

FC 027332



DB TWEED LIMITED

Company number 131334

REPORTS AND NON-STATUTORY FINANCIAL STATEMENTS

For the year ended 31 December 2006

THURSDAY



LZFANT17

LD4

04/10/2007

371

COMPANIES HOUSE

REPORT OF THE DIRECTORS**For the year ended 31 December 2006**

The directors present their annual report and audited non-statutory financial statements for the year ended 31 December 2006

ACTIVITIES AND REVIEW OF BUSINESS

The Company is an investment holding company and was incorporated on 12 December 2003 in the Cayman Islands

On 30 December 2003 the Company entered into a stock loan agreement with Deutsche Bank AG (DBAG) over DB International Investments Limited (DBIIL) fixed rate redeemable preference shares for £480,000,000. This was funded by the issuance of 10,000 fixed rate redeemable preference shares to DB Kamchatka Limited for £480,000,000. On the same date, DBAG entered into a loan agreement with DB Finance International (DBFI) over the same fixed rate redeemable preference shares of DBIIL which DBFI has subscribed to in 17 December 2003. The stock loans terminated in June 2004 and DBFI transferred the above DBIIL shares to the Company. On 16 November 2005 the Company sold this investment to DB Kamchatka Limited for a sum of £480,000,000.

On 10 June 2004, the Company authorised and issued 10,000 fixed rate cumulative redeemable B preference shares to DB Sedanka Limited for a total of £235,258,267. The B preference shares are redeemable at the Company's option.

On 10 March 2005, 76 fixed rate redeemable B preference shares issued to DB Sedanka Limited were redeemed for £1,787,963. On 10 June 2005, 78 fixed rate redeemable B preference shares issued to DB Sedanka Limited were redeemed for £1,835,014. On 12 September 2005, the Company redeemed the 81 B Preference Shares issued to DB Sedanka Limited for the sum of £1,905,592.

On 16 November 2005, the Company redeemed the 10,000 Preference Shares issued to DB Kamchatka for the sum of £255,054,259.81. On this date, the Company likewise redeemed the 9,613 B Preference Shares issued to DB Sedanka Limited for the sum of £226,153,771.73.

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

As the Company qualifies as a small company an enhanced business review is not required.

RESULTS AND DIVIDENDS

The results of the Company for the year ended 31 December 2006, after providing for taxation show a loss of £2,635 (2005 profit of £826,805).

The directors do not recommend the payment of a dividend for the year ended 31 December 2006 (2005 £nil), leaving the retained loss for the year to be carried forward to the next year.

DIRECTORS

The directors of the Company who held office during the year and subsequent to the year ended 31 December 2006 were as follows:

S E Macfarlane

P Phillips

M Press

E F G Short

R Sivanithy

Resigned 7 June 2007

Resigned 20 March 2006

Appointed 28 March 2006

A W Bartlett and A P 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.

As at the date of approval, and during the year, the Company provided an indemnity to its directors in the form of a qualifying third party indemnity provision.

REPORT OF THE DIRECTORS (continued)
For the year ended 31 December 2006

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors have accepted responsibility for preparing the Directors' Report and the non-statutory financial statements for the year ended 31 December 2006 which are intended to 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 year

The directors have elected to prepare the non-statutory financial statements in accordance with UK Accounting Standards. In preparing these non-statutory financial statements the directors have

- selected suitable accounting policies and then applied them consistently,
- made judgements and estimates that are reasonable and prudent,
- stated whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the non-statutory financial statements, and
- prepared the non-statutory financial statements on the going concern basis as they believe 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. 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 AUDITORS

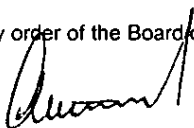
The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

DIRECTORS' INTERESTS

None of the directors had an interest in the share capital of the Company during the year

None of the directors had any 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

By order of the Board of Directors this 21st day of September 2007



A Rutherford
Joint Secretary

Registered office

Elizabethan Square
George Town
Grand Cayman
KY 1-1104
Cayman Islands

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DB TWEED LIMITED**

We have audited the non-statutory financial statements of DB Tweed Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholder's Funds and the related notes. These non-statutory financial statements have been prepared for the reasons and on the basis set out in note 1 to the non-statutory financial statements. Our report has been prepared for the Company solely in connection with our engagement letter dated 11 January 2002. It has been released to the Company on the basis that our report shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

Our report was designed to meet the agreed requirements of the Company determined by the Company's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG Audit Plc will accept no responsibility or liability in respect of our report to any other party.

Respective responsibilities of directors and auditors

As described on page 2, the directors of DB Tweed Limited have accepted responsibility for the preparation of these non-statutory financial statements in accordance with UK Accounting Standards (UK Generally Accepted Accounting Practice) and as if applicable UK law applied to them.

Our responsibility is to audit the non-statutory financial statements in accordance with the terms of our engagement letter dated 11 January 2002 and International Standards on Auditing (UK and Ireland).

