i>Movements during the year:</i>		
At start of year	719,819,719	-
Additions during the year	1,419,708,778	646,421,626
Disposals during the year	(667,175,733)	(30,830,303)
Net changes in fair value during the year	(7,577,082)	104,228,396
At end of year year	1,464,775,682	719,819,719

11 Financial liabilities designated at fair value through profit or loss	Nominal units issued	31-Dec-11 EUR	31-Dec-10 EUR
ETC Securities issued	12,404,500	1,464,775,682	718,884,792
<i>Movements during the year:</i>			
At start of year		718,884,792	-
Issued during the year		1,419,708,778	646,421,626
Redeemed during the year		(667,175,733)	(30,830,303)
Net changes in fair value during the year		(6,642,155)	103,293,469
At end of year		1,464,775,682	718,884,792

Series	Description	31-Dec-11				
		Units outstanding	CCY	NAV per unit (CCY)	Maturity	Fair value EUR
Series 1	db Physical Gold ETC	1,115,000	USD	152.41	15-Jun-60	131,087,097
Series 2	db Physical Gold Euro Hedged ETC	6,050,000	EUR	122.95	15-Jun-60	743,821,055
Series 3	db Physical Silver ETC db Physical Silver Euro	360,000	USD	279.82	15-Jun-60	77,708,180
Series 4	Hedged ETC	325,000	EUR	221.23	15-Jun-60	71,898,881
Series 5	db Physical Platinum ETC	485,000	USD	134.50	15-Jun-60	50,320,066
Series 6	db Physical Platinum Euro Hedged ETC	260,000	EUR	104.49	15-Jun-60	27,166,274
Series 7	db Physical Palladium ETC	125,000	USD	62.58	15-Jun-60	6,034,362
Series 8	db Physical Palladium Euro Hedged ETC	190,000	EUR	47.89	15-Jun-60	9,099,964
Series 9	db Physical Gold ETC	2,350,000	EUR	117.49	15-Jun-60	276,092,169
Series 10	db Physical Silver ETC	195,000	EUR	216.48	15-Jun-60	42,213,209
Series 11	db Physical Rhodium ETC	66,500	USD	135.19	19-May-61	6,935,240
Series 12	db Physical Rhodium ETC db Physical Gold GBP	103,000	EUR	104.48	19-May-61	10,761,214
Series 13	Hedged ETC db Physical Silver GBP	685,000	GBP	9.52	19-May-61	7,822,172
Series 14	Hedged ETC db Physical Gold SGD	75,000	GBP	17.25	19-May-61	1,552,227
Series 15	Hedged ETC	20,000	SGD	190.22	19-May-61	2,263,572
		<u>12,404,500</u>				<u>1,464,775,682</u>

Notes to the financial statements (continued)
For the year ended 31 December 2011

11 Financial liabilities designated at fair value through profit or loss (continued)

Series	Description	31-Dec-10				Fair value EUR
		Units outstanding	CCY	NAV per unit (CCY)	Maturity	
Series 1	db Physical Gold ETC	1,285,000	USD	140.47	15-Jun-60	134,854,501
	db Physical Gold Euro					
Series 2	Hedged ETC	2,550,000	EUR	113.92	15-Jun-60	290,496,000
Series 3	db Physical Silver ETC	275,000	USD	304.33	15-Jun-60	62,525,359
	db Physical Silver Euro					
Series 4	Hedged ETC	320,000	EUR	245.10	15-Jun-60	78,432,000
Series 5	db Physical Platinum ETC	70,000	USD	175.54	15-Jun-60	9,180,215
Series 6	db Physical Platinum Euro					
	Hedged ETC	155,000	EUR	137.90	15-Jun-60	21,374,500
Series 7	db Physical Palladium ETC	250,000	USD	79.53	15-Jun-60	14,854,217
Series 8	db Physical Palladium Euro					
	Hedged ETC	280,000	EUR	62.06	15-Jun-60	17,376,800
Series 9	db Physical Gold ETC	650,000	EUR	106.02	15-Jun-60	68,913,000
Series 10	db Physical Silver ETC	90,000	EUR	231.98	15-Jun-60	20,878,200
		<u>5,925,000</u>				<u>718,884,792</u>

