

OS AA01

BLUEPRINT

Statement of details of parent law and other
information for an overseas company

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☒ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law.

☒ What this form is for
You cannot use this form
for an alteration of management
with accounting requirements.

Part 1 Corporate company name

Corporate name of overseas company **WORLD GOLD COUNCIL, AN ASSOCIATION**

UK establishment number **B R 0 1 2 7 0 7**

→ Filling in this form
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

* This is the name of the company in
its home state.

**Part 2 Statement of details of parent law and other
information for an overseas company**

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited.

Legislation **SWISS LAW AND SWISS AUDITING STANDARDS**

* This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts.

A2 Accounting principles

Accounts Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ No. Go to Section A3.

☒ Yes. Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3.

* Please insert the name of the
appropriate accounting organisation
or body.

Name of organisation or body **INTERNATIONAL ACCOUNTING STANDARDS BOARD**

A3 Accounts


Accounts Have the accounts been audited? Please tick the appropriate box.

☐ No. Go to Section A5.

☒ Yes. Go to Section A4.

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Statement of details of parent law and other information for an overseas company

A4 Audited accounts	
Audited accounts	<p>Have the accounts been audited in accordance with a set of generally accepted auditing standards?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No. Go to Part 3 'Signature'.</p> <p><input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'.</p>
Name of organisation or body ●	SWISS FEDERAL AUDIT OVERSIGHT AUTHORITY
A5 Unaudited accounts	
Unaudited accounts	<p>Is the company required to have its accounts audited?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No.</p> <p><input type="checkbox"/> Yes.</p>
Part 3 Signature	
Signature	<p>I am signing this form on behalf of the overseas company.</p> <p>Signature</p> <p>X  X</p> <p>This form may be signed by: Director, Secretary, Permanent representative.</p>

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Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	K HOPKINS
Company name	DELOITTE LLP
Address	5 CALLAGHAN SQUARE
Post town	CARDIFF
Country/Region	
Postcode	C F 1 0 5 B T
Country	
DX	
Telephone	



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.



Important information

Please note that all this information will appear on the public record.



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The Registrar of Companies, Companies House,
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Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
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World Gold Council, an Association

Consolidated financial statements

for the year ended 31 December 2017



ABOUT THE WORLD GOLD COUNCIL

The World Gold Council is the market development organisation for the gold industry. Our purpose is to stimulate and sustain demand for gold, provide industry leadership and be the global authority on the gold market.

We act when others do not, when change is essential and when the outcomes are at scale and sustainable. We will only intervene when we have the capacity to succeed and when we act aligned or in collaboration with leading market participants and stakeholders.

We work to protect and enhance trust and transparency in the market, while developing further understanding. Our involvement in developing appropriate pro-gold policies helps to create a fair and effective market and works towards ensuring universal access to gold. While our ambitions are extensive, our objective remains the same – to ensure a vibrant and growing gold market of ever greater relevance.

Based in the U.K., with operations in India, the Far East and the US, the World Gold Council is an association whose members comprise the world's leading gold mining companies.

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Report of the Chief Executive Officer

The World Gold Council's financial position at the end of 2017 as compared to that at the end of 2016 is included in the financial performance highlights below.

Financial performance

Members' dues for the year amounted to US\$2.9 million (2016: US\$2.3 million) whilst income from the sponsor fees by SPDR® Gold Trust in 2017 was US\$135.2 million (2016: US\$139.2 million).


Operational expenditure in 2017 totalled US\$116.2 million (2016: US\$115.7 million), which was less than revenue by US\$25.7 million (2016: less than revenue by US\$27.9 million) before interest, exchange differences and taxation.

The cash holdings of the World Gold Council increased from US\$60.6 million at the end of 2016 to US\$69.3 million at the end of the 2017 financial year.

Net cash flows from operating activities generated a surplus of US\$14.2 million (2016: US\$24.1 million), whilst investing activities resulted in a net outflow of US\$6.5 million (2016: net inflow of US\$5.7 million).

Employees

Staff numbers at the end of the year were 62 (2016: 57) and average numbers during the year were 63 (2016: 54).



Aram Shishmanian
Chief Executive Officer
25 February 2018



Company Secretarial report

General

The consolidated financial statements of the World Gold Council for the year ended 31 December 2017 are presented from page 16-44. The World Gold Council is an Association established under Swiss Law and carried out its activities during 2017 through a number of subsidiaries, branches and representative offices together with an interest in a joint venture, which are detailed in notes 17 and 18 to the consolidated financial statements.

The World Gold Council has voluntarily elected to comply with the International Financial Reporting Standards ("IFRS") in compiling its consolidated financial statements for the year ended 31 December 2017.

Membership

Members of the World Gold Council are made up of gold mining and gold royalty companies which are listed on Page 11 of these consolidated financial statements.

