

# 平成23年12月期 決算短信（平成23年1月1日～平成23年12月31日）

平成24年3月30日

銘柄名	コード番号	連動対象指標	上場取引所 東京証券取引所 主要投資資産	東京証券取引所 売買単位
ETFS 総合商品指数 (DJ-UBSCI) 上場投資信託	1684	DJ-UBSCI総合商品指数	(注1)	10
ETFS エネルギー商品指数 (DJ-UBSCI) 上場投資信託	1685	DJ-UBSCIエネルギー商品指数	天然ガス、原油、ガソリン、灯油	10
ETFS 産業用金属商品指数 (DJ-UBSCI) 上場投資信託	1686	DJ-UBSCI産業用金属商品指数	アルミニウム、銅、ニッケル、亜鉛	10
ETFS 農産物商品指数 (DJ-UBSCI) 上場投資信託	1687	DJ-UBSCI農産物商品指数	(注2)	10
ETFS 穀物商品指数 (DJ-UBSCI) 上場投資信託	1688	DJ-UBSCI穀物商品指数	小麦、とうもろこし、大豆	100
ETFS 天然ガス上場投資信託	1689	DJ-UBSCI天然ガス商品指数	天然ガス	100
ETFS WTI原油上場投資信託	1690	DJ-UBSCI原油商品指数	WTI 原油	10
ETFS ガソリン上場投資信託	1691	DJ-UBSCIガソリン商品指数	ガソリン	10
ETFS アルミニウム上場投資信託	1692	DJ-UBSCIアルミニウム商品指数	アルミニウム	100
ETFS 銅上場投資信託	1693	DJ-UBSCI銅商品指数	銅	10
ETFS ニッケル上場投資信託	1694	DJ-UBSCIニッケル商品指数	ニッケル	10
ETFS 小麦上場投資信託	1695	DJ-UBSCI小麦商品指数	小麦	100
ETFS とうもろこし上場投資信託	1696	DJ-UBSCIとうもろこし商品指数	とうもろこし	100
ETFS 大豆上場投資信託	1697	DJ-UBSCI大豆商品指数	大豆	10

(注1) 天然ガス、ブレント原油、WTI原油、ガソリン、灯油、アルミニウム、銅、亜鉛、ニッケル、金、銀、生体牛、赤身豚肉、小麦、トウモロコシ、大豆、砂糖、綿花、コーヒー、大豆油

(注2) 小麦、トウモロコシ、大豆、砂糖、綿花、コーヒー、大豆油

外国投資法人 イーティーエフエス・コモディティ・セキュリティーズ・リミテッド  
 代表者名 取締役 トム・クイグリー  
 管理会社 ETFセキュリティーズ・マネジメント・カンパニー・リミテッド  
 URL <http://etfsecurities.co.jp>  
 代表者名 日本における代表者 足立 伸  
 問合せ先責任者 橋口 瑞恵 TEL (03)－4360－9101  
 有価証券報告書提出予定日 平成24年6月中  
 分配金支払い開始予定日 該当なし

I ファンドの運用状況

1. 2011年12月決算期の運用状況（平成23年1月1日～平成23年12月31日）

(1) 資産内訳

(百万円未満切捨て)

		主要投資資産		合計（資産）	
		金額	構成比	金額	構成比
ETFS 総合商品指数（DJ-UBSCI） 上場投資信託	2011年12月決算期	百万円 31,332	% (100)	百万円 31,332	% (100)
	2010年12月決算期	64,919	(100)	64,919	(100)
ETFS エネルギー商品指数（DJ-UBSCI） 上場投資信託	2011年12月決算期	百万円 16,210	% (100)	百万円 16,210	% (100)
	2010年12月決算期	17,123	(100)	17,123	(100)
ETFS 産業用金属商品指数（DJ-UBSCI） 上場投資信託	2011年12月決算期	百万円 14,964	% (100)	百万円 14,964	% (100)
	2010年12月決算期	25,416	(100)	25,416	(100)
ETFS 農産物商品指数（DJ-UBSCI） 上場投資信託	2011年12月決算期	百万円 51,938	% (100)	百万円 51,938	% (100)
	2010年12月決算期	100,961	(100)	100,961	(100)
ETFS 穀物商品指数（DJ-UBSCI） 上場投資信託	2011年12月決算期	百万円 5,497	% (100)	百万円 5,497	% (100)
	2010年12月決算期	6,683	(100)	6,683	(100)
ETFS 天然ガス上場投資信託	2011年12月決算期	百万円 22,442	% (100)	百万円 22,442	% (100)
	2010年12月決算期	50,052	(100)	50,052	(100)
ETFS WTI原油上場投資信託	2011年12月決算期	百万円 26,639	% (100)	百万円 26,639	% (100)
	2010年12月決算期	41,940	(100)	41,940	(100)
ETFS ガソリン上場投資信託	2011年12月決算期	百万円 1,536	% (100)	百万円 1,536	% (100)
	2010年12月決算期	1,001	(100)	1,001	(100)
ETFS アルミニウム上場投資信託	2011年12月決算期	百万円 3,558	% (100)	百万円 3,558	% (100)
	2010年12月決算期	4,495	(100)	4,495	(100)
ETFS 銅上場投資信託	2011年12月決算期	百万円 16,743	% (100)	百万円 16,743	% (100)
	2010年12月決算期	20,088	(100)	20,088	(100)
ETFS ニッケル上場投資信託	2011年12月決算期	百万円 3,764	% (100)	百万円 3,764	% (100)
	2010年12月決算期	5,491	(100)	5,491	(100)
ETFS 小麦上場投資信託	2011年12月決算期	百万円 11,869	% (100)	百万円 11,869	% (100)
	2010年12月決算期	10,567	(100)	10,567	(100)
ETFS とうもろこし上場投資信託	2011年12月決算期	百万円 6,620	% (100)	百万円 6,620	% (100)
	2010年12月決算期	8,909	(100)	8,909	(100)
ETFS 大豆上場投資信託	2011年12月決算期	百万円 3,245	% (100)	百万円 3,245	% (100)
	2010年12月決算期	3,251	(100)	3,251	(100)