Series	CCY	Description	31-Dec-11				Closing balance EUR
			Opening balance EUR	Issuances EUR	Redemptions EUR	Net changes in fair values EUR	
Series 1	USD	db Physical Gold ETC	134,854,501	33,084,593	(47,568,170)	10,716,173	131,087,097
		db Physical Gold Euro					
Series 2	EUR	Hedged ETC	290,496,000	736,254,772	(305,434,018)	22,504,301	743,821,055
Series 3	USD	db Physical Silver ETC	62,525,359	62,178,903	(38,629,178)	(8,366,904)	77,708,180
		db Physical Silver Euro					
Series 4	EUR	Hedged ETC	78,432,000	80,789,248	(78,768,017)	(8,554,350)	71,898,881
Series 5	USD	db Physical Platinum ETC	9,180,215	58,181,128	(6,636,562)	(10,404,715)	50,320,066
		db Physical Platinum Euro					
Series 6	EUR	Hedged ETC	21,374,500	53,728,824	(37,691,022)	(10,246,028)	27,166,274
Series 7	USD	db Physical Palladium ETC	14,854,217	6,204,104	(14,165,963)	(857,996)	6,034,362
		db Physical Palladium Euro Hedged ETC	17,376,800	5,060,255	(9,577,506)	(3,759,585)	9,099,964
Series 8	EUR						
Series 9	EUR	db Physical Gold ETC	68,913,000	306,016,116	(108,458,810)	9,621,863	276,092,169

Notes to the financial statements (continued)
For the year ended 31 December 2011

11 Financial liabilities designated at fair value through profit or loss (continued)

Series	CCY	Description	31-Dec-11				Closing balance
			Opening balance	Issuances	Redemptions	Net changes in fair values	
			EUR	EUR	EUR	EUR	
Series 10		db Physical Silver ETC	20,878,200	35,447,640	(12,229,514)	(1,883,117)	42,213,209
Series 11		db Physical Rhodium ETC	-	8,770,630	-	(1,835,390)	6,935,240
Series 12		db Physical Rhodium ETC (EUR)	-	14,055,906	-	(3,294,692)	10,761,214
Series 13		db Physical Gold GBP Hedged ETC	-	12,323,806	(4,910,674)	409,040	7,822,172
Series 14		db Physical Silver GBP Hedged ETC	-	5,309,033	(3,106,299)	(650,507)	1,552,227
Series 15		db Physical Gold SGD Hedged ETC	-	2,303,821	-	(40,249)	2,263,572
			<u>718,884,793</u>	<u>1,419,708,779</u>	<u>(667,175,733)</u>	<u>(6,642,156)</u>	<u>1,464,775,682</u>
Series	CCY	Description	31-Dec-10				Closing balance
			Opening balance	Issuances	Redemptions	Net changes in fair values	
			EUR	EUR	EUR	EUR	
Series 1	USD	db Physical Gold ETC	-	153,394,479	(30,830,303)	12,290,325	134,854,501
Series 2	EUR	db Physical Gold Euro Hedged ETC	-	266,168,757	-	24,327,243	290,496,000
Series 3	USD	db Physical Silver ETC	-	40,739,510	-	21,785,848	62,525,358
Series 4	EUR	db Physical Silver Euro Hedged ETC	-	57,156,687	-	21,275,313	78,432,000
Series 5	USD	db Physical Platinum ETC	-	8,432,785	-	747,431	9,180,215
Series 6	EUR	db Physical Platinum Euro Hedged ETC	-	19,771,397	-	1,603,103	21,374,500
Series 7	USD	db Physical Palladium ETC	-	9,195,256	-	5,658,961	14,854,217
Series 8	EUR	db Physical Palladium Euro Hedged ETC	-	10,241,476	-	7,135,324	17,376,800
Series 9	EUR	db Physical Gold ETC	-	66,102,117	-	2,810,883	68,913,000
Series 10		db Physical Silver ETC	-	15,219,162	-	5,659,038	20,878,200
			<u>-</u>	<u>646,421,626</u>	<u>(30,830,303)</u>	<u>103,293,469</u>	<u>718,884,792</u>