Governance

Corporate governance refers to what the Board does, how it sets the objectives of the World Gold Council and how the Board goes about ensuring that these objectives are met. The following briefly explains the individual aspects of the governance that the World Gold Council applies.

Leadership

- The World Gold Council is headed by a Board which is collectively responsible for its long-term success.
- There is a clear division of responsibilities between the Board and the executives responsible for the daily operations of the World Gold Council's business.
- The Chair is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of its role.

Effectiveness

- There is a formal and transparent procedure for the appointment of new Directors to the Board as contained in the Articles of Association.
- The Board is supplied, in a timely manner, with information in a form and of a quality appropriate to enable it to discharge its duties.

Accountability

- The Board is responsible for determining the nature and extent of the risks that it is willing for the World Gold Council to take in achieving its strategic objectives.
- The Board requires the management of the World Gold Council to maintain sound internal control systems.

Company Secretarial report (continued)

- The Board is responsible for establishing formal and transparent arrangements for considering how they should apply principles for corporate reporting, risk management, internal control and for maintaining an appropriate relationship with the World Gold Council's auditor.

Relations with Members

The Directors represent the Members and are selected from the Officers of the companies that they represent.

Internal Control

The Board is responsible for the World Gold Council's system of internal control. Internal control is embedded in all key aspects of the World Gold Council's undertakings. In the context of the World Gold Council's business, any such system can only reasonably be expected to manage rather than eliminate all risks arising from its operations. It can, therefore, only provide reasonable and not absolute assurance against material loss or misstatement.

Conduct of a Risk Assessment

During the year under review, Management assessed the risks associated with the operations, external environment and internal controls of the organisation. The internal controls and the operations of the organisation are assessed by the Internal Auditor and the Chief Financial Officer whilst the business environment is assessed by both the Board and Management. These assessments complete the risk to meet the Swiss requirements on the existence of an Internal Control system (ICS).

The main areas of financial risk are set out in note 5 on pages 28-29.

The Board of Directors

The Board is responsible for the management, control and direction of the activities, affairs and property of the World Gold Council in accordance with the Articles of Association. The composition of the Board is shown on Page 12. Board Directors, and their Alternate Directors, hold office for one year, which is renewable annually. The Chair holds office for two years, which is renewable once.

Responsibilities of the Board

- The Board's role is to provide leadership of the organisation within an internal control framework which enables risks to be assessed and managed.
- The Board sets the organisation's strategic aims and ensures that the necessary financial and human resources are in place for the organisation to meet its objectives whilst reviewing management's performance.
- The Board ensures that its obligations to the Members and others are understood and met.
- There is a clear distinction between the responsibilities of the Chair of the Board and the Chief Executive Officer of the World Gold Council.
- The Chair is responsible for the leadership of the Board and ensuring its effectiveness on all aspects of its role and the setting of the Board's agenda.
- The Chief Executive Officer is responsible for the day to day operations of the World Gold Council, along with ensuring that the World Gold Council's strategy is met.

Company Secretarial report (continued)

Meetings of the Board

The Board met either in person or by way of a telephone conference call four times (2016: four times) during the year ended 31 December 2017.

Election of Directors and Committees

The election of Directors by Members is governed by the World Gold Council's Articles of Association.

Directors and Alternate Directors of the World Gold Council, as at 31 December 2017, are listed on Page 12 of these consolidated financial statements.

The Administration Committee

The Administration Committee advises the Board on the annual budget process and the financial sustainability of the World Gold Council. It also provides input to the Board on annual performance objectives and assessment of performance against these objectives. The Administration Committee shall also provide a forum to support the Chair and CEO in "day-to-day" decision-making, related to market development initiatives.

The Committee comprises the WGC Chair, the WGC Vice-Chair, the CEO and the Chairs of each of the Audit Committee, the Compensation Committee and the Governance Committees. There may also be one additional Director appointed to the Administration Committee. The Committee operates under terms of reference determined by the Board.

The Audit Committee

The Audit Committee's role is to assist the Board in meeting its responsibilities in the areas of financial systems and internal control, reporting, ethical standards, and in overseeing the processes by which the World Gold Council identifies, measures and manages risk.

The Committee comprises of at least three non-executive Directors or Alternate Directors. The Committee operates under terms of reference determined by the Board. Reports of the Committee's proceedings are made available to the Board. The Committee has unlimited access to both internal and external auditors. The Committee meets on a regular basis and met four times during 2017 (2016: three times).

Details of the Members of the Audit Committee of the World Gold Council, as at the current date, are listed on Page 12 of these consolidated financial statements.

The Audit Committee is responsible for:

- Monitoring the integrity of the financial statements of the organisation and any formal announcement relating to the organisation's financial performance and reviewing significant financial reporting judgements contained therein.
- Reviewing the organisation's financial controls and the internal control and risk management framework.
- Monitoring and reviewing the effectiveness of the organisation's internal audit function.
- Making recommendations to the Board on the appointment and approval of the terms of engagement of the external auditors.