(注) 主要投資資産は、平成24年3月10日午前零時（ロンドン時間2012年3月9日午後4時）現在のWM/ロイター終値（スポット・レート）1米ドル=82.36円に基づいて円換算しています。（以下同じ）

## (2) 設定・償還実績

		前営業期間末 発行済口数 (①)	設定口数 (②)	償還口数 (③)	当営業期間末 発行済口数 (①+②-③)
ETFS 総合商品指数 (DJ-UBSCI) 上場投資 信託	2011年12月決算期	千口 45,926	千口 30,839	千口 51,028	千口 25,737
	2010年12月決算期	20,608	38,282	12,964	45,926
ETFS エネルギー商品指 数 (DJ-UBSCI) 上場投 資信託	2011年12月決算期	千口 16,969	千口 11,433	千口 9,342	千口 19,060
	2010年12月決算期	10,464	10,307	3,801	16,969
ETFS 産業用金属商品指 数 (DJ-UBSCI) 上場投 資信託	2011年12月決算期	千口 14,841	千口 8,911	千口 12,107	千口 11,645
	2010年12月決算期	8,615	12,619	6,394	14,841
ETFS 農産物商品指数 (DJ-UBSCI) 上場投資 信託	2011年12月決算期	千口 132,670	千口 48,410	千口 100,624	千口 80,456
	2010年12月決算期	184,211	64,799	116,339	132,670
ETFS 穀物商品指数 (DJ-UBSCI) 上場投資 信託	2011年12月決算期	千口 12,085	千口 9,792	千口 10,199	千口 11,678
	2010年12月決算期	17,466	12,340	17,720	12,085
ETFS 天然ガス上場投資 信託	2011年12月決算期	千口 1,879,093	千口 645,810	千口 916,575	千口 1,608,328
	2010年12月決算期	1,540,211	1,220,772	881,889	1,879,093
ETFS WTI原油上場投資 信託	2011年12月決算期	千口 18,257	千口 16,328	千口 22,430	千口 12,155
	2010年12月決算期	17,763	18,006	17,511	18,257
ETFS ガソリン上場投資 信託	2011年12月決算期	千口 326	千口 1,208	千口 1,093	千口 441
	2010年12月決算期	223	443	340	326
ETFS アルミニウム上場 投資信託	2011年12月決算期	千口 9,225	千口 7,449	千口 7,258	千口 9,416
	2010年12月決算期	7,974	7,870	6,618	9,225
ETFS 銅上場投資信託	2011年12月決算期	千口 4,923	千口 6,887	千口 6,328	千口 5,482
	2010年12月決算期	2,560	4,917	2,554	4,923
ETFS ニッケル上場投資 信託	2011年12月決算期	千口 2,322	千口 1,529	千口 1,717	千口 2,135
	2010年12月決算期	2,973	3,036	3,686	2,322
ETFS 小麦上場投資信託	2011年12月決算期	千口 49,429	千口 91,895	千口 56,395	千口 84,929
	2010年12月決算期	54,961	61,509	67,041	49,429
ETFS とうもろこし上場 投資信託	2011年12月決算期	千口 55,569	千口 55,745	千口 70,082	千口 41,232
	2010年12月決算期	62,466	85,695	92,592	55,569
ETFS 大豆上場投資信託	2011年12月決算期	千口 1,769	千口 2,459	千口 2,096	千口 2,133
	2010年12月決算期	1,571	3,265	3,066	1,769