Under the terms of engagement we are required to report to you our opinion as to whether the non-statutory financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, as if those requirements were to apply. We also report to you if, in our opinion, we have not received all the information and explanations we require for our audit.

We read the other information accompanying the non-statutory financial statements and consider whether it is consistent with the audited non-statutory financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the non-statutory financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the non-statutory financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the non-statutory financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the non-statutory financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the non-statutory financial statements.

Opinion

In our opinion the non-statutory financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2006 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985, as if those requirements were to apply.

KPMG Audit Plc
KPMG Audit Plc

Chartered Accountants
Registered Auditor

8 Salisbury Square
London EC4Y 8BB

Dated *21 September 2007*

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2006

	Note	<u>2006</u> £	<u>2005</u> £
Interest receivable	4	4,746	6,432
Interest payable	5	(8,510)	(13,569,041)
Dividend receivable from fixed asset investment		-	14,389,085
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(3,764)	826,476
Tax credit on (loss) / profit on ordinary activities	6	1,129	329
(LOSS) / PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(2,635)	826,805

The loss 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 non-statutory financial statements

BALANCE SHEET

As at 31 December 2006

	Note	<u>2006</u> £	<u>2005</u> £
CURRENT ASSETS			
Debtors	7	273,008	267,133
Cash at bank		13	13
		<u>273,021</u>	<u>267,146</u>
CREDITORS amounts falling due within one year	9	(185,219)	(176,709)
NET CURRENT ASSETS		87,802	90,437
TOTAL ASSETS LESS CURRENT LIABILITIES		87,802	90,437
NET ASSETS		87,802	90,437
CAPITAL AND RESERVES			
Called up share capital	10	90,000	90,000
Profit and loss account		(2,198)	437
Shareholder's funds		87,802	90,437

The notes on pages 7 to 10 form part of these non-statutory financial statements

These non-statutory financial statements were approved by the Board of Directors on 21st September 2007



Signed by S Macfarlane
for and on behalf of the Board of Directors

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
For the year ended 31 December 2006

	<u>Profit & Loss</u> <u>Account</u> £	<u>Ordinary Share</u> <u>Capital</u> £	<u>Total</u> £
Balance at 1 January 2006	437	90,000	90,437
Loss for the year	(2,635)	-	(2,635)
Balance at 31 December 2006	(2,198)	90,000	87,802

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
For the year ended 31 December 2005

	<u>Profit & Loss</u> <u>Account</u> £	<u>Ordinary Share</u> <u>Capital</u> £	<u>Total</u> £
Balance at 1 January 2005	(826,368)	90,000	(736,368)
Profit for the year	826,805	-	826,805
Balance at 31 December 2005	437	90,000	90,437

The notes on pages 7 to 10 form part of these non-statutory financial statements

NOTES TO THE ACCOUNTSFor the year ended 31 December 2006

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the non-statutory financial statements

Basis of preparation

These non-statutory financial statements have been prepared in accordance with the Companies Act 1985, as if these requirements were to apply, UK applicable accounting standards and applicable Statements of Recommended Practice. The directors have decided to prepare these non-statutory financial statements to support the tax return made to the UK authorities. The particular accounting policies are described below

(a) CONVENTION

These non-statutory financial statements are prepared in accordance with applicable UK accounting standards and under the historical cost convention

(b) INCOME RECOGNITION

Interest income and expense is accounted for on an accrual basis

(c) FIXED ASSET INVESTMENTS

Fixed asset investments are held at cost less provision for any permanent diminution in value. Any such provision is charged to the profit and loss account in the period in which it arises

(d) 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

(e) CLASSIFICATION OF FINANCIAL INSTRUMENTS ISSUED BY THE COMPANY

In accordance with FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of Shareholder's Funds) only to the extent that they meet the following two conditions

(i) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company, and

(ii) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance charges associated with financial instruments that are classified as part of Shareholder's funds (see dividends policy), are dealt with as appropriations in the Reconciliation of Movements in Shareholder's Funds

(f) 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

NOTES TO THE ACCOUNTS

For the year ended 31 December 2006

1 ACCOUNTING POLICIES (continued)**(g) BASIS OF PREPARATION (Group account exemption)**

As the Company is a wholly owned subsidiary undertaking of Deutsche Bank AG, which is incorporated in the E U and which publishes consolidated financial statements, and as its immediate parent undertaking is also incorporated in the E U, it is exempt under section 228 of the Companies Act 1985 from the requirement to prepare group financial statements. Accordingly, these non-statutory financial statements present information about the Company as an individual undertaking and not about its group.