Company Secretarial report (continued)

- Developing and implementing a policy on the engagement of the external auditors to supply additional non-audit services, taking into account relevant guidance regarding the provision of non-audit services by an external audit firm.
- Reviewing and monitoring the external auditors' independence and objectivity, the effectiveness of the audit process, whilst taking into consideration the relevant professional and regulatory requirements.

As a general rule the World Gold Council ensures that the external auditor only undertakes functions for the World Gold Council that the World Gold Council believes does not impair their independence. The World Gold Council has employed different professional firms to undertake the functions of:

- External Auditor.
- Tax advisor.

The Compensation Committee

The purpose of the Compensation Committee is to consider and approve the remuneration strategy, policy and framework for the World Gold Council and to approve the remuneration of the CEO and Managing Directors. The objective of the strategy, policy and framework shall be to ensure that the CEO and Managing Directors are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the World Gold Council. Local market practices will be taken into account and inform the World Gold Council's overall remuneration strategy.

The Compensation Committee will determine and regularly review specified remuneration packages, including incentive and retention awards, pension rights and any compensation payment, for the CEO and Managing Directors. The CEO and Managing Directors shall not be involved in any decisions as to their own remuneration.

The Governance and Nomination Committee

The Governance and Nomination Committee shall ensure that Board and Committee governance processes are adhered to. It shall also determine and oversee the nomination process for selecting the WGC Chair, Vice-Chair and members of each of the Board Committees, including their respective Chairs.

The Committee should aim to ensure that the composition of all Committees represent the breadth of membership (re: size, geography, activity). The Committee comprises at least three non-executive Directors or alternate Directors and operates under terms of reference determined by the Board.

Company Secretarial report (continued)

Employees and the World Gold Council's Treatment of Employees

The World Gold Council's overall policy is to consult and discuss with employees through meetings, both formal and informal, those matters most likely to affect employees' interests.

Employees are incentivised directly through the World Gold Council's bonus scheme, performance reviews, training and development opportunities. The World Gold Council's aim is to recruit and retain sufficiently skilled and motivated employees to meet the needs of the business.

It is the World Gold Council's policy to give full and fair consideration to all applications for employment from disabled persons, having regard to their particular aptitudes and abilities and to encourage the training and career development of all personnel employed by the World Gold Council. Should an employee become disabled, the World Gold Council would, where practicable, seek to continue the employment making all adaptations required.



Terence Heymann
Treasurer and Company Secretary
25 February 2018

Going concern statement

The Directors of the World Gold Council have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the World Gold Council has adequate resources to continue in operational existence for at least 12 months from the date of approval of these accounts. For this reason, the Directors continue to adopt the going concern basis in preparing these financial statements.

The Directors' judgement is based on the following:

- The revenue generated from SPDR® Gold is independent of the level of membership and covers a significant proportion of the World Gold Council's costs.
- There is a substantial asset in the form of deferred consideration receivable in gold which is paid in instalments each year.
- There are no material contractual obligations, except property leases, that are longer than one year.
- The World Gold Council has no borrowings and maintains a strong cash and gold position that is adequate for ongoing working capital requirements.
- The World Gold Council aims to operate a balanced budget where income equals or exceeds expenditure.

By Order of the Board



David Harquail
Chair

25 February 2018



Aram Shishmanian
Chief Executive Officer

25 February 2018

Directors' Responsibilities statement

The Directors are responsible for preparing consolidated financial statements in accordance with applicable laws and regulations. In preparing these consolidated financial statements, the Directors are required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether they have been prepared in accordance with IFRSs as adopted by the International Accounting Standards Board.
- Assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Members of the World Gold Council as at 31 December 2017

1. Agnico Eagle Mines Limited
2. Alamos Gold Inc.
3. AngloGold Ashanti
4. Barrick Gold Corporation
5. Centerra Gold Inc.
6. China National Gold Corporation
7. Cia de Minas Buenaventura SAA
8. Eldorado Gold Corporation
9. Franco-Nevada Corporation
10. Goldcorp Inc.
11. Golden Star Resources Ltd
12. IAMGOLD Corporation
13. Kinross Gold Corporation
14. New Gold Inc.
15. Newcrest Mining Ltd
16. Newmont Mining Corporation
17. OceanaGold Corporation
18. Primero Mining Corporation
19. Resolute Mining Limited
20. Royal Gold Inc.
21. Sibanye Stillwater
22. Wheaton Precious Metals Corp.
23. Yamana Gold Inc.