Notes to the financial statements (continued)
For the year ended 31 December 2011

12 Share capital

	31-Dec-11 GBP	31-Dec-10 GBP
<i>Authorised:</i>		
10,000 ordinary shares of £1 each	10,000	10,000
<i>Issued and fully paid</i>		
2 ordinary shares of £1 each	EUR 2	EUR 2

As at 31 December, the ordinary share capital was held by the following non-beneficial nominees:

	31-Dec-11 GBP	31-Dec-10 GBP
Ogier Nominees (Jersey) Limited	1	1
Reigo Nominees (Jersey) Limited	1	1
	2	2

13 Capital risk management

The Company views the share capital as its capital. The Company is a special purpose vehicle set up to issue debt for the purpose of making investments as defined under the programme memorandum and in each of the Series memorandum agreements. Share capital of £2 was issued in line with Jersey Company Law and is not used for financing the investment activities of the Company. The Company is not subject to any other externally imposed capital requirements.

The Company can issue further series of ETC Securities to meet the demand of its investors.

14 Financial risk management

Risk management framework

The Company has exposure to the following risks from its use of financial instruments:

- Operational risk;
- Credit risk;
- Market risk; and
- Liquidity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing these risks.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes and infrastructure, and from external factors other than credit, markets and liquidity issues such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Operational risks arise from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined note 1. All administration functions are outsourced to Deutsche International Corporate Services Limited. Deutsche Bank AG, London Branch acts as the Company's authorised participant, arranger issuing and paying agent.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's principal financial assets are cash and cash equivalents and other receivables.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31-Dec-11 EUR	31-Dec-10 EUR
Cash and cash equivalents	2	15,002
Other receivables	27,500	-
	27,502	15,002

Notes to the financial statements (continued)
For the year ended 31 December 2011

14 Financial risk management (continued)

Credit risk (continued)

As at 31 December 2011, no financial assets carried at amortised cost were past due or impaired (2010: nil). Assets that have been pledged as collateral for financial liabilities are disclosed in note 10.

The directors have also considered the credit risk and counterparty risk with JP Morgan and Johnson Matthey as sub-custodians of the inventories held by the Company given the significance of the inventory to the overall financial position of the Company. As at 31 December 2011, the Company held inventories with a fair value of EUR 1,464,775,682 (2010: EUR 719,819,719). The directors have engaged an independent professional to carry out an annual review of the quantity and quality of the metal held by JP Morgan for the Company. No review has yet been carried out for Johnson Matthey but it is anticipated that a review will be completed in 2012.

Market risk

Market risk relates to interest rate changes, currency fluctuation and other price risk as described below.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of a change in market interest rates. The ETC Securities do not bear interest. As such, the Company and ETC Securities holders have limited exposure to interest rate risk.

(ii) Currency risk

Currency risk is the risk which arises where the assets and liabilities of the Company that are denominated in currencies other than its functional currency, those assets and liabilities being denominated in US Dollars, Pound Sterling (GBP) and Singapore Dollar (SGD).

The Company is not exposed to currency risk since the foreign exchange movements in its financial liabilities will be offset by the foreign exchange movements in its inventory.

