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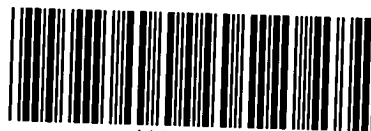
**DEUTSCHE TRUSTEE COMPANY LIMITED**

Company registration number: 338230

**ANNUAL REPORT AND FINANCIAL STATEMENTS**For the year ended 31 December 2022

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For the year ended 31 December 2022

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**Incorporated in England & Wales as a private limited company, limited by shares. Registered No: 338230 Registered**

**Office:** Winchester House, 1 Great Winchester Street, London, EC2N 2DB

**DIRECTORS as at 31 December 2022**

C Leadbeater

J Connery

P H Nunnerley \*

O Oye

A Khan

\* Non-Executive Director

**SECRETARY:**

A Bartlett & J Bagshaw are the Secretaries for the Company.

**AUDITOR:**

Ernst & Young LLP

**STRATEGIC REPORT****For the year ended 31 December 2022****OBJECTIVES**

Deutsche Trustee Company Limited (the "Company" or "DTCL") is a wholly owned subsidiary of DB Investments (GB) Limited ("DBIGB"). The Company is a Trust Corporation within the meaning of the Public Trustee Act 1906 and is authorised and regulated by the Financial Conduct Authority ("FCA"). The Company acts as trustee for debt capital market instruments, ranging from conventional debt structures through to highly complex financings (Project Finance, loan capital issues and equity-linked structures).

**ACTIVITIES AND REVIEW OF BUSINESS**

DTCL markets directly to debt issuers and intermediaries such as investment banks and law firms. It has a diverse portfolio of clients, corporates and financial institutions based predominantly in Europe, the Middle East and Africa ("EMEA") and the Company has contracts with customers which are under the laws of England and Wales, but from time to time also has contracts under French, German and Italian Law if the deal demands.

For these services DTCL usually receives a flat annual fee and an acceptance fee. In circumstances where DTCL has to undertake additional unexpected administration (for example, due to an issuer default or changes in the terms and conditions of debt issues), additional fees will be charged on a time and materials basis or, on more complex amendments, on an agreed fee basis. Operating expenses mainly comprise the cost of services rendered by Deutsche Bank ("DB") Group Companies, such as staff, legal and operational support.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Directors are responsible for the overall management of the risks faced by the Company. They review and manage risks in the quarterly Board meetings.

An overview of key risk areas is given below.

*Credit and Market Risk*

As a Corporate Trustee, the Company takes no outright risk as principal in any transaction. Thus, credit risk is limited to non-receipt of fees and other debtors. Market risk is limited to short-term holding of unsettled foreign exchange denominated revenue positions which arise from receiving certain contract settlements in non GBP currency. The Company mitigates the risk of foreign exchange by converting these positions to GBP. The value of these receivables is expected to remain stable in the future. DTCL's surplus cash is deposited with DB UK Bank Limited ("DBUKB"), a UK regulated bank whose ultimate parent company is DBIGB.

*Liquidity risk*

The Company's liquidity risk is defined as an amount equating to sufficient cash to cover three months of fixed costs. This level is reviewed by the Board at least annually and currently considered an appropriate level to cover liquidity contingencies and that surplus cash deposited with DBUKB is sufficient to meet the FCA's requirement to maintain adequate liquidity resources.

*Operational risk*

The approach to operational risk follows the Group operational risk framework which covers all entities in the DB Group. Risks are monitored and reviewed on a quarterly basis. The Board has a mandate to identify new emerging risks through operational metrics and market observation. In addition to performing a quarterly confirmation of existing risks, as part of its continuous review process, the Board mandate is also to identify and consider emerging risks for inclusion and monitoring as well as changes to existing risk severity classifications and consider suitable mitigation and monitoring. No operational losses were booked in the year.

## DEUTSCHE TRUSTEE COMPANY LIMITED

**STRATEGIC REPORT (continued)**  
**For the year ended 31 December 2022**

*Other key risks highlighted and mitigations:*

**a. Risk of loss due to acts intended to defraud, misappropriate property or circumvent the law, by an internal and/or third party.**

The risk is mitigated by segregation of duties and Key Operating Procedures ("KOPs") including procedures requiring call back to confirm payment instructions. DTCL risk metrics are reported quarterly to the DBIGB Board. These include volumes of litigation, legal escalations, Anti-Money Laundering ("AML") dashboard for Know Your Client ("KYC") recertification, new and rejected clients, high risk clients and numbers of deals closed and deals rejected.

**b. Risk of litigation by note-holders for non-compliance with trustee duties as defined in the transaction documents.**

This risk arises in the DTCL business typically when an event of a default occurs. While the board considers this risk as rising, the number of ongoing litigation cases per quarter is monitored and, in general, litigation brought against the business due to its role on the transaction has not succeeded. Further mitigation is exercised by following a strict on-boarding process for new transactions, bringing together a legal review and operational view as appropriate. External legal advice is always sought when acting in trustee capacity. Standard documentation for certain roles and requirements is used. Deviations are escalated and reviewed, and all transactions are required to be approved by a pipeline committee. During a transaction's life cycle, DTCL tracks client obligations such as receipt of annual accounts submitted by the client or Certificates of Non-Default.

**c. Risk of regulatory sanction for unsatisfactory wholesale conduct.**

DTCL management places particular focus on the legal documentation which spells out the duties, powers and obligations of the trustee including the power to appoint a co-trustee. Legal counsel approves documentation templates and an escalation process is in place and there are Key Performance Indicators ("KPI") covering legal disputes, which management together with DB Group legal monitors regularly and which are reported and updated to DBIGB Board.