**WORLD
GOLD
COUNCIL**

Directors, Officers and Committees

The Directors, Officers and Committees as at 31 December 2017 were:

Directors	Alternate	Member
David Harquail (Chair)	Sandip Rana	Franco-Nevada Corporation
Ammar Al-Joundi	David Smith	Agnico-Eagle Mines Limited
John McCluskey	-	Alamos Gold Inc
Srinivasan Venkatakrishnan	Christine Ramon	AngloGold Ashanti
Kelvin Dushnisky	Deni Nikoski	Barrick Gold Corporation
Scott Perry	Frank Herbert	Centerra Gold Inc.
Xin Song	Jerry Xie	China Gold Group
Victor Gobitz	Pedro Solis	Cia de Minas Buenaventura SAA
Robby Gilmore	George Burns	Eldorado Gold Corporation
David Garofalo	Brent Bergeron	Goldcorp Inc
Sam Coetzer	Andre Van Niekerk	Golden Star Resources Ltd
Don Charter	Benjamin Little	IAMGOLD Corporation
Paul Rollinson	Tony Giardini	Kinross Gold Corporation
Sandeep Biswas	Gerard Bond	Newcrest Mining Ltd
Hannes Portmann	Randall Oliphant	New Gold Inc
Gary Goldberg	Nancy Buese	Newmont Mining Corporation
Mick Wilkes	-	OceanaGold Corporation
Wade Nesmith	Joe Conway	Primero Mining Corporation
John Welborn	Lee-Anne de Bruin	Resolute Mining Limited
Tony Jensen	William Heissenbuttel	Royal Gold Inc
Neal Froneman	Charl Keyter	Sibanye Stillwater
Randy Smallwood	Gary Brown	Wheaton Precious Metals
Jason LeBlanc	Daniel Racine	Yamana Gold Inc.
Aram Shishmanian, CEO	-	World Gold Council

Executive Committee		
David Harquail (Chair)	David Harquail (Chair)	Kelvin Dushnisky
Aram Shishmanian, CEO	Gary Goldberg	Wade Nesmith
Terence Heymann, Treasurer & Company Secretary	Srinivasan Venkatakrishnan	Aram Shishmanian, CEO
	Mick Wilkes	

Audit Committee	Governance & Nomination Committee	Remuneration Committee
Srinivasan Venkatakrishnan (Chair)	Wade Nesmith (Chair)	Kelvin Dushnisky (Chair)
David Garofalo	Neal Froneman	David Harquail
Tony Giardini	Gary Goldberg	Randy Smallwood
Charl Keyter	Tony Jensen	Aram Shishmanian, CEO
Sandip Rana		
Terence Heymann, Treasurer & Company Secretary		

Principal Banker	Principal Place of Business	Auditor	Registered Company No.s
HSBC Bank plc 8 Canada Square London, E14 5HQ United Kingdom	10 Old Bailey London, EC4M 7NG United Kingdom	KPMG SA, Geneva Rue de Lyon 111 Case Postale 347 CH – 1211 Geneva 13	UK Companies House – FC014324. World Gold Council, an Association Swiss Registry - CH-660- 0534987- 6



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**Statutory Auditor's Report to the General Meeting of Members of
World Gold Council, an Association, Geneva**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of World Gold Council, an Association, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2017 and the consolidated statement of comprehensive surplus, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the IESBA Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information in the Annual Report

The Board of Directors is responsible for the other information in the annual report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of the Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law, ISAs and Swiss Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



*World Gold Council, an Association, Geneva
Statutory Auditor's Report
on the Audit of the Consolidated Financial Statements
to the General Meeting of Members*

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG SA

Paul Rieveley
Licensed Audit Expert
Auditor in Charge

Stéphane Nusbaumer

Geneva, 2 March 2018

Enclosure:

- Consolidated financial statements, which comprise the consolidated statement of financial position, consolidated statement of comprehensive surplus, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements

Consolidated financial statements
Consolidated statement of financial position
At 31 December 2017

	Notes	2017 US\$ 000's	2016 US\$ 000's
Assets			
Investments	20	78	78
Investment in joint ventures	18	423	2
Investment in associates	20	302	302
Property, plant and equipment	6	1,053	841
Intangible assets	7	2	2
Other non-current assets	9	1,308	1,719
Gold holdings	8	73	84
Deferred tax asset	15	9,221	14,751
Deferred consideration receivable	13	63,162	53,939
Non-current assets		75,622	71,718
Investments – available for sale	20	8,043	-
Other current assets	10	13,713	12,506
Deferred consideration receivable	13	8,105	7,151
Prepaid expenses		643	862
Gold holdings – gold reserve	8	55,968	40,374
Cash and cash equivalents		69,333	60,600
Current assets		153,805	121,493
Total assets		229,427	193,211
Equity			
Donation of net assets		152	152
Translation reserve		(58,599)	(56,062)
Retained surplus		257,751	206,131
Total reserves		199,304	150,221
Liabilities			
Provisions	12	1,935	5,918
Non-current liabilities		1,935	5,918
Creditors and accrued expenses	11	18,349	17,779
Provisions	12	4,676	495
Current tax liabilities	15	5,163	18,798
Current liabilities		28,188	37,072
Total liabilities		30,123	42,990
Total equity and liabilities		229,427	193,211

The accompanying notes form part of these financial statements.