(注) 上記の設定・償還実績については、営業期末時点の未決済上場投資信託を含んでいません。

## (3) 基準価額

		総資産	負債 <sup>(注)</sup>	資産	売買単位当たり基準価額 ( (③/当営業期間末 発行済口数) × 売買単位)
ETFS 総合商品指数 (DJ-UBSCI) 上場投資信託	2011年12月決算期	百万円 31,332	百万円 -	百万円 31,332	円 12,173
	2010年12月決算期	64,919	-	64,919	14,135
ETFS エネルギー商品指数 (DJ-UBSCI) 上場投資信託	2011年12月決算期	百万円 16,210	百万円 -	百万円 16,210	円 8,504
	2010年12月決算期	17,123	-	17,123	10,090
ETFS 産業用金属商品指数 (DJ-UBSCI) 上場投資信託	2011年12月決算期	百万円 14,964	百万円 -	百万円 14,964	円 12,850
	2010年12月決算期	25,416	-	25,416	17,125
ETFS 農産物商品指数 (DJ-UBSCI) 上場投資信託	2011年12月決算期	百万円 51,938	百万円 -	百万円 51,938	円 6,455
	2010年12月決算期	100,961	-	100,961	7,609
ETFS 穀物商品指数 (DJ-UBSCI) 上場投資信託	2011年12月決算期	百万円 5,497	百万円 -	百万円 5,497	円 47,072
	2010年12月決算期	6,683	-	6,683	55,302
ETFS 天然ガス上場投資信託	2011年12月決算期	百万円 22,442	百万円 -	百万円 22,442	円 1,395
	2010年12月決算期	50,052	-	50,052	2,663
ETFS WTI原油上場投資信託	2011年12月決算期	百万円 26,639	百万円 -	百万円 26,639	円 21,915
	2010年12月決算期	41,940	-	41,940	22,971
ETFS ガソリン上場投資信託	2011年12月決算期	百万円 1,536	百万円 -	百万円 1,536	円 34,768
	2010年12月決算期	1,001	-	1,001	30,662
ETFS アルミニウム上場投資信託	2011年12月決算期	百万円 3,558	百万円 -	百万円 3,558	円 37,791
	2010年12月決算期	4,495	-	4,495	48,730
ETFS 銅上場投資信託	2011年12月決算期	百万円 16,743	百万円 -	百万円 16,743	円 30,540
	2010年12月決算期	20,088	-	20,088	40,801
ETFS ニッケル上場投資信託	2011年12月決算期	百万円 3,764	百万円 -	百万円 3,764	円 17,634
	2010年12月決算期	5,491	-	5,491	23,644
ETFS 小麦上場投資信託	2011年12月決算期	百万円 11,869	百万円 -	百万円 11,869	円 13,975
	2010年12月決算期	10,567	-	10,567	21,379
ETFS とうもろこし上場投資信託	2011年12月決算期	百万円 6,620	百万円 -	百万円 6,620	円 16,056
	2010年12月決算期	8,909	-	8,909	16,033
ETFS 大豆上場投資信託	2011年12月決算期	百万円 3,245	百万円 -	百万円 3,245	円 15,214
	2010年12月決算期	3,251	-	3,251	18,369

(注1) 売買単位は、総合商品指数、エネルギー商品指数、産業用金属商品指数、農産物商品指数、WTI原油、ガソリン、ニッケル、及び大豆については10口、穀物商品指数、天然ガス、アルミニウム、小麦及びとうもろこしについては100口となります。

(注2) 商品上場投資信託1単位当たりの資産は、商品上場投資信託1単位当たりの基準価額に基づいたものとなっています。商品上場投資信託1単位当たりの基準価額は、相応する商品上場投資信託1単位当たりの商品契約の価格に相当するものとなります。各々の商品上場投資信託の裏付けとなっている商品契約の総価値は、相応する商品上場投資信託の残高と等しくなります。このために、純資産額は零となり、総資産額は、商品上場投資信託の裏付けとなる商品契約の総額と等しくなります。

[参考] 外国投資法人の財政状態

	総資産額	総負債額	投資主持分額
	百万円	百万円	百万円
2011年12月決算期	365,878	365,878	0
2010年12月決算期	541,944	541,927	17

(注) 商品上場投資信託は、期限の定めのない、請求権の限定されている発行体による債務です。全出資口は、イーティーエフ・セキュリティーズ・ホールディングス・リミテッドにより保有されています。投資主持分額は、総資産額から総負債額を差し引いたものです。

2. 会計方針の変更

- ① 会計基準等の改正に伴う変更 有・**無**
- ② ①以外の変更 有・**無**

**ETFS COMMODITY SECURITIES LIMITED**

**Registered No: 90959**

**Report and Financial Statements for the  
Year ended 31 December 2011**

# ETFS COMMODITY SECURITIES LIMITED

## CONTENTS

---

Management and Administration	1
Directors' Report	2
Statement of Directors' Responsibilities	6
Independent Auditor's Report	7
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Cash Flows	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12-21

**ETFS COMMODITY SECURITIES LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

---

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

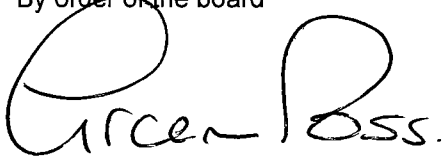
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board. The financial statements are required by law to be properly prepared in accordance with the Companies (Jersey) Law 1991.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. However, directors are also required to:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Make an assessment of the Company's ability to continue as a going concern.