**d. Risk of failing to meet regulatory requirements for AML and KYC monitoring (initial and ongoing) resulting in regulatory sanctions.**

DTCL management mitigates risks by:

1. Key Operating Procedures ("KOPs") are reviewed annually for necessary updates;
2. Periodic reviews monitored by the AML team and reported to AML management;
3. Cash Operations escalate to Compliance before any client or payment can be accepted/released for the first time; and
4. Weekly calls with the Embargo team to discuss sanctions as well as quarterly reviews by the DTCL Board of High-Risk adoptions.

**Key Performance Indicators (KPIs)**

The Company's KPIs, which are aligned with the DB Group's KPIs, enable oversight of the material risks at the Company while supporting and enabling the overall business strategy as approved by the Board. The Board sets KPI limits reflecting the Board's risk appetite to deliver its business objectives and these are monitored and governed in Board meetings. A key objective of the KPIs is to ensure that the Company has sufficient financial resources to support the business at any given point in time, absorb market events and to meet regulatory requirements.

The key financial KPIs are presented in the table below:

KPI Measure	Description	Limit	2022	2021
Common Equity Tier 1 ratio	In line with DB Group's risk appetite	>13.00%	87%	108.6%

Common Equity Tier 1 ratio is calculated as Common Equity Tier 1 capital divided by Risk Weighted Assets. The purpose is to ensure sufficient high-quality capital to cover potential future exposure. The Company is capitalised well in excess of DB Group's regulatory minimums.

**STRATEGIC REPORT (continued)**  
**For the year ended 31 December 2022**

**Current Period Performance**

GBP '000	Year Ended Dec 2022	Year Ended Dec 2021	Variance
(Loss)/Profit after tax	(1,069)	2,444	(3,513)
Net Assets	14,000	17,513	(3,513)
Return on Assets	(3)%	7%	(10)%

The loss for the year of £(1,069)k down by £3.5mn versus prior year is a result of increased litigation cost in the year ended December 2022.

The cash flow position for the year has decreased by £3,732k due to payment of litigation costs related to legal matters.

**Future Outlook**

The Company is aiming for a stable and sustainable performance but has limited growth opportunities due to size of the market and limited new business prospects as Trustee.

Following the turmoil in banking sector that led to the merger of two Swiss banking entities and collapse of certain regional banks in US, the current market conditions could have an impact on Deutsche Bank and thereby impacting new business opportunities for DTCL.

**COVID-19**

Whilst the COVID-19 has had some profound and long lasting implications on the global economy, at this point in time DTCL business has seen limited signs of stress, such as increased covenants breaches, in some parts of its portfolio however this has yet to manifest itself in a clear trend as to an uptick in defaulted transactions or a prolonged period of restructurings. The situation may exert restrictions for the Company to acquire new business as a result adding downward pressures on DTCL's future revenues along with some potential impact on impairment provisions. However, severe scenario of limited new business and higher defaults is expected to be partially offset by work out cases generating additional fees for the trustee. Therefore, mitigating factors will neutralise any material short term impacts on the financial position of the entity

**Russia / Ukraine War**

The war in Ukraine will not have a significant impact on revenues for DTCL. DTCL has already restricted new issuance since 2016 from the Russian nexus clients so the book is already in run off to maturity. What the current crisis will accelerate is the default of our current book of deals as interest and principal payments are potentially blocked and / or frozen. Given the relatively small number of deals from less than 10 issuers where DTCL is a trustee, the war is not anticipated to impact our business activities.

**Going Concern**

The Financial Statements have been prepared on a going concern basis. The use of going concern is based on the strength of the Company's existing capital and liquidity reserves on a standalone basis. DTCL continues to hold sufficient regulatory capital and reserves, which stands at £14m with £12.7m in surplus capital and Tier 1 Capital ratio of 87% as at Dec 22.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The risks most likely to adversely affect the Company's ability to continue as a going concern are where the trustee incurs significantly large legal costs above the cash reserves of £15.2m and where all its debtors become uncollectable. Such a situation is very unlikely to happen as legal costs are normally indemnified. In such situation DTCL could still rely on Letter of Comfort issued by its parent DBIGB.

In addition to the above factors the support of DB AG Group is available. Factors evidencing this support include:

- Letter of comfort from DTCL UK parent DBIGB, and declaration of backing given to DBIGB by Deutsche Bank A.G.;

**STRATEGIC REPORT (continued)**  
**For the year ended 31 December 2022**

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- DB Group policy on supporting its entities; and
- Core UK Group legal agreement requiring DB Investments (GB) Limited to provide support to DTCL if required for regulatory purposes.

A Letter of comfort has been signed by DBIGB in the favour of its subsidiaries including DTCL on 18<sup>th</sup> April 2023.

The financial position at the end of the year is reflected in the audited balance sheet set out on page 17.

By order of the Board of Directors this 25<sup>th</sup> day of April 2023.



Jason Connery  
Director

Registered office

Winchester House  
1 Great Winchester Street  
London  
EC2N 2DB

Company number: 338230

**DIRECTORS REPORT****For the year ended 31 December 2022**

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Incorporated in England & Wales as a private limited company, limited by shares. Registered No: 338230 **Registered Office: Winchester House, 1 Great Winchester Street, London, EC2N 2DB**

**Directors**

The Directors of the Company who served during this year and up to the date of signing the financial statements are set out below:

C Leadbeater  
J Connery  
P H Nunnerley \*  
O Oye  
A Khan  
B Condrón

\* Non-Executive Director

Changes in directorships were as follows:

**Resignations**

None

**Appointments**

Barry Condrón – appointed on 23<sup>rd</sup> January 2023

There have been no further changes during the year or subsequent to the year end.

A Bartlett & J Bagshaw are the Secretaries for the Company.

**Qualifying Third Party Indemnity**

An indemnity is provided to the Directors of the Company by Deutsche Bank AG, London Branch against losses incurred by or awarded against them in relation to any claim by reason of the fact that they are or were carrying out legitimate duties in accordance with the role for which they are indemnified. As at the date of approval of the financial statements, this indemnity remains in force and a copy is available for inspection at the Registered Office of the Company.