On 25 February 2018 these financial statements were authorised for issuance by Mr. Harquail and Mr. Shishmanian, on behalf of the Board of Directors:


David Harquail
Chair


Aram Shishmanian
Chief Executive Officer

Consolidated financial statements
Consolidated statement of comprehensive surplus
For the year ended 31 December 2017

	Notes	2017 US\$ 000's	2016 US\$ 000's
Revenue			
Members' dues		2,908	2,318
Sponsor fees	3	135,220	139,177
Other income		3,802	2,051
Total revenue		141,930	143,546
Expenses			
Market development expenditure	14	(84,810)	(84,531)
Personnel expenditure	14	(19,266)	(20,174)
General and administrative expenditure	14	(12,166)	(10,977)
Total operational expenditure		(116,242)	(115,682)
Results from operating activities		25,688	27,864
Interest income		210	200
Interest expense and similar items		-	(513)
Net finance income/(expense)		210	(313)
Net foreign exchange transaction gains/(losses)		8,552	(13,812)
Changes in fair value of financial instruments	13	17,812	26,988
Loss on disposal of assets		(19)	(65)
Gain on investments	20	188	50
Total other expenditure and income		26,533	13,161
Surplus before income tax		52,431	40,712
Income taxes	15	(811)	(12,912)
Surplus after tax		51,620	27,800
Other comprehensive (loss)/surplus			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences - foreign operations		(2,537)	1,818
Total other comprehensive (loss)/surplus		(2,537)	1,818
Total comprehensive surplus for the year		49,083	29,618

The accompanying notes form part of these financial statements.

Consolidated financial statements
Consolidated statement of changes in equity
For the year ended 31 December 2017

	Donation of net assets US\$ 000's	Translation reserve US\$ 000's	Retained surplus US\$ 000's	Total equity US\$ 000's
At 1 January 2016	152	(57,680)	178,331	120,803
Surplus for the year – 2016	-	-	27,800	27,800
Exchange differences on translation of overseas operations – 2016	-	1,618	-	1,618
Comprehensive surplus – 2016	-	1,618	27,800	29,418
At 31 December 2016	152	(56,062)	206,131	150,221
Surplus for the year – 2017	-	-	51,620	51,620
Exchange differences on translation of overseas operations – 2017	-	(2,537)	-	(2,537)
Comprehensive surplus – 2017	-	(2,537)	51,620	49,083
At 31 December 2017	152	(58,599)	257,751	199,304

The accompanying notes form part of these consolidated financial statements.

Consolidated financial statements
Consolidated statement of cash flows
For the year ended 31 December 2017

	2017 US\$ 000's	2016 US\$ 000's
Cash flow from operating activities		
Operating surplus	25,688	27,884
Depreciation on property, plant and equipment	315	341
Amortisation of intangibles	-	226
Non-cash items	(2,881)	(1,805)
Increase in provisions	198	1,282
Increase in other assets	(579)	(2,838)
Increase/(decrease) in other liabilities	571	(2,270)
Taxes (paid)/received	(9,097)	1,279
Net cash inflow from operating activities	14,215	24,079
Cash flow from investing activities		
Net interest and other income received/(paid)	210	(132)
Net purchase consideration of property, plant and equipment	(203)	(113)
(Purchase)/sale of investments	(6,465)	8,224
Sale of gold holdings	-	720
Deferred consideration paid	-	(3,000)
Net cash (used)/received in investing activities	(6,458)	5,699
Foreign exchange gain/(loss) on cash and cash equivalents	976	(2,260)
Net increase in cash and cash equivalents	8,733	27,518
Cash and cash equivalents at 1 January	60,600	33,082
Cash and cash equivalents at end of year*	69,333	60,600

*This comprises bank balances and cash in hand.

The accompanying notes form part of these consolidated financial statements.

Notes to the consolidated financial statements

For the year ended 31 December 2017

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1 Reporting entity

The World Gold Council, an Association, is established under Swiss law. The Company's registered office is at rue du Rhône 65, c/o Meyerlustenberger Lachenal (Genève), avocats, 1204 Genève. The location of the World Gold Council's principal place of business is London. The consolidated financial statements of the World Gold Council as at and for the year ended 31 December 2017 include the financial statements of the World Gold Council, its branches and its wholly-owned subsidiaries (see note 17) and interests in joint ventures (see note 18).

The World Gold Council is organised for the purposes of:

- Promoting the use of gold in various markets, e.g. investment.
- Collecting and disseminating information about gold.

2 Basis of preparation

Statement of compliance

The World Gold Council prepares its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the International Accounting Standards Board. The financial statements have been prepared on a going concern basis as explained on page 9.

