

**GOLD BULLION NOMINEES PTY LIMITED**

**Registered No: ACN 102 271 956**

**Report and Financial Statements for the  
Year ended 31 December 2012**

# GOLD BULLION NOMINEES PTY LIMITED

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## **GOLD BULLION NOMINEES PTY LIMITED**

### **DIRECTORS' REPORT**

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The directors of Gold Bullion Nominees Pty Limited (the "Trustee" or the "Company") submit herewith the annual report and financial statements of the Company for the year ended 31 December 2012. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

#### **Directors**

The names and particulars of the directors of the Company during and since the end of the financial year are:

Mr Graham J Tuckwell - Chairman  
Dr Vincent W J FitzGerald  
Mr Greg J Burgess

#### **Principal Activities**

The Company was established to facilitate the offer of Gold Bullion Securities by ETFs Metal Securities Australia Limited.

#### **Review of Operations**

The Company has continued to provide Trustee services connected with the offer of Metal Securities. This consisted of the management of the Trustee's metals accounts held with the custodian bank, HSBC Bank USA, N.A. in London.

#### **Future Developments**

The directors are not aware of any developments that might have a significant effect on the operations of the Company in subsequent financial periods not already disclosed in this report or the attached financial statements.

#### **Dividends**

The directors do not recommend the provision or payment of a dividend to holders of Ordinary Shares for the year (2011: AUD Nil).

#### **Share Options Granted to Directors**

No share options were granted or issued to directors or executives during the year.

#### **Directors' Interests**

The following table sets out each director's interests in Ordinary shares as at the date of this report:

#### **Fully Paid Ordinary Shares**

Graham John Tuckwell

47

#### **Indemnification of Officers and Auditors**

From 1 January to 31 December 2012 ETF Securities Limited ("ETFSL") has provided a written indemnity to the directors of the Company, the Company Secretary and all executive officers of the Company against any liability incurred while performing the duties of a director, secretary or executive officer to the extent permitted by the Corporations Act 2001.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Company against a liability incurred as such an officer or auditor.

# GOLD BULLION NOMINEES PTY LIMITED

## DIRECTORS' REPORT - CONTINUED

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### Directors' Meetings

The number of directors' meetings and the number of meetings attended by each director of the Company during the year were:

| Directors             | Held | Attended |
|-----------------------|------|----------|
| Graham J Tuckwell     | 1    | 1        |
| Greg J Burgess        | 1    | 1        |
| Vincent WJ FitzGerald | 1    | 1        |

### Remuneration Report

The following table discloses the remuneration of the directors of the Company which has been paid by the ETFSL the parent during the year to 31 December 2012.

| Name                           | Salary/Fees | Super | Total |
|--------------------------------|-------------|-------|-------|
| <i>Non-Executive Directors</i> |             |       |       |
| Graham J Tuckwell              | Nil         | Nil   | Nil   |
| Vincent WJ FitzGerald          | Nil         | Nil   | Nil   |
| Greg J Burgess                 | Nil         | Nil   | Nil   |

Remuneration paid in the prior year was also nil.

There were no executive directors during the current or preceding financial year.

### Auditor's Independence Declaration

The auditor's independence declaration is included on page 4.

Signed in accordance with a resolution of the directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the directors



**Greg J Burgess**  
Director  
Melbourne, 27 February 2013

## **GOLD BULLION NOMINEES PTY LIMITED**

### **DIRECTORS' DECLARATION**

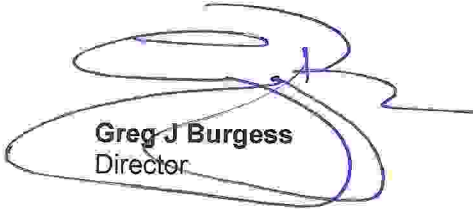
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The directors' declare that:

- in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Company; and
- in the directors' opinion, the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

Signed in accordance with a resolution of the directors made pursuant to s.295 (5) of the Corporations Act 2001.

On behalf of the directors



**Greg J Burgess**  
Director

Melbourne, 27 February 2013

The Board of Directors  
Gold Bullion Nominees Pty Ltd  
Level 27, AMP Centre  
50 Bridge Street  
SYDNEY, NSW 2000

27 February 2013

Dear Board Members

### **Gold Bullion Nominees Pty Limited**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Gold Bullion Nominees Pty Limited.