**Dividend**

On 21st September 2022, the directors approved a dividend of £2,444,063 (equivalent to 2021 profit after tax) and was paid to DB Investments (GB) Limited.

**Election under section 414C**

The Directors have chosen, in accordance with section 414C(11) of the Companies Act 2006, to set out in its Strategic Report information that is otherwise required to be contained in the Directors' Report:

- an indication of exposure of credit risk and liquidity risk;
- an indication of likely future developments in the business of the company.

**Statement of Directors' Responsibilities in respect of the Strategic Report, Directors' Report and the Financial Statements**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.



**DIRECTORS REPORT (continued)**  
**For the year ended 31 December 2022**

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**Section 172 disclosure**

The DTCL Board is collectively responsible for the effective and prudent management of the Company with the principal aim of enhancing the Company's long-term value for the shareholder whilst having regard to the interests of other stakeholders, applicable regulatory requirements and current corporate governance practice. As a wholly owned subsidiary, DTCL operates in alignment with DB Group's business and risk strategies.

DTCL does not have its own dedicated staff, with UK staff employed by the DB Group employing entity DB Group Services (UK) Limited. DTCL therefore relies on DB Group for the provision of all such HR services. For this, and for much of the strategic and policy direction, DTCL is dependent on Deutsche Bank AG, London Branch and the wider DB Group. Within this constraint, the Board exercises its authority, principally in the broad overall strategy and in the control environment, all within the Matters Reserved for the Board.

In making decisions, the Board provides leadership for DTCL within a framework of prudent and effective controls which enables risk to be assessed and managed. The Board also sets DTCL's culture, values and standards with respect to relationships with its suppliers, customers and others with interests in the Company, including its employees and its sole member, DBIGB. The Board oversees the way the culture is embedded across DTCL executive management and the behaviours DTCL should follow in pursuit of its business goals.

The directors are committed to implementing and maintaining strong disciplines in their decision making, a commitment consistent with a DB wide policy to maintain high standards of control and compliance at all levels across the DB Group. As a member of the DB Group, DTCL is guided by the values and culture of the broader organisation, with the added context of the fiduciary responsibility DTCL owes its clients. DTCL's values which direct that culture and behaviours centre on:

- integrity in all dealings whether it be with clients, partners, regulators or staff
- sustainable performance for clients and DTCL, ensuring short term decision making is not the primary driver
- embracing DTCL's fiduciary responsibilities and ensuring that DTCL places the interests of its clients before all others
- discipline in the application of standards and processes and not accepting compromise in relation to compliance with policy and regulatory requirements
- operating in partnership with clients to maintain and build trust and with colleagues to improve the outcome for DTCL's clients.

**DIRECTORS REPORT (continued)**  
**For the year ended 31 December 2022**

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Insofar as the Board has made decisions during 2022, it has had regard to s172 factors where relevant, particularly the likely consequences of such decisions in the long term and the desirability of DTCL maintaining a reputation for high standards of business conduct.

Decision making by the Board during the year has been limited and largely centered on matters relating to the Company's capital adequacy by way of approval of its Internal Capital Adequacy Assessment Process ("ICAAP") as part of the DBIGB group of companies. On 6<sup>th</sup> December 2022, the Board also re-approved the Liquidity Policy detailing how DTCL complies with the FCA requirements on a proportionate basis and, pursuant to that policy, approved a dividend on 21st September 2022 to DBIGB in the sum of £2,444,063 (equivalent to 2021 profit after tax). In making these decisions, the Board had to consider their s172 factors, in particular the likely consequences of any such decision in the long term.

The Board recognises that it needs to foster relationships with its employees as a key driver of delivering the business strategy and that it relies on its employees to support and join with the Board in seeking to establish and maintain a reputation for high standards of business conduct and integrity. In relying on the DB Group for the provision of staff, DTCL's values and the required behaviours have been, and continue to be, reinforced throughout the organisation through a variety of delivery mechanisms including mandatory training for all staff; transparent dialogue on the principles underpinning these values at town hall meetings; articles in the staff magazine and on the intranet; application of an employee 'red flag' system which has tangible actions applied for any breaches; and robust processes to investigate any potential breaches or incidents and follow up with appropriate and timely actions.

The senior management function for HR has overall responsibility for the management and oversight of the HR division's role and activities in respect of the DB Group staff providing services to DTCL. The HR function is responsible for managing and overseeing DTCL's framework, policies and procedures in relation to the management and development of its people, including amongst others, reward, recruitment, acquisition, development and mobility of talent, workforce planning, diversity and inclusion, reward, employee relations (including consultation through the UK Employee Forum), performance, engagement and culture, advisory for managers and delivery of HR information and services.

Matters requiring a decision of the Board in respect of any issues which may run against the risk appetite set by the business or DB Group strategy and negatively impact the franchise in the region will also be escalated to the Board. In considering the obligations owed by the Company to its sole shareholder, clients, employees, the regulator and other key stakeholders and in respect of any decisions required of the Board, it considers and challenges the regulatory, compliance and reputational risks that the business is facing and the procedures established to minimise or mitigate those risks through review and consideration of regular status reports from the dedicated Compliance representative. The Board also receives material updates from the Risk and Compliance teams on regulatory correspondence of which they have been made aware and developments which may impact the business related to the entity. The Board also provides regular reports of the Company's financial position and material issues to DBIGB, and a Director of DTCL also is appointed to the Board of DBIGB.