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

By order of the board



**Graeme D Ross**  
Director

9 March 2012



# ETFS COMMODITY SECURITIES LIMITED

## INDEPENDENT AUDITOR'S REPORT

---

We have audited the financial statements of ETFS Commodity Securities Limited for the year ended 31 December 2011 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statements of Changes in Equity and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board.

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

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

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2011 and of its result for the year then ended;
- have been properly prepared in accordance with IFRSs as issued by the International Accounting Standards Board; and
- have been properly prepared in accordance with the Companies (Jersey) Law 1991.

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

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

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



**Andrew Isham, BA, FCA**

For and on behalf of Deloitte LLP

Chartered Accountants and Recognized Auditors

St. Helier, Jersey

9 March 2012

**ETFs COMMODITY SECURITIES LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**

---

	Note	Year ended 31 December	
		2011 USD	2010 USD
<b>Revenue</b>	2	40,286,959	34,719,827
<b>Expenses</b>			
Management Fees to ETFSL	2	-	(34,167,933)
Management Fees to ManJer	2	(40,290,992)	-
Other Operating Income/(Expense)		4,033	(4,640)
<b>Operating profit</b>	2	-	547,254
Net(Loss)/Gain Arising on Fair Value of Commodity Contracts	8	(1,211,158,051)	422,613,702
Net Gain/(Loss) Arising on Fair Value of Commodity Securities	9	1,211,158,051	(422,613,702)
<b>Profit and Total Comprehensive Income for the Year</b>		-	547,254

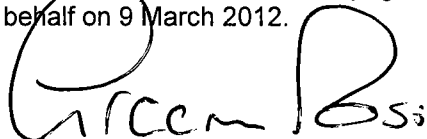
The directors consider the Company's activities are continuing.

The notes on pages 12 to 21 form part of these financial statements

**ETFS COMMODITY SECURITIES LIMITED**  
**STATEMENT OF FINANCIAL POSITION**

	Note	As at 31 December	
		2011	2010
		USD	USD
<b>Current Assets</b>			
Cash and Cash Equivalents		4,035	17,641
Trade and Other Receivables	7	2,752,367	3,497,546
Commodity Contracts	8	4,418,950,726	6,514,544,587
Amounts Receivable Awaiting Settlement	9	20,720,022	62,132,357
<b>Total Assets</b>		<b>4,442,427,150</b>	<b>6,580,192,131</b>
<b>Current Liabilities</b>			
Commodity Securities	9	4,418,950,726	6,514,544,587
Amounts Payable Awaiting Settlement	8	20,720,022	62,132,357
Trade and Other Payables	10	2,756,400	3,305,890
<b>Total Liabilities</b>		<b>4,442,427,148</b>	<b>6,579,982,834</b>
<b>Equity</b>			
Stated Capital	11	2	2
Retained Profits		-	209,295
<b>Total Equity</b>		<b>2</b>	<b>209,297</b>
<b>Total Equity and Liabilities</b>		<b>4,442,427,150</b>	<b>6,580,192,131</b>

The financial statements on pages 8 to 21 were approved by the board of directors and signed on its behalf on 9 March 2012.



Graeme D Ross  
 Director

The notes on pages 12 to 21 form part of these financial statements

**ETFs COMMODITY SECURITIES LIMITED**  
**STATEMENT OF CASH FLOWS**

---

	Year ended 31 December	
	2011 USD	2010 USD
<b>Operating Profit for the Year</b>	-	<b>547,254</b>
<i>Changes in Operating Assets and Liabilities</i>		
Decrease/(Increase) in Receivables	745,179	(519,664)
Decrease in Payables	(549,490)	(2,502,208)
Cash Generated from/(Used by) Operations	195,689	(2,474,618)
<b>Cash Flows from Financing Activities</b>		
Dividends Paid	(209,295)	(347,959)
Net Cash Used by Financing Activities	(209,295)	(347,959)
<b>Net Decrease in Cash and Cash Equivalents</b>	<u>(13,606)</u>	<u>(2,822,577)</u>
Cash and Cash Equivalents at the Beginning of the Year	17,641	2,840,218
Net Decrease in Cash and Cash Equivalents	(13,606)	(2,822,577)
Cash and Cash Equivalents at the End of the Year	<u>4,035</u>	<u>17,641</u>

The notes on pages 12 to 21 form part of these financial statements

**ETFS COMMODITY SECURITIES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**

---

	<b>Stated Capital USD</b>	<b>Retained Earnings USD</b>	<b>Total Equity USD</b>
Opening Balance at 1 January 2010	2	10,000	10,002
Total Comprehensive Income for the Year	-	547,254	547,254
Dividends (USD 173,979.50 per share)	-	(347,959)	(347,959)
Balance at 31 December 2010	<u>2</u>	<u>209,295</u>	<u>209,297</u>
Opening Balance at 1 January 2011	2	209,295	209,297
Total Comprehensive Income for the Year	-	-	-
Dividends (USD 104,647.50 per Share)	-	(209,295)	(209,295)
Balance at 31 December 2011	<u>2</u>	<u>-</u>	<u>2</u>

The notes on pages 12 to 21 form part of these financial statements

# ETFS COMMODITY SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

---

### 1. Accounting Policies

The main accounting policies of the Company are described below.

#### Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The presentation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The only key accounting judgement required to prepare these financial statements is in respect of the valuation of Commodity Contracts and Commodity Securities held at fair value through profit or loss as disclosed in notes 8 and 9. Actual results could vary from these estimates.

#### (a) Standards, amendments and interpretations effective on 1 January 2011:

- Various improvements to IFRSs issued in 2010 (Effective for annual periods beginning on or after 1 July 2010 or 1 January 2011).
- IAS 24 (revised in 2009) "Related Party Disclosures" (Effective 1 January 2011).
- IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments"

The adoption of the improvements and interpretation resulted in additional disclosures but did not have an impact on the Company's financial position or performance.

#### (b) Standards, amendments and interpretations effective on 1 January 2011 but not relevant to the Company:

- IFRIC 14 "Prepayments of a minimum Funding Requirement" (Effective 1 January 2011)
- Amendments to IAS 31 "Classification of Rights Issues"
- Improvements to IFRSs issued in 2010

#### (c) Standards, amendments and interpretations that are in issue but not yet effective:

- IFRS 7 "Disclosures" (effective 1 July 2011)
- IFRS 9 "Financial Instruments" (effective 1 January 2015)
- IFRS 10 "Consolidated financial Statements" (effective 1 January 2013)
- IFRS 11 "Joint Arrangements" (effective 1 January 2013)
- IFRS 12 "Disclosure of Interest in Other Entities" (effective 1 January 2013)
- IFRS 13 "Fair Value Measurement" (effective 1 January 2013)
- Amendments to IAS 1 "Presentation of items of other comprehensive income" (effective 1 July 2012)
- Amendments to IAS 19 "Employee Benefits" (effective 1 January 2013)
- IAS 27 (Revised May 2011) "Separate Financial Statements" (effective 1 January 2013)
- IAS 28 (Revised May 2011) "Investments in Associates and Joint Ventures" (effective 1 January 2013)
- Various improvements to IFRSs issued in 2011 (effective 1 January 2013)

The directors anticipate that the adoption of these standards in future periods will have no material financial impact. The directors have considered other new and revised standards and they believe that they are not relevant to the Company's activities.

**1. Accounting Policies - continued****Going Concern**

The nature of the Company's business dictates that the outstanding Commodity Securities may be redeemed at any time by the holder and in certain circumstances may be redeemed by the Company. As the redemption of Commodity Securities will coincide with the termination of an equal amount of Commodity Contracts, no liquidity risk is considered to arise. All other liabilities of the Company were met by ManJer; therefore the directors consider the Company to be a going concern and have prepared the financial statements on this basis.

**Commodity Securities and Contracts****i) Issuance and Redemption**

The Company has entered into a Facility Agreement with UBS and Merrill Lynch to permit the Company to purchase and redeem Commodity Contracts at prices equivalent to Commodity Securities issued or redeemed on the same day. Each time a Commodity Security is issued or redeemed by the Company a matching number and value of Commodity Contracts are purchased or redeemed from UBS or Merrill Lynch. The Commodity Contracts represent financial assets of the Company and the Commodity Securities give rise to financial liabilities.

Financial assets and liabilities are recognised and de-recognised on the trade date.

When Commodity Contracts are redeemed from UBS and Merrill Lynch they are redeemed from the earliest Commodity Contract issued and then the next earliest contract until the redemption has been satisfied. This method is known as first in first out ("FIFO").

**ii) Pricing**

The Commodity Contracts and Securities are priced using the product of commodity indices published by Dow Jones & Company and a multiplier calculated by the Company and agreed with UBS and Merrill Lynch. The multiplier takes into account the daily accrual of the Management Fee and Licence Allowance as well as the incremental capital enhancement component of the Commodity Security, and is the same across all securities within the same class (i.e. all Classic Commodity Securities use the same multiplier).

**iii) Designation at fair value through Profit or Loss**

Each Commodity Security and Commodity Contract comprises a financial instrument whose redemption price is linked directly to the price of the underlying Commodity on a one-to-one basis.

These instruments are designated at fair value through the profit or loss upon initial recognition. This is in order to eliminate a measurement mismatch enabling gains or losses on both the Commodity Security and Commodity Contract to be recorded in the statement of comprehensive income.

**Commodity Contracts and Securities Awaiting Settlement**

The issue or redemption of Commodity Securities, and the purchase or sale of Commodity Contracts, is accounted for on trade date ("T"). Where settlement pricing is applied, the trade will not settle until T+3. Where trades are awaiting settlement at the year end, the monetary amount due to be settled is separately disclosed within the relevant assets and liabilities on the statement of financial position.

**Revenue Recognition**

Revenue is recognised to the extent that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and other sales taxes or duty.

Fees received for the issue and redemption of securities are recognised at the date on which the transaction becomes legally binding. All other income and expenses are recognised on an accruals basis.