On 25 February 2018 these financial statements were authorised for issuance by Mr. Harquail and Mr. Shishmanian, on behalf of the Board of Directors.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the following material items in the consolidated statement of financial position:

- **Gold holdings – gold reserve**

Gold held is fair valued at current prices at the end of each financial year with the fair value adjustment going through other expenditure and income in the consolidated statement of comprehensive surplus.

- **Deferred consideration**

The consideration receivable is based on a discounted cash flow projection utilising the closing price of gold, the gold curve for a maximum period of ten years, an estimate of the gold forward curve beyond ten years and an applied relevant discount factor over the period of the deferred consideration. Fair value is determined by multiplying each instalment of the deferred income by the forward price of gold and discounting the resulting value at an appropriate rate to determine the net present value. The fair value adjustment goes through other expenditure and income in the consolidated statement of comprehensive surplus. The London Bullion Market Association ("LBMA") Gold Price PM is used as the fair value per ounce of gold.

- **Investments – available for sale**

The available for sale investment is held in GLDW and is held at fair value, determined by the market price of the shares.

With the exception of the above items, the fair value of the financial assets and liabilities in these financial statements are equivalent to their carrying amount.

2 Basis of preparation (continued)

Functional and presentation currency

These financial statements are presented in the functional currency of the World Gold Council, an Association which is United States Dollars ("US\$") as a substantial portion of the World Gold Council's revenue and expenditure incurred is denominated in US\$.

The functional currency for each entity in the Group is determined with reference to the currency of the primary economic environment in which it operates.

Critical accounting judgements required and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These judgements and estimates are based on the Directors' best knowledge of the relevant facts and circumstances, having regard to previous experience and actual results may differ from these estimations.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on amounts recognised is included in the accounting policies and /or the Notes to the financial statements.

Areas of judgement that have the most significant effect on the amounts recognised in the financial statements are:

- The fair value of the deferred consideration receivable in gold – note 13.

The Group's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the Group's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The resolution of issues is not always within the control of the Group and it is often dependent on the efficacy of the legal processes in the relevant tax jurisdictions in which the Group operates.

The Group recognises liabilities for anticipated uncertain tax positions based on best informed estimates of whether additional income taxes will be due. Provisions held in respect of tax risks are included within current tax liabilities. Significant management judgement is exercised in arriving at the amounts to be provided.

Changes in accounting policies

There were no changes in accounting policies from the prior year applied to these financial statements.

2 Basis of preparation (continued)

New standards and interpretations

There were no applicable standards due to be adopted in 2017 that had a material impact on the financial statements of the World Gold Council.

Of the three key new standards which have been issued by the IASB, IFRS 9 (Financial Instruments) and IFRS 15 (Revenues from Contracts with Customers) both effective 1 January 2018 and are not expected to have a material impact on the consolidated financial statements. IAS 16 (Leases) effective 1 January 2019 changes how operating leases will be recognised, measured, and disclosed by lessees. Under these new requirements, property leases currently classified as operating, where material, may be recognised on the balance sheet, and the Group is still considering the impact of this on the consolidated accounts.

3 Significant accounting policies

Basis of consolidation

- **Subsidiaries**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

- **Foreign currency transactions**

The individual financial statements of each group entity are recorded in the currency of the primary economic environment in which it operates (i.e. its functional currency). Foreign currency transactions in the World Gold Council's entities are accounted for at the average year to date exchange rates at that time. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive surplus. The resulting balances are translated at year-end exchange rates. Non-monetary items that are measured in terms of historic cost in a foreign currency are not retranslated.

- **Foreign operations**

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition which are reported in these consolidated financial statements, are translated to US\$ at exchange rates at the reporting date. The income and expenses of foreign operations are translated into US\$ at the average exchange rates for the year. Foreign currency differences are recognised in other comprehensive surplus and presented in the foreign currency translation reserve (translation reserve) in equity. When a foreign operation is disposed of such that control or significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified in the statement of comprehensive surplus as part of the gain or loss on disposal.

3 Significant accounting policies (continued)

- **Foreign operations (continued)**

When the World Gold Council disposes of part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the World Gold Council disposes of only part of its investment in an associate that includes a foreign operation while retaining significant influence, the relevant proportion of the cumulative amount is reclassified as surplus or deficit.

Financial instruments

- **Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, cash balances and deposits with maturities of less than three months.

- **Trade and other receivables**

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

- **Trade and other payables**

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Property, plant and equipment

- **Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

- **Depreciation**

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised in the consolidated statement of comprehensive surplus on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term or their useful lives unless it is reasonably certain that the World Gold Council will obtain ownership by the end of the lease term.

The estimated useful lives for the current and comparative years are as follows:

Leasehold Property	Over the period of the lease
Furniture and Fittings	5 to 7 years
Office Equipment	3 to 5 years
Computer Equipment	3 years
Motor Vehicles	3 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3 Significant accounting policies (continued)

Intangible assets

Capitalised technology, computer software and development are stated at cost, net of amortisation and any provision for impairment. Amortisation is charged so as to write - off the cost of the assets to their estimated residual value by equal instalments over their expected useful lives up to a maximum of three years.