DTCL relies on other DB Group entities not only for staff, but for services and infrastructure to support all its activities, as well as the services of external providers. The Board recognises that it cannot outsource its responsibilities and that it remained accountable to the regulator for the actions of its vendors and for the appropriate oversight of the services provided to it. As such, outsourcing arrangements are reviewed and assessed on an ongoing basis through the DB Group Vendor Control Requirements Framework ("VCRF") with escalation to the Board where appropriate. As part of the VCRF process, vendors are required to comply with the DB Group code of conduct as well as the DB Group's 2021 Modern Slavery and Human Trafficking Statement concerning its approach to respecting human rights.

The Company relies on DB Group policies for the management of climate and environmental related factors. The DB Group is committed to the Paris Pledge for Action and was part of the first round of signatories to the UN Principles for Responsible Banking.

**Disclosure of information to auditor**

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**DIRECTORS REPORT (continued)**  
**For the year ended 31 December 2022**

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**Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young will therefore continue in office.

By order of the Board of Directors this 25<sup>th</sup> day of April 2023.

*Jason Connery*

Jason Connery  
**Director**

**Registered office**

Winchester House  
1 Great Winchester Street  
London  
EC2N 2DB

Company number: 338230

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEUTSCHE TRUSTEE  
COMPANY LIMITED**  
For the year ended 31 December 2022

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEUTSCHE TRUSTEE COMPANY LIMITED**

**Opinion**

We have audited the financial statements of Deutsche Trustee Company Limited for the year ended 31 December 2022 which comprise of the Profit and Loss Account, the Balance Sheet, the Statement of comprehensive income, the Statement of changes in equity and the related notes 1 to 16, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period to 25 April 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. 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.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEUTSCHE TRUSTEE  
COMPANY LIMITED (continued)  
For the year ended 31 December 2022**

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misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement (set out on page 9), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

**Auditor's 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 auditor's 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.

***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEUTSCHE TRUSTEE  
COMPANY LIMITED (continued)**  
**For the year ended 31 December 2022**

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governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are the supervisory requirements of the Company's regulator, the Financial Conduct Authority.
- We understood how Deutsche Trustee Company Limited is complying with those frameworks by enquiry of management and the directors to understand how the Company maintains and communicates its policies and procedures as well as through the evaluation of corroborating documentation. We have also reviewed correspondence with relevant authorities.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by reviewing the Company's policies, making enquiries of management, and those charged with governance, and by considering their incentives to manage earnings or influence the perceptions of stakeholders.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing specific manual adjusting journal entries, where we exercised a heightened level of professional scepticism and included an element of unpredictability in the nature, timing and extent of our testing.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

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.



Rhys Taylor (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London  
25<sup>th</sup> April 2023

**PROFIT AND LOSS ACCOUNT**  
**For the year ended 31 December 2022**

	<b>Note</b>	<b><u>2022</u></b> <b><u>£ 000's</u></b>	<b><u>2021</u></b> <b><u>£ 000's</u></b>
Turnover	2	5,958	6,755
<b>GROSS PROFIT</b>		<b>5,958</b>	<b>6,755</b>
Administrative expenses	3	(8,009)	(3,706)
Impairment (provisions)/release	5	494	(67)
Interest receivable and similar income from group undertakings	6	196	28
Net foreign exchange gain		37	8
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		<b>(1,324)</b>	<b>3,018</b>
Total tax (charge) on profit / tax credit on loss	7	255	(574)
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<b>(1,069)</b>	<b>2,444</b>

The loss for the year has arisen from continuing operations.

The notes on pages 20 to 30 form part of these financial statements.

## DEUTSCHE TRUSTEE COMPANY LIMITED

**STATEMENT OF TOTAL COMPREHENSIVE INCOME**  
**For the year ended 31 December 2022**


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	<b><u>2022</u></b> <b><u>£ 000's</u></b>	<b><u>2021</u></b> <b><u>£ 000's</u></b>
(Loss)/Profit for the financial year	(1,069)	2,444
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL YEAR</b>	<b>(1,069)</b>	<b>2,444</b>

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## DEUTSCHE TRUSTEE COMPANY LIMITED

**BALANCE SHEET**

For the year ended 31 December 2022

	Note	<u>2022</u> £ 000's	<u>2021</u> £ 000's
<b>CURRENT ASSETS</b>			
Trade debtors	8	3,320	3,373
Amounts owed by group undertakings	9	9,698	9,155
Other debtors	10	5,692	5,614
Deferred Taxation	11	14	16
Cash at bank and in hand		15,287	19,019
		<b>34,011</b>	<b>37,177</b>
<b>CREDITORS: Amounts falling due within one year</b>			
Trade creditors		1,766	2,409
Amounts owed to group undertakings	12	4,174	3,658
Other creditors including taxation and social security	13	514	825
Accruals and deferred income	14	5,117	1,822
		<b>11,571</b>	<b>8,714</b>
<b>NET CURRENT ASSETS</b>		<b>22,440</b>	<b>28,464</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>22,440</b>	<b>28,464</b>
<b>CREDITORS: Amounts falling due after more than one year</b>			
Accruals and deferred income	14	8,440	10,951
		<b>8,440</b>	<b>10,951</b>
<b>NET ASSETS</b>		<b>14,000</b>	<b>17,513</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	5,150	5,150
Profit and loss account		8,850	12,363
<b>SHAREHOLDER'S FUNDS</b>		<b>14,000</b>	<b>17,513</b>

DEUTSCHE TRUSTEE COMPANY LIMITED

**BALANCE SHEET**

**For the year ended 31 December 2022**

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The notes on pages 20 to 30 form part of these Financial Statements.

These Financial Statements were approved by the Board of Directors on the 25<sup>th</sup> day of April 2023.