**Interest Income**

Interest income is recognised on an accruals basis.

**ETFs COMMODITY SECURITIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

---

**1. Accounting Policies - continued**

**Loans and Receivables**

The loans and receivables are non-derivative financial assets with a fixed payment amount and are not quoted in an active market. After initial measurement the loans and receivables are carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses on loans and receivables which are impaired are recognised immediately in the statement of comprehensive income.

**Cash and Cash Equivalents**

Cash and cash equivalents include deposits held at call with banks.

**Foreign Currency Translation**

The presentational and functional currencies of the Company are both USD.

Monetary assets and liabilities denominated in foreign currencies at the year end date are translated at rates ruling at that date. Creation and Redemption fees are translated at the average rate for the quarter in which they are incurred. The resulting differences are accounted for in the statement of comprehensive income.

**Segmental Reporting**

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products and services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company reports information on its operations for each of the Company's business segments only, as the Company only has one geographic segment which is the UK and Europe. The directors believe that each type of Commodity Security – Classic, Forward, Short and Leveraged – comprises a segment and results of each are disclosed separately in note 3.

**2. Operating Profit**

Operating profit for the year comprised:

	<b>Year ended 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>USD</b>	<b>USD</b>
Creation and Redemption Fees	557,143	551,894
Management Fee	36,054,808	31,007,399
Licence Allowance	3,675,008	3,160,534
<b>Total Revenue</b>	<b>40,286,959</b>	<b>34,719,827</b>
Management Fees to ETFSL	-	(34,167,933)
Management Fees to ManJer	(40,290,992)	-
Net Finance Income	550	990
Net Foreign Exchange Gain/(Loss)	3,483	(5,630)
<b>Total operating expenses</b>	<b>(40,286,959)</b>	<b>(34,172,573)</b>
<b>Operating Profit</b>	<b>-</b>	<b>547,254</b>

Audit fees for the year of GBP 20,100 will be met by ManJer. In the previous year the fees of GBP19,500 were met by ETFSL.



**ETFs COMMODITY SECURITIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. Segmental Reporting**

The Company has four separate types of Commodity Securities in issue – Classic, Forward, Short and Leveraged Securities. The Company earns revenues from each of these sources.

For the year ended 31 December 2010:

	Classic	Forward	Short	Leveraged	Central	Total
Creation and Redemption Fees	304,454	23,293	100,842	123,305	-	551,894
Management Fees	20,858,292	1,137,252	2,676,921	6,334,934	-	31,007,399
Licence Allowance	2,126,052	115,918	272,854	645,710	-	3,160,534
<b>Total Revenue</b>	<b>23,288,798</b>	<b>1,276,463</b>	<b>3,050,617</b>	<b>7,103,949</b>	<b>-</b>	<b>34,719,827</b>
Total Operating Expenses	(22,984,344)	(1,253,170)	(2,949,775)	(6,980,644)	(4,640)	(34,172,573)
<b>Segmental Profit</b>	<b>304,454</b>	<b>23,293</b>	<b>100,842</b>	<b>123,305</b>	<b>(4,640)</b>	<b>547,254</b>

For the year ended 31 December 2011:

	Classic	Forward	Short	Leveraged	Central	Total
Creation and Redemption Fees	307,260	33,475	78,125	138,283	-	557,143
Management Fees	23,396,437	1,246,896	3,607,548	7,803,927	-	36,054,808
Licence Allowance	2,384,761	127,094	367,711	795,442	-	3,675,008
	<b>26,088,458</b>	<b>1,407,465</b>	<b>4,053,384</b>	<b>8,737,652</b>	<b>-</b>	<b>40,286,959</b>
Total Operating Expenses	(26,091,070)	(1,407,605)	(4,053,790)	(8,738,527)	4,033	(40,286,959)
<b>Segmental (Loss)/Profit</b>	<b>(2,612)</b>	<b>(140)</b>	<b>(406)</b>	<b>(875)</b>	<b>4,033</b>	<b>-</b>

Additional information relating to the assets and liabilities associated with these securities is disclosed in notes 8 and 9.

**4. Directors' Remuneration**

The following table discloses the remuneration of the directors of the Company. All Directors' fees were met by ManJer. In the previous year the fees were met by ETFSL.

	Year ended 31 December	
	2011	2010
	GBP	GBP
Mr Graham J Tuckwell	Nil	Nil
Mr Graeme D Ross	7,500	5,000
Mr Craig A Stewart	7,500	5,000
Mr Thomas K Quigley	Nil	Nil

**ETFS COMMODITY SECURITIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**5. Taxation**

Profits arising in the Company are subject to tax at the rate of zero per cent.

**6. Employee Benefits**

The Company has no employees and has paid no remuneration or benefits during the year in respect of employees.

