
DB VANTAGE (UK) LIMITED

Company number: 3692643

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2012

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REPORT OF THE DIRECTORS
For the year ended 31 December 2012

The Directors present their annual report and audited financial statements for the year ended 31 December 2012

ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the Company is to issue notes to DB Vanquish (UK) Limited

The Company issued notes to DB Vanquish (UK) Limited amounting to €4.4 billion and entered into a total return swap with the same Company. In 2009, notes issued for €2.4 billion matured together with the related total return swap. No notes matured during the year and no new notes have been issued. The remaining notes issued amounted to €2 billion at 31 December 2012.

The Company invested the proceeds received from the issuance of notes with DB Vanquish (UK) Limited, earning a Euribor-based return to fund interest payments required under the notes.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

The position at the end of the year is reflected in the audited balance sheet set out on page 5.

RESULTS AND DIVIDENDS

The results of the Company for the year ended 31 December 2012, after providing for taxation, shows a profit of €154,044 (2011 profit of €147,442).

On 15 May 2012, the Directors declared an interim dividend of €4,200,000 payable to DB UK Holdings Limited for the year ended 31 December 2012. The amount has not been paid.

FUTURE OUTLOOK

The outlook of the business is stable, and it is expected that the Company will maintain its historical level of activity and profitability.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company is a wholly owned subsidiary within the Deutsche Bank Group and therefore the risks it is subject to are managed within the risk and control functions of this Group.

The Directors acknowledge their responsibility for the overall management of the risks faced by the Company and note that the key business risks and uncertainties affecting the Company are considered to relate to the external interest rate and credit environment, particularly in relation to the Euro zone and the banking sector.

DIRECTORS

The Directors of the Company who held office during the year and subsequent to the year ended 31 December 2012 were as follows:

D K Thomas
R D Cloney

Directors have confirmed that during the year, they spent time appropriate to their responsibilities on the affairs of the Company.

A Bartlett and A Rutherford were Joint Secretaries of the Company throughout the year. There have been no further changes during the year or subsequent to the year-end.

REPORT OF THE DIRECTORS (continued)
For the year ended 31 December 2012

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 judgements 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, and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

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 are unaware, and each Director has taken all steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor are aware of that information.

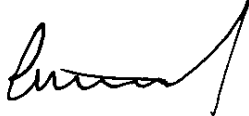
AUDITORS

Pursuant to Section 487 of the Companies Act 2006 the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

By order of the Board of Directors this

26th

day of July 2013



A Rutherford
Joint Secretary

Registered office

Winchester House
1 Great Winchester Street
London
EC2N 2DB

Company number 3692643

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DB VANTAGE (UK) LIMITED**

We have audited the financial statements of DB Vantage (UK) Limited for the year ended 31 December 2012 set out on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 to 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Mike Heath

Mike Heath (Senior Statutory Auditor)

For and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants

15 Canada Square

London E14 5GL

Dated 26 July 2013

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2012

	Note	<u>2012</u>	<u>2011</u>
		€	€
Interest receivable from group undertakings		13,267,008	24,409,161
Fee receivable from group undertakings		200,713	200,165
Other operating expense		-	(64)
Interest payable to group undertakings		(13,263,313)	(24,398,904)
Foreign exchange loss	4	(376)	(9,757)
<hr/>			
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		204,032	200,601
Tax charge on profit on ordinary activities	5	(49,988)	(53,159)
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PROFIT FOR THE FINANCIAL YEAR		154,044	147,442

The profit for the year has arisen from continuing activities

There were no other recognised gains and losses during the year

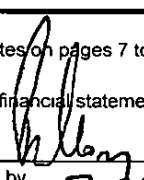
The notes on pages 7 to 10 form part of these accounts