*Jason Connery*

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Jason Connery  
For and on behalf of the Board of Directors  
Company number: 338230

## DEUTSCHE TRUSTEE COMPANY LIMITED

**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 31 December 2022**
**For the year ended 31 December 2022**

	<b>Called up Share Capital</b>	<b>Profit &amp; Loss Account</b>	<b>Total</b>
	<b>£ 000's</b>	<b>£ 000's</b>	<b>£ 000's</b>
Balance at 1 January 2022	5,150	12,363	17,513
Dividend paid for 2021	-	(2,444)	(2,444)
(Loss)/Profit for the year	-	(1,069)	(1,069)
<b>Balance at 31 December 2022</b>	<b>5,150</b>	<b>8,850</b>	<b>14,000</b>

**For the year ended 31 December 2021**

	<b>Called up Share Capital</b>	<b>Profit &amp; Loss Account</b>	<b>Total</b>
	<b>£ 000's</b>	<b>£ 000's</b>	<b>£ 000's</b>
Balance at 1 January 2021	5,150	12,718	17,868
Dividend paid for 2020	-	(2,799)	(2,799)
(Loss)/Profit for the year	-	2,444	2,444
<b>Balance at 31 December 2021</b>	<b>5,150</b>	<b>12,363</b>	<b>17,513</b>

The notes on pages 20 to 30 form part of these Financial Statements.

## DEUTSCHE TRUSTEE COMPANY LIMITED

**NOTES TO FINANCIAL STATEMENT**  
**For the year ended 31 December 2022**


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**1. ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Financial Statements.

**Basis of preparation**

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

In doing so, the Company has applied the recognition, measurement and disclosure requirements of International Financial Reporting Standards as issued by IASB ("Adopted IFRSs") but has made amendments where necessary in order to comply with the requirements of Companies Act 2006. Accordingly, the relevant IFRSs have been referenced in the following notes where relevant.

The accounting policies set out below/above, have, unless otherwise stated, been applied consistently to all periods presented in the financial statements.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Disclosures in respect of transactions with related parties;
- Disclosures in respect of the compensation of Key Management Personnel;
- A statement of financial position for the beginning of the earliest comparative period;
- The effect of new but not yet effective IFRSs;
- Disclosures in respect of capital management; and
- Disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

Judgments made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed below in Accounting Estimates and Judgements section.

The risks most likely to adversely affect the Company's ability to continue as a going concern include a change of intention or ability of Deutsche Bank AG ("Parent") to continue to support its operation, and the impact of COVID-19, which could result in an increase in the level of impairment of receivables and loss of revenue. As explained in the Strategic Report the directors do not believe the impact of COVID-19 and Russia – Ukraine war will be material to the Company. In relation to support from the Parent, DBAG has given a declaration of backing to DBIGB (the Company's UK parent company), which in turn issues a letter of comfort to DTCL. The directors of the Company have made enquiries of the Parent to understand that as of the date of signing these accounts the Parent has the ability and intent to continue supporting the Company. As a result, the directors continue to adopt the going concern basis in preparing these financial statements.

Directors and employees of the Company are members of the Group defined benefit and defined contribution pension schemes operated by DB Group Services (UK) Limited (DBGS); details of which are disclosed in the financial statements of that entity. The Company has no obligation to pay employee retirement benefits and has no commitment or guarantee to indemnify DBGS for retirement benefit liabilities.

DB Investments (GB) Limited, a company registered in England and Wales, is the Company's immediate controlling entity.

Deutsche Bank AG, a company incorporated in Germany, is the ultimate parent company, the ultimate controlling entity and the parent undertaking of the largest and smallest group of undertakings for which group financial statements are prepared, in accordance with International Financial Reporting Standards as adopted by EU. Its registered address is Taunusanlage 12, Frankfurt Am Main, 60325, Germany. Copies of the Group financial statements of this company are available to the public and may be obtained from, Winchester House, 1 Great Winchester Street, London, EC2N 2DB

**NOTES TO FINANCIAL STATEMENT (continued)**  
**For the year ended 31 December 2022**

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**1. ACCOUNTING POLICIES (continued)**

**(a) Basis of measurement**

These financial statements have been prepared on the historical cost basis.

**(b) Turnover**

IFRS 15 requires that income must be recognised when control of goods and services is transferred, hence when the contractual performance obligations to the customer have been satisfied.

DTCL provides on-going trustee services generally over a period of 3-5 years. Under the service contracts DTCL receives a "flat" fee and the billing method can vary, between advance billing or arrears billing with the service period being billed varying from monthly, quarterly or annually.

For the flat fees earned by DTCL the timing of billing does not determine the timing of revenue recognition under IFRS15. In line with IFRS requirements, all invoices raised in advance are amortised over the service period to recognise revenue in line with delivery of performance obligations. For the billing in arrears, an accrual is made to recognise revenue equivalent to the performance obligation delivered to the client but yet to be billed in the next year.

The terms and conditions of fees are governed in the client agreements signed between DTCL and the client. The trustee services that give rise to fees constitute a single performance obligation under IFRS 15 and are considered together for revenue recognition purposes. The Company satisfies the performance obligation and recognise the fees on various trustee services provided to clients as follows:

- Administration fees are charged for a service period as per the contractual agreement with the client. Transfer of goods and services take place over the service period and revenue is recognised evenly at each month end as the performance obligations are satisfied.
- Acceptance fees where received in advance are amortised over life of the contract as the performance obligations are satisfied evenly over the life of the contract
- Additional Administration fees charged on time and materials basis are billed as the contractual performance obligations are satisfied and revenue recognised at the time of billing

The Company does not receive performance fees.

The terms and conditions of fees are governed in the client agreements. The trustee services that give rise to fees constitute a single performance obligation under IFRS 15 and are considered together for revenue recognition purposes.

For the billing in arrears, relating to either ad hoc administration or as per contractual term, an accrual is made to recognise revenue from next year billing relating to current reporting period based on an apportionment of year to date February 2023 revenue using last 5 years' average percentage of bills raised in arrears during January & February compared to full year. This approach is changed from 2 years average to 5 years average due to slower than normal billing in 1st quarter from last 2 years.