As lead audit partner for the audit of the financial statements of Gold Bullion Nominees Pty Limited for the year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

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DELOITTE TOUCHE TOHMATSU



Paul Radici  
Partner  
Chartered Accountants

## Independent Auditor's Report to the Directors of Gold Bullion Nominees Pty Ltd

We have audited the accompanying financial report of Gold Bullion Nominees Pty Ltd, which comprises the statement of financial position as at 31 December 2012, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Company as set out on pages 7 to 13.

### *Directors' Responsibility for the Financial Report*

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the Company's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

### *Auditor's Independence Declaration*

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Gold Bullion Nominees Pty Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

### *Opinion*

In our opinion:

- (a) the financial report of Gold Bullion Nominees Pty Ltd is in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Company's financial position as at 31 December 2012 and of their performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (b) the financial statements also comply with International Financial Reporting Standards as disclosed in Note 1.

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Paul Radici  
Partner  
Chartered Accountants  
Melbourne, 27 February 2013



**GOLD BULLION NOMINEES PTY LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**

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|  | <b>Year ended 31 December</b> |             |
|--|-------------------------------|-------------|
|  | <b>2012</b>                   | <b>2011</b> |
| <b>Notes</b>   | <b>AUD</b>                    | <b>AUD</b>  |
| <b>Revenue</b>   |                               |             |
| Net Gains/(Losses) on Financial Instruments                              | <u>-</u>                      | <u>-</u>    |
| <b>Expenses</b>  | <u>-</u>                      | <u>-</u>    |
| <b>Profit Before Income Tax Expense</b>                                  | -                             | -           |
| Income Tax   | <u>-</u>                      | <u>-</u>    |
| <b>Profit for the Year Attributable to Equity Holders of the Company</b> | <u>-</u>                      | <u>-</u>    |
| Other Comprehensive Income   | <u>-</u>                      | <u>-</u>    |
| <b>Total Comprehensive Income for the Year</b>                           | <u>-</u>                      | <u>-</u>    |

The directors consider the Company's activities are continuing.

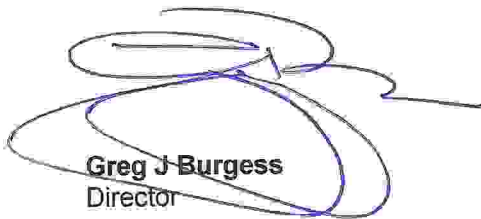
The notes on pages 11 to 13 form part of these financial statements

**GOLD BULLION NOMINEES PTY LIMITED**

**STATEMENT OF FINANCIAL POSITION**

|                             |              | <b>As at 31 December</b> |             |
|-----------------------------|--------------|--------------------------|-------------|
|                             | <u>Notes</u> | <u>2012</u>              | <u>2011</u> |
|                             |              | <u>AUD</u>               | <u>AUD</u>  |
| <b>Current Assets</b>       |              |                          |             |
| Cash and Cash Equivalents   |              | 100                      | 100         |
| <b>Total Current Assets</b> |              | <u>100</u>               | <u>100</u>  |
| <b>Net Assets</b>           |              | <u>100</u>               | <u>100</u>  |
| <b>Equity</b>               |              |                          |             |
| Contributed Equity          | 7            | 100                      | 100         |
| <b>Total Equity</b>         |              | <u>100</u>               | <u>100</u>  |

The financial statements on pages 7 to 13 were approved by the board of directors and signed on its behalf on 27 February 2013.



**Greg J Burgess**  
Director

The notes on pages 11 to 13 form part of these financial statements

**GOLD BULLION NOMINEES PTY LIMITED**

**STATEMENT OF CASH FLOWS**

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|   | <b>Year ended 31 December</b> |             |
|---|-------------------------------|-------------|
|   | <b>2012</b>                   | <b>2011</b> |
|   | <b>AUD</b>                    | <b>AUD</b>  |
| Cash and Cash Equivalents at the Beginning of the Year  | 100                           | 100         |
| <b>Cash and Cash Equivalents at the End of the Year</b> | <b>100</b>                    | <b>100</b>  |