As at the reporting date, the carrying value of the Company's assets and liabilities held in individual foreign currencies was as follows:

	Amounts in EUR			
	USD	GBP	SGD	Total
31-Dec-11				
Inventories	272,084,945	9,374,399	2,263,573	283,722,917
Financial liabilities designated at fair value through profit or loss	(272,084,945)	(9,374,399)	(2,263,573)	(283,722,917)
	-	-	-	-
	Amounts in EUR			
	USD	GBP	SGD	Total
31-Dec-10				
Inventories	221,757,598	-	-	221,757,598
Financial liabilities designated at fair value through profit or loss	(221,414,292)	-	-	(221,414,292)
	343,306	-	-	343,306

The following significant exchange rates have been applied during the year:

	31-Dec-11	31-Dec-10
USD-EUR	0.7714	0.7471
GBP-EUR	1.1999	1.1664
SGD-EUR	0.5950	0.5822

Notes to the financial statements (continued)
For the year ended 31 December 2011

14 Financial risk management (continued)

Market risk (continued)

(ii) Currency risk (continued)

The impact of changes in foreign exchange rates on the assets is offset by foreign exchange rate changes on the financial liabilities. Therefore any change in the exchange rates would have no net effect on the equity or the profit or loss of the Company.

Other price risk

Other price risk is the risk that changes in market prices of metals will affect the Company's income, expense, inventories and financial liabilities designated at fair value through profit or loss. The Company's liabilities are exposed to the market prices of the metals. However, the risk is mitigated by holding the relevant quantities of inventory for each series of ETC Securities issued. The ETC Security holders are exposed to the market price risk of their metal entitlement under the ETC Securities.

Any changes in the metal spot prices on the inventories held by the Company would not have any net effect on the equity or statement of comprehensive income of the Company since changes in the fair value of inventories would be offset by corresponding changes in the fair value of the ETC Securities and as such any changes are ultimately borne by the ETC Securities holders.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company limits its exposure to liquidity risk through the purchase of inventory. All liquidity risk associated with the inventories are ultimately borne by the ETC Securities holders.

The contractual maturity profile of financial liabilities as at 31 December 2011 is as follows:

31-Dec-11	Carrying amount EUR	Gross contractual cash flows EUR	Less than one year EUR	Between one to five years EUR	More than five years EUR
Financial liabilities designated at fair value through profit or loss	1,464,775,682	1,464,775,682	1,464,775,682	-	-
	<u>1,464,775,682</u>	<u>1,464,775,682</u>	<u>1,464,775,682</u>	<u>-</u>	<u>-</u>

The contractual maturity profile of financial liabilities as at 31 December 2010 are as follows:

31-Dec-10	Carrying amount EUR	Gross contractual cash flows EUR	Less than one year EUR	Between one to five years EUR	More than five years EUR
Financial liabilities designated at fair value through profit or loss	718,884,792	718,884,792	718,884,792	-	-
	<u>718,884,792</u>	<u>718,884,792</u>	<u>718,884,792</u>	<u>-</u>	<u>-</u>

The carrying amount and the gross contractual cashflows are equal to the fair value of each liability as stated in the Statement of financial position.

15 Fair value

The Company's inventories and financial liabilities at fair value through profit or loss are carried at fair value in the statement of financial position.

The Company's accounting policy on fair value measurement for inventory is disclosed in note 3(b). The Company's accounting policy on fair value measurement of financial liabilities at fair value through profit or loss is disclosed in note 3(c) "Fair value measurement principles" of the financial statements. The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: quoted prices (unadjusted) in active markets for an identical instrument.
- Level 2: inputs other than quoted prices included within level 1 that are observable for the liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the liability that are not based on observable market data (unobservable inputs).

Notes to the financial statements (continued)

For the year ended 31 December 2011

15 Fair value (continued)

The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

The Company does not have any financial instruments at Level 1 or 3.