**7. Trade and Other Receivables**

	<b>As at 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>USD</b>	<b>USD</b>
Management Fee	2,503,525	3,305,890
Creation and Redemption Fees	248,842	191,656
	<u>2,752,367</u>	<u>3,497,546</u>

**8. Commodity Contracts**

	<b>Change in Fair Value at 31 December 2010 USD</b>	<b>Fair Value at 31 December 2010 USD</b>
Classic Commodity Contracts	562,417,547	5,204,734,194
Forward Commodity Contracts	6,210,425	227,417,854
Short Commodity Contracts	(59,357,052)	251,849,986
Leveraged Commodity Contracts	(86,657,218)	830,542,553
Total Commodity Contracts	<u>422,613,702</u>	<u>6,514,544,587</u>

	<b>Change in Fair Value at 31 December 2011 USD</b>	<b>Fair Value at 31 December 2011 USD</b>
Classic Commodity Contracts	(827,091,539)	3,260,447,177
Forward Commodity Contracts	(36,471,404)	198,573,502
Short Commodity Contracts	60,690,677	380,797,943
Leveraged Commodity Contracts	(408,285,785)	579,132,104
Total Commodity Contracts	<u>(1,211,158,051)</u>	<u>4,418,950,726</u>

At 31 December 2011 there were certain Commodity Contracts awaiting the creation or (redemption) of securities with trade dates before the year end and settlement dates in 2012. The amount receivable or (payable) on completion of these trades is USD (20,720,022) (2010: USD (62,132,357)).

**ETFs COMMODITY SECURITIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**9. Commodity Securities**

	Change in Fair Value at 31 December 2010 USD	Fair Value at 31 December 2010 USD
Classic Commodity Securities	562,417,547	5,204,734,194
Forward Commodity Securities	6,210,425	227,417,854
Short Commodity Securities	(59,357,052)	251,849,986
Leveraged Commodity Securities	(86,657,218)	830,542,553
<b>Total Commodity Securities</b>	<b>422,613,702</b>	<b>6,514,544,587</b>

	Change in Fair Value at 31 December 2011 USD	Fair Value at 31 December 2011 USD
Classic Commodity Securities	(827,091,539)	3,260,447,177
Forward Commodity Securities	(36,471,404)	198,573,502
Short Commodity Securities	60,690,677	380,797,943
Leveraged Commodity Securities	(408,285,785)	579,132,104
<b>Total Commodity Securities</b>	<b>(1,211,158,051)</b>	<b>4,418,950,726</b>

At 31 December 2011 there were certain Commodity Securities awaiting the (creation) or redemption with trade dates before the year end and settlement dates in 2012. The amount (receivable) or payable on completion of these trades is USD (20,720,022) (2010: USD (62,132,357)).

**10. Trade and Other Payables**

	As at 31 December	
	2011 USD	2010 USD
Fees Payable to ETFSL	-	3,305,890
Fees Payable to ManJer	2,756,400	-
	<b>2,756,400</b>	<b>3,305,890</b>

**11. Stated Capital**

	As at 31 December	
	2011 USD	2010 USD
2 Shares of No Par Value, Issued at £1 Each	2	2

The Company has an unlimited capital of no par value shares.

All shares issued by the Company carry one vote per share without restriction and carry the right to dividends. All shares are held by ETFs Holdings (Jersey) Limited ("HoldCo").

**ETF S COMMODITY SECURITIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED****12. Related Party Disclosures**

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

Entities and individuals which have a significant influence over the Company either through the ownership of HoldCo shares, or by virtue of being a director of the Company are related parties.

Fees paid to ETFSL during the year ended 31 December 2011:

	<b>As at 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>USD</b>	<b>USD</b>
Management Fees, Licence Allowance and Creation and Redemption Fees	-	34,167,933

Fees paid to ManJer during the year ended 31 December 2011:

	<b>As at 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>USD</b>	<b>USD</b>
Management Fees, Licence Allowance and Creation and Redemption Fees	40,290,992	-

The following balances were due to ETFSL at year end:

	<b>As at 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>USD</b>	<b>USD</b>
Fees Payable	-	3,305,890

The following balances were due to ManJer at year end:

	<b>As at 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>USD</b>	<b>USD</b>
Fees Payable	2,756,400	-

As disclosed in note 4 above, ManJer paid directors' fees in respect of the Company of GBP 15,000. In the previous year the fees of GBP 10,000 were paid by ETFSL.

Graeme D Ross and Craig A Stewart are directors of R&H Fund Services (Jersey) Limited ("R&H"), the administrator. During the year, R&H charged ManJer (ETFSL in respect of 2010) secretarial and administration fees in respect of the Company of GBP 356,921 (2010: GBP 200,162), of which GBP 89,230 (2010: GBP 50,000) was outstanding at the year end.

Graham J Tuckwell is also a director of ETFSL, ManJer and HoldCo.

**13. Financial Risk Management**

The Company is exposed to a number of risks arising from its activities. The risk management policies employed by the Company to manage these are discussed below.

*(a) Market Risk*

The Company's liability in respect of the Commodity Securities issued is related to the commodity price by reference to the futures market as quoted on the relevant futures Exchanges and is managed by the Company by entering into Commodity Contracts with UBS and Merrill Lynch which exactly match the liability created by the issue of Commodity Securities. The Company therefore bears no financial risk from a change in the price of commodity by reference to the futures price.