The change in the methodology to use two months arrear billing instead of 3 months arrear billing is in order to help meet regulatory requirements for the Financial Statement reporting, where a reasonable time frame is required to conduct the analysis.

**(c) Interest receivable and similar income from group undertakings and interest payable and similar expenses to group undertakings**

Interest income and expense is recognised in the profit and loss account on an accrual basis using the effective interest method.

The effective interest rate is a method of calculating the amortised cost of a financial asset or a liability and of allocating the interest income and expense over the relevant period using the estimated future cash flows.

## DEUTSCHE TRUSTEE COMPANY LIMITED

**NOTES TO FINANCIAL STATEMENT (continued)**  
**For the year ended 31 December 2022**


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The estimated future cash flows used in this calculation include those determined by the contractual terms of the asset and liabilities, all fees that are considered to be integral to the effective interest rate, direct and incremental transaction costs, and all other premiums or discounts.

**(d) Foreign exchange**

Transactions in foreign currencies are translated into Pounds Sterling at the month-end exchange rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are reflected in the profit and loss account.

**(e) Taxation**
Current taxation

Taxation is based on profit or loss for the year and takes into account taxation deferred because of temporary differences between the treatment of certain items for taxation and accounting purposes.

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amounts are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income and losses

Current income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income respectively and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

In determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, the Company considered that it is probable that the relevant authority will accept the particular tax treatment the Company plans to use in its income tax filing. Hence, the Company has determined taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment that will be included in its income tax filings.

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all taxable temporary differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that sufficient taxable profit will be available against which those unused tax losses, unused tax credits and deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period that the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date."

**(f) Debtors**

Debtors are stated at cost after deduction of ECL as per IFRS9 (Note 1g).

**(g) Impairment (IFRS 9)**

IFRS 9 have introduced an impairment model based on expected credit losses, resulting in the recognition of a loss allowance before the credit loss is incurred. In application of this approach, entities need to consider current conditions and reasonable and supportable forward-looking information that is available. IFRS 9 sets out a 'general approach' to impairment. However, in some cases, this 'general approach' is overly complicated and therefore some simplifications were introduced.

Under IFRS 9's 'general approach', a loss allowance for lifetime expected credit losses is recognised for a financial instrument if there has been a significant increase in credit risk since initial recognition of the financial asset. If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, a loss

## DEUTSCHE TRUSTEE COMPANY LIMITED

**NOTES TO FINANCIAL STATEMENT (continued)**  
**For the year ended 31 December 2022**

allowance for 12-month expected credit losses is recognised otherwise lifetime expected credit losses is applied.

However, if the underlying exposure is trade receivables without the financing component, it is not considered practical or of any benefit to require entities to apply the general approach. Therefore, IFRS 9 allows entities to apply a 'simplified approach' for trade receivables. The simplified approach allows entities to recognise lifetime expected losses on all these assets without the need to identify significant increases in credit risk. Considering the credit exposures for DTCL are fee and legal receivables in relation to a contract that does not have a financing component, the simplified approach is now being applied.

**Step by Step approach**

In order to apply the simplified approach, a 'Provision Matrix' is required. A provision matrix is set up applying the relevant loss rates based on historic data to the trade receivables aged balance outstanding. The following step by step approach applied is

- Step 1: Determine the appropriate groupings of receivables into categories of shared credit risk characteristics.
- Step 2: Determine the period over which historical loss rates are obtained to develop estimates of expected future loss rates.
- Step 3: Determine the historical loss rates.
- Step 4: Consider forward looking macro-economic factors and adjust historical loss rates to reflect relevant future economic conditions.
- Step 5: Calculate the expected credit losses.

**(h) Classification and Measurement (IFRS 9)**

IFRS 9 requires the classification of financial assets to be determined based on both the business model used for managing the financial assets, and the contractual cash flow characteristics of the financial asset. There was no change from IAS 39 to IFRS 9 for the classification and measurement of financial liabilities.

There are three business models available under IFRS 9:

If a financial asset is held in either a Hold to collect or a Hold to collect and sell business model, then an assessment to determine whether contractual cash flows are solely payments of principal and interest on the principal amount outstanding at initial recognition is required to determine the classification.

Contractual cash flows, that are solely payments of principal and interest on the principal amount outstanding, are consistent with a basic lending arrangement. Interest is consideration for the time value of money and the credit risk associated with the principal amount outstanding during a particular period of time.

The Company classifies its financial assets as Hold to collect with solely payments of principal and interest.

**(i) New and Amended Standards**

The Company has not adopted any new standards or amended any standards or interpretation for the year.

**Accounting Estimates and Judgements**

The preparation of these financial statements requires the Directors to make estimates and assumptions for certain categories of assets and liabilities. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's estimates.

## DEUTSCHE TRUSTEE COMPANY LIMITED

**NOTES TO FINANCIAL STATEMENT (continued)**  
**For the year ended 31 December 2022**

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**The Company has identified the following significant accounting policies that involve critical accounting estimates:**

**Turnover (Note 1b):**

For the flat fees earned by DTCL the timing of billing does not determine the timing of revenue recognition under IFRS15. In line with IFRS requirements, all invoices including acceptance fees raised in advance are amortised over the billing period they relate to. For the billing in arrears, an accrual is made to recognise revenue from next year billing relating to current reporting period based on an apportionment of January and February 2023 revenue using last 5 years' average percentage of bills raised in arrears in January and February 2022. Since the business is expected to generate relatively stable revenues, a 5-year average is considered to be a reasonable estimate for the next year.

The estimate for the year is £890k (2021: £762k), an increase/decrease in the overall billing could have an impact to this estimate. To assess the sensitivity of this an increase/decrease, January & February revenue used for apportionment based on prior 5 years average +/-10% would mean an increase/decrease of £89k on the estimate for current year accrual.