At 31 December 2011, the carrying amounts of financial liabilities issued by the Company are as follows:

	31-Dec-11			Total
	Level 1	Level 2	Level 3	
	Quoted price in active market	Valuation technique observable parameters	Valuation technique observable parameters	
	EUR	EUR	EUR	
Financial liabilities designated at fair value through profit or loss	-	(1,464,775,682)	-	(1,464,775,682)
	-	(1,464,775,682)	-	(1,464,775,682)

	31-Dec-10			Total
	Level 1	Level 2	Level 3	
	Quoted price in active market	Valuation technique observable parameters	Valuation technique observable parameters	
	EUR	EUR	EUR	
Financial liabilities designated at fair value through profit or loss	(718,884,792)	-	-	(718,884,792)
	(718,884,792)	-	-	(718,884,792)

During the year, the fair value of all of the Company's financial liabilities have been determined using valuation techniques based on observable inputs. In the prior year, these were valued using quoted prices. In the opinion of the directors, the prices calculated by the Determination Agent more accurately reflects the obligations of the Company under the terms of the Series Issue Deeds. See note 3, "Fair value measurement principles". Therefore, the full amount of the financial liabilities issued have been transferred from Level 1 to 2.

Although the directors believe that their estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value as fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument.

16 Classification of financial instruments

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are shown as follows:

	Carrying value	Fair value	Carrying value	Fair value
	EUR	EUR	EUR	EUR
<i>At fair value</i>	31-Dec-11	31-Dec-11	31-Dec-10	31-Dec-10
Financial liabilities designated at fair value through profit or loss	(1,464,775,682)	(1,464,775,682)	(718,884,792)	(718,884,792)
	(1,464,775,682)	(1,464,775,682)	(718,884,792)	(718,884,792)
<i>At amortised cost</i>				
Cash and cash equivalents	2	2	15,002	15,002
Other receivables	27,500	27,500	-	-
	27,502	27,502	15,002	15,002

Notes to the financial statements (continued)**For the year ended 31 December 2011****17 Related party transactions**

Ogier Corporate Director (Jersey) 3 Limited and Ogier Corporate Director (Jersey) 4 Limited act solely in the capacity as directors of Jersey companies, pursuant to the Companies (Jersey) Law 1991, as amended. Both are part of the Ogier group of companies. No fee was charged or paid to the Ogier Group by the Company during the year under review for the provision of directors. As disclosed in note 3(j), all expenses are borne by the Arranger, Deutsche Bank AG London.

Ed Fletcher, acting as director for the Company and Alan Booth, as alternate director for Ed Fletcher, are employees of Deutsche Bank International Limited. Deutsche International Corporate Services Limited, which acts as administrator to the Company, is a subsidiary of Deutsche Bank International Limited and is part of Deutsche Bank AG.

Corporate benefit fees amounting to EUR 27,500 (31 December 2010: EUR Nil) are receivable from Deutsche Bank AG, London Branch.

Product fees accrued for the year ended 31 December 2011 due to Deutsche Bank AG in its capacity as Arranger amounted to EUR 6,410,216 (2010: EUR 1,012,357). The amount payable as at 31 December 2011 was EUR nil (2010: EUR nil).

As at 31 December 2011, the number of ETC Securities held by Deutsche Bank AG, London Branch, as authorised participant was 603,894 units (EUR 58,481,467) (2010: EUR 227,713,466 for 1,906,270 units).

18 Ultimate controlling party

The directors of the Company consider Ogier Corporate Trustee (Jersey) Limited as trustee of the db ETC Charitable Trust (the beneficial owner of the issued share capital of the Company) to be the ultimate controlling party of the Company.

19 Key management personnel

The key management personnel has been identified as being the directors of the Company.

Ed Fletcher and Alan Booth are employees of Deutsche Bank International Limited. Their emoluments are paid by Deutsche Bank International Limited and other related entities and no re-charge is made to the Company. It is therefore not possible to make a reasonable apportionment of their emoluments in respect of the Company.

20 Subsequent events

There has been no significant events that requires disclosure to the financial statements since the year end and up to the date of approving the financial statements.