2 DIRECTORS' REMUNERATION

The aggregate emoluments of persons who were directors of the Company during the year ended 31 December 2006, including pension contributions, were £nil (2005 £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 non-statutory financial statements (2005 £nil)

	<u>2006</u>	<u>2005</u>
	£	£
Auditors' remuneration		
Audit of these non-statutory financial statements	5,186	10,832
Auditors' remuneration for services to the Company has been borne by another group undertaking		

4 INTEREST RECEIVABLE

	<u>2006</u>	<u>2005</u>
	£	£
Interest receivable from group undertakings	4,746	6,432

5 INTEREST PAYABLE

	<u>2006</u>	<u>2005</u>
	£	£
In respect of borrowing from group undertakings	8,510	7,529
Finance cost on shares classified as liabilities	-	13,561,512
	8,510	13,569,041

6 TAXATION

	<u>2006</u>	<u>2005</u>
	£	£
(a) Analysis of tax on (loss) / profit on ordinary activities		
Current tax		
Group relief credit for the year	1,129	329
Total tax credit on (loss) / profit on ordinary activities	1,129	329

NOTES TO THE ACCOUNTS

For the year ended 31 December 2006

6 TAXATION (continued)

(b) Current tax reconciliation

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 30%. The actual tax credit for the prior year differs from the standard rate for the reasons set out in the following reconciliation

	<u>2006</u>	<u>2005</u>
	£	£
(Loss) / profit on ordinary activities	(3,764)	826,476
Tax on (loss) / profit on ordinary activities at standard rate (30%)	1,129	(247,943)
Effects of		
UK Dividend Income (Non-Taxable) Exempt from UK Tax	-	4,316,726
Finance charge on shares classified as liabilities	-	(4,068,454)
Total current tax credit	<u>1,129</u>	<u>329</u>

7 DEBTORS

	<u>2006</u>	<u>2005</u>
	£	£
Amounts due from group companies	271,879	98,891
Group relief receivable	1,129	168,242
	<u>273,008</u>	<u>267,133</u>

8 FIXED ASSET INVESTMENTS

On 30 December 2003 the Company entered into a stock loan agreement with Deutsche Bank AG (DBAG) over DB International Investments Limited (DBIIL) fixed rate redeemable preference shares for £480,000,000. This was funded by the issuance of 10,000 fixed rate redeemable preference shares to DB Kamchatka Limited for £480,000,000. On the same date, DBAG entered into a loan agreement with DB Finance International (DBFI) over the same fixed rate redeemable preference shares of DBIIL which DBFI has subscribed to in 17 December 2003. The stock loans terminated in June 2004 and DBFI transferred the above DBIIL shares to the Company.

On 16 November 2005 the Company sold all its investment in Deutsche International Investments Limited to DB Kamchatka Limited for a sum of £480,000,000.

9 CREDITORS Amounts falling due within one year

	<u>2006</u>	<u>2005</u>
	£	£
Amount due to group companies	<u>185,219</u>	<u>176,709</u>

On 10 March 2005, 76 Fixed rate redeemable B preference shares issued to DB Sedanka Limited were redeemed for £1,787,963. On 10 June 2005, 78 Fixed rate redeemable B preference shares issued to DB Sedanka Limited were redeemed for £1,835,014. On 12 September 2005, the Company further redeemed the 81 B Preference Shares issued to DB Sedanka Limited for the sum of £1,905,592. On 16 November 2005, the Company redeemed the 10,000 Preference Shares issued to DB Kamchatka and 9,613 B Preference Shares issued to DB Sedanka Limited for the sum of £255,054,260 and £226,153,772 respectively.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2006

10 SHARE CAPITAL (continued)	<u>2006</u>	<u>2005</u>
	<u>No</u>	<u>No</u>
Authorised		
Ordinary shares of £1 each	90,000	90,000
Preference shares of £1 each	10,000	10,000
Tranche B preference shares of £1 each	10,000	10,000
	<u>110,000</u>	<u>110,000</u>
	<u>2006</u>	<u>2005</u>
	<u>No</u>	<u>No</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	90,000	90,000
	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Authorised		
Ordinary shares of £1 each	90,000	90,000
Preference shares of £1 each	10,000	10,000
Tranche B preference shares of £1 each	10,000	10,000
	<u>110,000</u>	<u>110,000</u>
	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	90,000	90,000

On 16 December 2003, the Company authorised and issued 90,000 fully paid shares at par to Tempurrite Leasing Limited

On 18 December 2003, the Company authorised and issued 10,000 fixed rate cumulative redeemable preference shares to DB Kamchatka at £480,000,000. The Company must redeem all of the outstanding fixed rate redeemable preference shares by 10 March 2034. The Company has the option to redeem the fixed rate redeemable preference shares at any time prior to 10 March 2034.

On 10 June 2004, the Company authorised and issued 10,000 fixed rate cumulative redeemable B preference shares to DB Sedanka Limited for a total of £235,258,267. The B preference shares are redeemable at the Company's option.

In 2005, the Company redeemed its preference and Tranche B preference shares. Please refer to Note 9.

11 ULTIMATE PARENT COMPANY AND OTHER PARENT UNDERTAKINGS

Tempurrite Leasing Limited, a company incorporated in the United Kingdom, 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 Company's ultimate controlling entity, also being the ultimate parent company and the parent undertaking of the largest and smallest group for which group financial statements are drawn up.

Copies of the group financial statements prepared in respect of Deutsche Bank AG may be obtained from the Company Secretary, Deutsche Bank AG, London branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB.

12 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.