BALANCE SHEET
As at 31 December 2012

	Note	2012 €	2011 €
CURRENT ASSETS			
Debtors	6	4,714,817	4,690,425
Cash at bank	8	12,626	12,297
		<u>4,727,443</u>	<u>4,702,722</u>
CURRENT LIABILITIES			
Creditors	9	(128,586)	(257,909)
NET CURRENT ASSETS		4,598,857	4,444,813
DEBTORS amounts receivable after one year			
	7	2,000,000,000	2,000,000,000
CREDITORS amounts falling due after one year			
	10	(2,000,000,000)	(2,000,000,000)
NET ASSETS		4,598,857	4,444,813
CAPITAL AND RESERVES			
Called up share capital	12	15,345	15,345
Profit and loss account		4,583,512	4,429,468
SHAREHOLDER'S FUNDS		4,598,857	4,444,813

The notes on pages 7 to 10 form part of these accounts

These financial statements were approved by the Board of Directors on

Signed by 
for and on behalf of the Board of Directors

26th July

2013

Company number 3692643

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
For the year ended 31 December 2012

	<u>Profit & Loss</u> <u>Account</u> €	<u>Ordinary Share</u> <u>Capital</u> €	<u>Total</u> €
Balance at 1 January 2012	4,429,468	15,345	4 444,813
Profit for the year	154,044	-	154,044
Balance at 31 December 2012	4,583,512	15,345	4,598,857

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
For the year ended 31 December 2011

	<u>Profit & Loss</u> <u>Account</u> €	<u>Ordinary Share</u> <u>Capital</u> €	<u>Total</u> €
Balance at 1 January 2011	4,282,026	15,345	4,297,371
Profit for the year	147,442	-	147,442
Balance at 31 December 2011	4,429,468	15,345	4,444,813

The notes on pages 7 to 10 form part of these accounts

NOTES TO THE ACCOUNTS
For the year ended 31 December 2012

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 have been prepared in accordance with the Companies Act 2006, UK applicable accounting standards and applicable Statements of Recommended Practice. The particular accounting policies are described below

(a) CONVENTION

These financial statements are prepared in accordance with the historical cost convention

(b) INTEREST INCOME AND EXPENSE

Interest income and expense is accounted for on an accrual basis

(c) FOREIGN EXCHANGE

The financial statements are presented in Euro as it is the functional currency of the Company. Transactions denominated in foreign currencies are translated into Euro at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date except where exchange rates are fixed under relevant hedging contracts. Translation differences are dealt with in the profit and loss account

(d) FINANCIAL INSTRUMENTS

The Company enters into derivatives only to hedge foreign currency exposure. The income and expense arising from derivative contracts entered into for hedging on-balance sheet assets and liabilities are recognised in the accounts in accordance with the accounting treatment of the underlying transactions being hedged. No derivatives are marked to market and therefore the disclosures set out in FRS 29 'Financial Instruments Disclosures' are not required

(e) FINANCIAL SERVICES FEES

Financial services fees are accrued over the period of the related service

(f) TAXATION

The charge for taxation is based on profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19

(g) CASH FLOW STATEMENT

The Company is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard 1 (Revised 1996) as it is a wholly owned subsidiary undertaking of a company which prepares consolidated financial statements which are publicly available

(h) GOING CONCERN

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

NOTES TO THE ACCOUNTS

For the year ended 31 December 2012

2 DIRECTORS' REMUNERATION

The aggregate emoluments of persons who were Directors of the Company during the year ended 31 December 2012, including pension contributions, were €nil (2011: €nil)

3 ADMINISTRATIVE EXPENSES

The Company has no full time employees. The staff involved in the Company's operations are all employees of the Deutsche Bank Group. The total staff costs have been borne by a Deutsche Bank Group company without recharge, no staff costs have therefore been included in these financial statements (2011: €nil)

	<u>2012</u>	<u>2011</u>
	€	€
Audit of these financial statements	12,149	10,920

Auditors' remuneration for services to the Company has been borne by another group undertaking

4 FOREIGN EXCHANGE LOSS

	<u>2012</u>	<u>2011</u>
	€	€
Foreign exchange loss on other monetary items	(376)	(9,757)
Total foreign exchange loss	(376)	(9,757)

5 TAXATION

	<u>2012</u>	<u>2011</u>
	€	€
Analysis of tax on profit on ordinary activities		
<i>Current tax</i>		
UK Corporation tax charge on profit for the year	(49,988)	(53,159)

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 24.5% (2011: 26.5%). Corporation tax has been accrued at this rate, there being no adjusting items.