Investments – available for sale

These securities held by the Company are classified as being available-for-sale and are stated at fair value, with any resultant gain or loss being recognised in the profit and loss account.

Leased assets

Leases in terms of which the World Gold Council assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments.

Other leases are operating leases and are not recognised in the World Gold Council's statement of financial position.

Deferred consideration in gold

On the basis that the value of the consideration is dependent on the market price of gold, it is considered that the deferred consideration is akin to a financial instrument.

Deferred consideration in gold receivable in connection with the sale of the Gold Bullion Holdings (Jersey) Limited subsidiary entities in 2008 is measured at fair value. Movements in the fair value of the deferred consideration are recognised in the consolidated statement of comprehensive surplus.

Gold holdings

Within the financial statements, gold holdings are broken down into gold reserve and other gold.

- **Gold reserve**

ICE Benchmark Administration Limited ("IBA") an independent specialist benchmark administrator provides the auction platform and methodology as well as the overall *independent administration and governance for the LBMA Gold Price*. If no LBMA Gold Price is made on a particular evaluation day or if the LBMA Gold Price has not been announced by 12:00 PM New York time on a particular evaluation day, the next most recent LBMA Gold Price PM is used.

Management of the World Gold Council believes that the use of fair value is the most appropriate valuation approach to take in relation to gold reserve.

- **Other gold**

Other gold comprises holdings of gold in physical bars, coins or jewellery. This asset is considered to be a non-current asset due to the long-term promotional nature and use of the asset.

3 Significant accounting policies (continued)

Impairment

- **Non-derivative financial assets**

A financial asset not carried at fair value through profit or loss is assessed at each reporting date, to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

- **Loans and receivables**

An impairment loss in respect of a financial asset measured at amortised cost is calculated, and the difference between its carrying amount and the present value of the estimated future cash flows discounted at the assets original effective interest rate. Losses are recognised in the consolidated statement of comprehensive deficit, being reflected in an allowance account against loans and receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in the impairment loss is reversed through the consolidated statement of comprehensive surplus.

Employee benefits

- **Post-employment medical benefits**

The World Gold Council's obligation in respect of post-employment medical benefit premiums for Geneva retirees is calculated using the projected unit method.

The actuarial method employed for the valuing of this liability projects forward the known current year premiums allowing for future premium growth and the anticipated mortality of the retirees using agreed upon rates for inflation and discount. The resulting cash flows are then discounted back to the measurement date using the discount rate to derive the total liability that is recorded in these financial statements.

The discount rate that has been applied to this valuation is that of the Swiss SBI AA Rated over 10 year corporate bond index. This index is used as all the retirees are Geneva based and the medical premiums are Swiss denominated. For further information see note 12.

- **Other long term benefits**

The World Gold Council's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior years at present value.

Provisions

A provision is recognised if, as a result of a past event, the World Gold Council has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows where the effect is material at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

3 Significant accounting policies (continued)

- **Onerous contracts**

A provision for onerous contracts is recognised when the expected benefits to be derived by the World Gold Council from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the World Gold Council recognises any impairment loss on the assets associated with that contract.

Revenue

- **Members' dues**

Members' dues are assessed and recognised quarterly on an accruals basis. These revenues are recorded at their net collectible amounts.

- **Sponsor fees**

This represents the fees payable to the World Gold Council's subsidiaries, World Gold Trust Services, LLC, ("WGTS") by the SPDR® Gold Trust, and WGC USA Asset Management Company LLC ("WAM"), by the SPDR® Long Dollar Gold Trust. These fees are recognised on an accruals basis in accordance with the terms of the Trust Indentures governing the administration of the Trusts. These revenues are recorded at their collectible amounts.

The SPDR® Gold Trust's only recurring expense is the Sponsor's fee paid to WGTS, which accrues daily at an annual rate equal to 0.40% of the daily Net Asset Value, in exchange for the Sponsor, WGTS, assuming the responsibility to pay all ordinary fees and expenses of the Trust. Further information on WGTS's duties in respect of the Trust can be found in note 19 to these consolidated financial statements.

The SPDR® Long Dollar Gold Trust's only recurring expense is the Sponsor's fee paid to WAM, which accrues daily at an annual rate equal to 0.33% of the daily Net Asset Value, in exchange for the Sponsor, WAM, assuming the responsibility to pay all ordinary fees and expenses of the Trust. Further information on WAM's duties in respect of the Trust can be found in note 19 to these consolidated financial statements.

- **Other income**

This primarily represents royalty fees recognised on an accruals basis in accordance with the substance of the underlying agreement relating to GBS / ETFS products.