However there is an inherent risk from the point of view of investors as the price of commodities, and thus the value of the Commodity Securities, may vary widely. The market price of Commodity Securities is a function of supply and demand amongst investors wishing to buy and sell Commodity Securities and the bid-offer spread that the market makers are willing to quote.

The Company does not have significant exposure to interest rate risk as neither the Commodity Contracts or the Commodity Securities bear any interest.

The Company holds a current account at a large international bank. The rate of interest received on the account is at the bank's variable rate. Due to the level of cash held in the account the directors do not believe that any move in interest rates would seriously affect the operations of the Company.

*(b) Credit Risk*

With regard to the insurance of the Commodity Securities, the Company pays a monthly Insurance Allowance to ManJer which is used towards payment of the costs of insuring the Company's Metal.

The value of Commodity Securities and the ability of the Company to repay the redemption price is dependent on the receipt of such amount from UBS and Merrill Lynch and may be affected by the credit rating attached to UBS and Merrill Lynch.

The obligation of UBS and Merrill Lynch under the Commodity Contracts ranks only as an unsecured claim against UBS and Merrill Lynch. To cover the credit risk under the Commodity Contracts, UBS and Merrill Lynch are obliged to place an equivalent amount of collateral into a pledge account with Bank of New York based on the total outstanding value of the Commodity Contracts at the end of the previous trading day. In the event of default by UBS or Merrill Lynch, the Company has rights over the amounts placed in this pledge account.

The Company's cash is held at Royal Bank of Scotland International in Jersey. The directors do not feel that there is a great risk to the Company by holding all the cash with the one bank as the Company has minimal cash held in the bank account at any given time.

*(c) Liquidity Risk*

Generally, there is no liquidity risk to the Company because the maturity profile of the securities and contracts is exactly matched. Therefore, the Company does not have to wait for a longer-term contract to mature in order to pay its debts to ex-security holders.

*(d) Sensitivity Analysis*

IFRS 7 requires disclosure of a sensitivity analysis for each type of market risk to which the entity is exposed to at the reporting date, showing how comprehensive income and shareholders equity would have been affected by a reasonably possible change to the relevant risk variable.

As disclosed in the directors' report, the Company's liability in connection with the issue of Commodity Securities is matched by movements in corresponding Commodity Contracts. Consequently the Company is not exposed to market price risk.

Therefore, in the directors' opinion no sensitivity analysis is required to be disclosed.

**ETFS COMMODITY SECURITIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**13. Financial Risk Management - continued**

*(e) Capital Management*

The Company's principal activity is the listing and issue of Commodity Securities. These securities are issued as demand requires. The Company holds a corresponding amount of Commodity Contracts which exactly matches the total securities issued. ManJer supplied and arranged for the supply of all administrative services to the Company and paid all management and administration costs of the Company, in return for which the Company paid ManJer a fee equal to the Management Fee, Licence Allowance and Creation and Redemption Fees charged to the Commodity Securities. The Company is not subject to any capital requirements imposed by a regulator and there were no changes in the Company approach to capital management during the year.

As all Commodity Securities on issue are supported by an equivalent amount of Commodity Contracts held by UBS and Merrill Lynch and the running costs of the Company were paid by ManJer, the directors of the Company consider the capital management and its current capital resources are adequate to maintain the on-going listing and issue of Commodity Securities.

*(f) Settlement Risk*

The directors believe that settlement risk would only be caused by the risk of the Company's trading counterparty not delivering cash or securities on the settlement date. The directors feel that this risk is mitigated as a result of the cash or securities settling through the registrar's CREST system. The system ensures that the transaction does not settle until both parties have fulfilled their sides of the bargain.

Amounts outstanding in respect of positions yet to settle are disclosed in notes 8 and 9.

*(g) Fair Value Hierarchy*

The levels in the hierarchy are defined as follows:

- Level 1 – fair value based on quoted prices in active markets for identical assets
- Level 2 – fair values based on valuation techniques using observable inputs other than quoted prices within level 1
- Level 3 – fair values based on valuation techniques using inputs that are not based on observable market data

Categorisation within the hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement of each relevant asset/liability.

Whilst the Commodity Securities are quoted on the open market, the Company's liability relates to its contractual obligations to trade with certain counterparties at set prices on each trading day. These prices are based on an agreed formula, and are equal to the published NAV's of each class of Commodity Security. Therefore, Commodity Securities and Commodity Contracts are classified as level 2 financial liabilities and financial assets respectively, as the Company's asset and liability is calculated using third party pricing sources supported by observable, verifiable inputs.

	Fair Value	
	2011	2010
Level 2	USD	USD
Commodity Contracts	4,418,950,726	6,514,544,587
Commodity Securities	4,418,950,726	6,514,544,587

There are no assets or liabilities classified in levels 1 or 3. There were no reclassifications between levels during the year.

**14. Ultimate Controlling Party**

The ultimate controlling party is Graham J Tuckwell, through his majority shareholding in ETFSL.