**Debtors (Note 1f):**

- ECL is applied on case by case basis where the debtors have defaulted and are provisioned at 100%.
- ECL is not applied to debtors where funds on accounts are held to meet trustee duties.
- ECL on performing client is based on the provision matrix which is set up applying the relevant expected credit rates based on historic data to the trade receivables aged balance outstanding.



## DEUTSCHE TRUSTEE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENT (continued)  
For the year ended 31 December 2022**2. TURNOVER**

	<u>2022</u> <u>£ 000's</u>	<u>2021</u> <u>£ 000's</u>
Turnover	5,958	6,755
	<u>5,958</u>	<u>6,755</u>

Turnover is driven by fees charged to the clients for providing the trustee services during the life of contracts which generally last between 3 to 5 years. These fees relate to acceptance of contract, administration of trustee duties and any additional ad hoc work required to be undertaken by the trustee for the issuance.

**3. ADMINISTRATIVE EXPENSES**

	<u>2022</u> <u>£ 000's</u>	<u>2021</u> <u>£ 000's</u>
Overhead charges	85	101
Management charges	3,994	3,605
Litigation costs	3,930	-
Other expenses	-	-
	<u>8,009</u>	<u>3,706</u>

The Company has no employees and fixed assets. The staff involved in the Company's operations are all employees of the Deutsche Bank Group. Further, the Company uses the infrastructure and facilities of Deutsche Bank Group for conducting its business operations. The total cost is borne by Deutsche Bank Group and recharged via indirect cost allocation (service relationship cost) to the Company under an agreed service level agreement. The increase in cost is mainly driven by increase in actual cost of Deutsche Bank Group.

	<u>2022</u> <u>£ 000's</u>	<u>2021</u> <u>£ 000's</u>
Statutory Audit	40	36
Other Assurance Services	20	20
	<u>60</u>	<u>56</u>

In addition to the accrued audit fee of £36k for 2021, a further £12k was agreed post year end for scope changes paid in 2022.

**4. STAFF COSTS AND DIRECTORS' EMOLUMENTS**

	<u>2022</u> <u>£ 000's</u>	<u>2021</u> <u>£ 000's</u>
(a) <b>Staff costs</b>		
Salaries and other remuneration	647	963
Social security costs	94	157
Other pension costs	132	162
	<u>873</u>	<u>1282</u>

Other pension costs relate to defined contribution and defined benefit schemes.

**NOTES TO FINANCIAL STATEMENT (continued)**  
**For the year ended 31 December 2022**

**4. STAFF COSTS AND DIRECTORS' EMOLUMENTS (continued)**

The average monthly number of employees supporting DTCL during the year was made up as follows:

	<u>2022</u>	<u>2021</u>
	<u>No.</u>	<u>No.</u>
Client Services	28	42
Management	1	1
Transaction Management	7	6
Sales	4	5
	<u>40</u>	<u>54</u>

\* The staff involved in the Company's operations are all employees of the Deutsche Bank Group. All Employees cost is recharged back to DTCL via the management charge process.

**(b) DIRECTORS' EMOLUMENTS**

	<u>2022</u>	<u>2021</u>
	<u>£ 000's</u>	<u>£ 000's</u>
Directors' emoluments	230	221
Amounts receivable under long term schemes	17	6
	<u>247</u>	<u>227</u>

	<u>2022</u>	<u>2021</u>
	<u>£ 000's</u>	<u>£ 000's</u>
Company contributions to money purchase pension schemes	5	4
Compensation for loss of office	0	0

During the year, three directors received shares or payments under long term incentive schemes totalling £17,401.83 (2021: three directors received shares or payments under long term incentive schemes totalling £6,225.00).

	<u>Number of Directors</u>	
	<u>2022</u>	<u>2021</u>
Retirement benefits are accruing to the following number of Directors under:		
Money purchase schemes	2	2
Defined benefit schemes	2	3

3 Directors exercised share options under long term incentive schemes.

**(c) Transactions**

There were no amounts outstanding to the Directors of the Company as at 31 December 2022 (2021: £nil) or at any point during the year ended 31 December 2022. In this instance, the term Directors also covers individuals connected to directors as defined by s.252 of the Companies Act, 200.

**(d) Interests**

None of the Directors had any other disclosable interest in the shares or debentures of any UK group undertaking at the end of the year, or were granted or exercised any right to subscribe for shares in, or debentures of, any UK group undertaking during the year.

## DEUTSCHE TRUSTEE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENT (continued)  
For the year ended 31 December 2022**5. IMPAIRMENT PROVISIONS**

During the preparation of 2020 financial statements, a revision to the Expected Credit Loss methodology was implemented. The Company now follows a simplified approach to calculate the expected credit loss (refer to Note 1 (g)). The following table provides an aggregated overview of the impact on provisions of IFRS 9 implementation:

	<b>2022</b> <b>Provision on</b> <b>Trade Debtors</b>	<b>2022</b> <b>Provision on</b> <b>Other Debtors</b>	<b>2022</b> <b>Total</b>
At 1 January 2022 – financial assets	669	706	1,375
Net increase/(reduction) in provisions – financial assets	(210)	(284)	(494)
At 31 December 2022	<b>459</b>	<b>422</b>	<b>881</b>
	<b>2021</b> <b>Provision on</b> <b>Trade Debtors</b>	<b>2021</b> <b>Provision on</b> <b>Other Debtors</b>	<b>2021</b> <b>Total</b>
At 1 January 2021 – financial assets	599	709	1,308
Net increase/(reduction) in provisions – financial assets	70	(3)	67
At 31 December 2021	<b>669</b>	<b>706</b>	<b>1,375</b>

**6. INTEREST RECEIVABLE AND SIMILAR INCOME FROM GROUP UNDERTAKINGS AND INTEREST PAYABLE AND SIMILAR EXPENSES TO GROUP UNDERTAKINGS**