The notes on pages 11 to 13 form part of these financial statements

## GOLD BULLION NOMINEES PTY LIMITED

### STATEMENT OF CHANGES IN EQUITY

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|   | <b>Issued<br/>Capital<br/>AUD</b> | <b>Total<br/>AUD</b> |
|---|-----------------------------------|----------------------|
| Opening Balance at 1 January 2011       | 100                               | 100                  |
| Total Comprehensive Income for the Year | -                                 | -                    |
| Balance at 31 December 2011             | <b>100</b>                        | <b>100</b>           |
|   |                                   |                      |
| Opening Balance at 1 January 2012       | 100                               | 100                  |
| Total Comprehensive Income for the Year | -                                 | -                    |
| Balance at 31 December 2012             | <b>100</b>                        | <b>100</b>           |

The notes on pages 11 to 13 form part of these financial statements

## **GOLD BULLION NOMINEES PTY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

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#### **1. Accounting Policies**

##### **Statement of Compliance**

These financial statements are a general purpose financial statement which have been prepared in accordance with the Corporations Act 2001, accounting standards and interpretations and comply with other requirements of the law. Accounting standards include Australian equivalents to International Financial Reporting standards ("A-IFRS"). Compliance with A-IFRS ensures that the financial statements and notes of the Company comply with International Financial Reporting Standards ("IFRS").

The financial statements were authorised for issue by the directors on 27 February 2013. .

##### **Basis of Preparation**

These financial statements have been prepared under the historical cost convention, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise stated.

In the application of A-IFRS management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future years.

Judgments made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

There are no new and revised Standards and amendments thereof and Interpretations effective for the current period that are relevant to the Company.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

##### **Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

## GOLD BULLION NOMINEES PTY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 2. Non-Current Assets

The Trustee held on behalf of holders of ETFS Physical Platinum, ETFS Physical Palladium, ETFS Physical Gold and ETFS Physical Silver, 5,110.378 (2011: 7,516.370) troy ounces of platinum, 3,846.744 (2011: 4,336.877) troy ounces of palladium, 392,522.788 (2011: 381,078.022) fine troy ounces of gold and 2,304,690.082 (2011: 2,130,233.262) troy ounces of silver with a market value at 31 December 2012 of \$7,503,295 (2011: \$10,521,090), \$2,592,137 (2011: \$2,795,716), \$629,643,389 (2011: \$608,156,645) and \$66,532,054 (2011: \$60,845,300) respectively. All metals were held in the name of the Trustee and were not brought to account by the Trustee because the holders of ETFS Physical Platinum, ETFS Physical Palladium, ETFS Physical Gold and ETFS Physical Silver (and not the Trustee) hold the beneficial interest in these metals.

#### 3. Remuneration of Auditors

|                                   | As at 31 December |       |
|-----------------------------------|-------------------|-------|
|                                   | 2012              | 2011  |
|                                   | AUD               | AUD   |
| Audit of the Financial Statements | 4,635             | 4,500 |

The audit fee is paid by the parent.

#### 4. Contributed Equity

|  | As at 31 December |      |
|--|-------------------|------|
|  | 2012              | 2011 |
|  | AUD               | AUD  |
| Fully Paid Ordinary Shares (2011: 100) | 100               | 100  |

All ordinary shares issued by Gold Bullion Nominees Pty Limited carry one vote per share without restriction and carry the right to dividends.

All Ordinary shares are held by ETF Securities Limited, a Jersey registered Company.

|   | As at 31 December |            |
|---|-------------------|------------|
|   | 2012              | 2011       |
|   | No.               | No.        |
| <i>Fully Paid Ordinary Shares</i>       |                   |            |
| Balance at Beginning of Financial Year  | 100               | 100        |
| Movement in the Year                    | -                 | -          |
| <i>Balance at End of Financial Year</i> | <u>100</u>        | <u>100</u> |

Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore the Company does not have a limited amount of authorised capital and issued shares do not have a par value.

#### 5. Related Party Disclosures

The immediate and ultimate parent Company is ETFSL, a Jersey registered company. The ultimate controlling party is Graham J Tuckwell through his shareholding in ETFSL.

#### 6. Subsequent Events

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

## **GOLD BULLION NOMINEES PTY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**

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#### **7. Additional Company Information**

Gold Bullion Nominees Pty Limited is a proprietary Company, incorporated and operating in Australia.

The Company's registered address and principal place of business is as follows:

Level 27, AMP Centre  
50 Bridge Street  
Sydney NSW 2000  
Australia