A reduction in the UK corporation tax from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively.

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn statement. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge accordingly.

NOTES TO THE ACCOUNTS
For the year ended 31 December 2012

6 DEBTORS	Amounts receivable within one year	<u>2012</u>	<u>2011</u>
		€	€
	Amounts receivable from group undertaking	1,400,604	3,199,893
	Amounts receivable from ultimate parent undertaking	3,242,705	1,296,593
	Amounts receivable from immediate parent undertaking	52,385	50,697
	Interest receivable from group undertaking	19,123	143,242
		<u>4,714,817</u>	<u>4,690,425</u>
7 DEBTORS	Amounts receivable after one year	<u>2012</u>	<u>2011</u>
		€	€
	Amounts receivable from group undertaking (see Note 11)	<u>2,000,000,000</u>	<u>2,000,000,000</u>
8 CASH AT BANK		<u>2012</u>	<u>2011</u>
		€	€
	Cash at bank held with Deutsche Bank AG	<u>12,626</u>	<u>12,297</u>
9 CREDITORS	Amounts falling due within one year	<u>2012</u>	<u>2011</u>
		€	€
	Amounts owed to group undertaking	59,741	59,630
	Interest owed to group undertaking	19,113	143,014
	Group relief payable	49,732	55,265
		<u>128,586</u>	<u>257,909</u>
10 CREDITORS	Amounts falling due after one year	<u>2012</u>	<u>2011</u>
		€	€
	Amounts owed to group undertakings (see Note 11)	<u>2,000,000,000</u>	<u>2,000,000,000</u>
		<u>2012</u>	<u>2011</u>
		€	€
	Debt can be analysed as falling due		
	More than one year, but within five years	<u>2,000,000,000</u>	<u>2,000,000,000</u>
	Maturity dates are as follows		
	Note D 30 December 2015	1,000,000,000	
	Note E 30 December 2015	1,000,000,000	

NOTES TO THE ACCOUNTS

For the year ended 31 December 2012

11 FINANCIAL INSTRUMENTS - HEDGING

On 4 January 2006, the Company issued two 120 month dual currency, fixed rate loan notes ("Notes D and E") for a total of € 2bn together with two total return swaps to DB Vanquish (UK) Limited, a group undertaking which mature on 30 December 2015

The terms of the Notes provide that the fixed coupon payments are made with reference to the relevant forward Turkish Lira ("TRL") interest rates at issuance and the variable redemption payment is made with reference to the €/TRL foreign exchange rate ruling at the redemption date with the result that, although payments on the Notes are actually made in Euro, the Notes represent, in substance TRL borrowings. The terms of the Total Return Swap set out to effectively create a synthetic Euribor-based financing for the Company, by substituting the TRL interest rates with applicable Euribor rates and through the inclusion of a variable redemption receipt linked to the €/TRL foreign exchange rate ruling at such date. Accordingly, the Company has eliminated any exposure to TRL.

The Company invested the proceeds received from the issuance of the Notes with DB Vanquish (UK) Limited a group undertaking. This investment earns a Euribor-based return to fund the interest payments required under the Notes.

12 SHARE CAPITAL

	<u>2012</u> <u>No</u>	<u>2011</u> <u>No</u>
Authorised		
Ordinary shares of £1 each	10,000,000	10,000,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	10,000	10,000
	<u>2012</u> <u>£</u>	<u>2011</u> <u>£</u>
Authorised		
Ordinary shares of £1 each	15,345,000	15,345,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	15,345	15,345

13 ULTIMATE PARENT COMPANY AND OTHER PARENT UNDERTAKINGS

DB UK Holdings Limited, a company incorporated in the UK, is the Company's immediate controlling entity.

Deutsche Bank AG, a joint stock corporation with limited liability incorporated in the Federal Republic of 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 drawn up. Copies of the group financial statements of this company are available to the public and may be obtained from the Company Secretariat, Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB.

14 RELATED PARTY TRANSACTIONS

As permitted by paragraph 3(c) of FRS 8, no disclosure is made of transactions with members or associates of the Deutsche Bank AG group.