	<b><u>2022</u></b> <b><u>£ 000's</u></b>	<b><u>2021</u></b> <b><u>£ 000's</u></b>
<b>Interest receivable and similar income from group undertakings</b>		
<b>Includes:</b>		
Interest-earning deposits with banks	196	28
	<b>196</b>	<b>28</b>

## DEUTSCHE TRUSTEE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENT (continued)  
For the year ended 31 December 2022

## 7. TAX ON PROFIT

	<u>2022</u> <u>£ 000's</u>	<u>2021</u> <u>£ 000's</u>
<b>(a) Tax charge for Profit or Tax credit for Loss on ordinary activities</b>		
<b>Current tax</b>		
Group relief (charge)/credit for the year	257	(575)
Group relief (charge)/credit in respect of prior periods	-	-
Total current taxation (charge) / credit	<u>257</u>	<u>(575)</u>
<b>Deferred tax</b>		
Total deferred taxation (charge) / credit	(2)	(2)
Impact of change in tax rate	-	3
Prior year adjustments	-	-
Total deferred taxation charge	<u>(2)</u>	<u>1</u>
Total tax (charge) on profit or tax credit on loss on ordinary activities	<u>255</u>	<u>(574)</u>

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 19.00% (2021 - 19%). The actual tax charge for the year differs from the standard rate for the reasons set out in the following reconciliation.

**(b) Current Tax rate reconciliation**

	<u>2022</u> <u>£ 000's</u>	<u>2021</u> <u>£ 000's</u>
Profit / (Loss) on ordinary activities before taxation	<u>(1,324)</u>	<u>3,018</u>
Tax (charge) on profit or tax credit on loss on ordinary activities at standard rate of 19%	251	(573)
<b>Effects of:</b>		
Effects of change in tax rate	-	3
Non-deductible expenses	4	(4)
Prior year adjustments	-	-
Total tax (charge) on profit / tax credit on loss	<u>255</u>	<u>(574)</u>

The corporation tax rate for the years starting 1 April 2021 and 2022 is 19% and this is reflected in the rate used for current tax purposes in these accounts.

In the Budget on 3 March 2021, the Government announced an increase in the main corporation tax rate to 25% from 1 April 2023. Substantive enactment occurred on 24 May 2021. This change is reflected in the rate used for deferred tax purposes in these accounts.

## DEUTSCHE TRUSTEE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENT (continued)  
For the year ended 31 December 2022**8. TRADE DEBTORS**

	<u>2022</u> <u>£ 000's</u>	<u>2021</u> <u>£ 000's</u>
Trade debtors	3,779	4,042
Allowance for ECL	(459)	(669)
	<u>3,320</u>	<u>3,373</u>

**9. AMOUNTS OWED BY GROUP UNDERTAKINGS**

	<u>2022</u> <u>£ 000's</u>	<u>2021</u> <u>£ 000's</u>
Funds on account	9,692	9,106
Other receivables from group undertakings	6	49
	<u>9,698</u>	<u>9,155</u>

**10. OTHER DEBTORS**

	<u>2022</u> <u>£ 000's</u>	<u>2021</u> <u>£ 000's</u>
Legal fee recoverable	6,114	6,320
Allowance for ECL	(422)	(706)
	<u>5,692</u>	<u>5,614</u>

**11. DEFERRED TAXATION**

	<u>2022</u> <u>£ 000's</u>	<u>2020</u> <u>£ 000's</u>
Deferred taxation	14	16
	<u>14</u>	<u>16</u>

Deferred tax assets relate to temporary differences between the accounting and tax treatment of the IFRS 9 impairment transition impact.

**12. AMOUNTS OWED TO GROUP UNDERTAKINGS**

	<u>2022</u> <u>£ 000's</u>	<u>2021</u> <u>£ 000's</u>
<b>Amounts falling due within one year</b>		
Management charges	4,056	3,525
Overhead charges	118	133
	<u>4,174</u>	<u>3,658</u>

## DEUTSCHE TRUSTEE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENT (continued)  
For the year ended 31 December 2022**13. OTHER CREDITORS INCLUDING TAXATION AND SOCIAL SECURITY**

	<b><u>2022</u></b> <b><u>£ 000's</u></b>	<b><u>2021</u></b> <b><u>£ 000's</u></b>
Group relief liability	317	575
VAT liability	182	237
Abandoned property	15	13
	<b><u>514</u></b>	<b><u>825</u></b>

**14. ACCRUALS AND DEFERRED INCOME**

	<b><u>2022</u></b> <b><u>£ 000's</u></b>	<b><u>2021</u></b> <b><u>£ 000's</u></b>
<b>Deferred Income: Amounts falling due within one year</b>		
Amortised income falling due within one year	1,191	1,359
Funds on account (i)	3,926	463
	<b><u>5,117</u></b>	<b><u>1,822</u></b>
<b>Deferred Income: Amounts falling due after more one year</b>		
Amortised income falling due within one year	2,674	2,308
Funds on account (ii)	5,766	8,643
	<b><u>8,440</u></b>	<b><u>10,951</u></b>

i) Funds on account of £3,926k (2021: £463k) relate to funds received from noteholders as an indemnity against the company's receivables, which are due within one year.

ii) Funds on account of £5,766k (2021: £8,643k) relate to funds received from noteholders as an indemnity against the company's receivables, which are due after more than one year.

**15. SHARE CAPITAL**

	<b><u>2022</u></b> <b><u>£ 000's</u></b>	<b><u>2021</u></b> <b><u>£ 000's</u></b>
<b>Allotted, called up and fully paid:</b>		
Ordinary shares of £1 each	5,150	5,150

Number of shares issued and fully paid as at 31 December 2022 were 5,150,000 (2021: 5,150,000).

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

**16. EVENTS AFTER THE BALANCE SHEET DATE**

There are no events after the balance sheet date identified.