Market development expenditure

Market development expenditure comprises all project related costs including marketing, promotions, PR campaigns, advertisement and publications.

Lease payments

Payments made under operating leases are recognised in the consolidated statement of comprehensive surplus on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

3 Significant accounting policies (continued)

Income tax

The World Gold Council provides for income taxes on the basis of taxable earnings for the year. The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year and imputed return on annual expenditure.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws relevant to the various jurisdictions in which the World Gold Council operates.

Deferred income tax is provided using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the consolidated statement of comprehensive surplus.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced by the value that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated at exchange rates prevailing on the statement of financial position date. Income and expenditure are translated at the average exchange rates for the year. Exchange differences arising if any are recognised in other comprehensive surplus and accumulated in reserves.

4 Activities

The World Gold Council's activities in the year under review are all aligned with the overall strategy of "Making gold mainstream". Work was undertaken in the following areas: Global Standards and Policy; Global Data and Insight; Market Infrastructure; New Investors; and Protect Established Positions. These activities were carried out in Europe, the Far East, India and the USA.

5 Financial risk management

Risk management is carried out by the World Gold Council and management gives consideration to capital, currency, credit, market, interest rate and liquidity risks. Capital is regarded as the retained reserves.

The World Gold Council operates a balanced budget methodology, planning for programme related costs not to exceed revenue received.

The Group's policy is to ensure that its net exposure to expenditure denominated in foreign currencies is kept to an acceptable level through appropriate treasury management.

5 Financial risk management (continued)

The deferred consideration in gold and gold received in lieu of cash pertaining to the sale of the GBS entities in 2008 was classified having regard to IAS 39 ('Financial Instruments: Recognition and Measurement'). Management believe that there is some credit risk in respect of the deferred consideration and their view of this risk is reflected in the discount rate used in the valuation of the receivable. The value of the deferred consideration will vary directly in line with changes in the gold price, the discount factor used and the gold yield curve.

Management believe that the World Gold Council's exposure to interest rate risks is limited.

6 Property, plant and equipment

	Leasehold improvements US\$000's	Furniture and fittings US\$000's	Office equipment US\$000's	Computer equipment US\$000's	Motor vehicles US\$000's	Total US\$000's
Cost						
1 January 2016	2,174	780	130	1,755	38	4,877
Additions	-	21	4	86	-	111
Disposals	(87)	(28)	(7)	(32)	-	(154)
Movement in exchange rates	(278)	(70)	(10)	(140)	(1)	(499)
31 December 2016	1,809	703	117	1,669	37	4,335
Additions	-	201	-	-	58	259
Disposals	(1,158)	(359)	(76)	(1,049)	(42)	(2,684)
Movement in exchange rates	192	100	68	158	3	521
31 December 2017	843	645	109	778	56	2,431
Depreciation						
1 January 2016	1,625	390	113	1,553	22	3,703
Depreciation for the year	135	88	7	104	7	341
Disposals	(38)	(20)	(5)	(26)	-	(89)
Movement in exchange rates	(222)	(86)	(10)	(182)	(1)	(461)
31 December 2016	1,500	392	105	1,469	28	3,494
Depreciation for the year	123	73	5	104	9	314
Disposals	(1,158)	(342)	(43)	(1,049)	(36)	(2,628)
Movement in exchange rates	45	55	(22)	118	4	198
31 December 2017	510	178	45	640	5	1,378
Carrying amounts						
At 1 January 2016	549	390	17	202	16	1,174
At 31 December 2016	309	311	12	200	9	841
At 31 December 2017	333	467	64	138	51	1,053

7 Intangible assets

	Technology US\$ 000's	Computer software and development US\$ 000's	Total US\$ 000's
Cost			
1 January 2016	3,667	1,017	4,684
Additions	-	2	2
31 December 2016	3,667	1,019	4,686
31 December 2017	3,667	1,019	4,686
Amortisation and realisation			
1 January 2016	3,667	791	4,458
Amortisation	-	226	226
31 December 2016	3,667	1,017	4,684
Amortisation	-	-	-
31 December 2017	3,667	1,017	4,684
Carrying amounts			
At 1 January 2016	-	226	226
At 31 December 2016	-	2	2
At 31 December 2017	-	2	2

8 Gold holdings

This is made up of gold reserves which arise from the receipt of the deferred consideration, royalties settled in gold, and other gold which comprise bars and coins.

	2017 US\$ 000's	2016 US\$ 000's
Non-current		
Other gold – cost	73	84
At 31 December	73	84
Current		
Gold reserve – market value	55,968	40,374
At 31 December	55,968	40,374

8 Gold holdings (continued)

The movement in the value of the gold reserve is a factor of the gold received of US\$10.7 million (2016: US\$10.3 million), and a fair value movement of US\$4.9 million (2016: US\$1.5 million).

Other gold market value at 31 December 2017 was US\$0.1 million (2016: US\$ 0.1 million).

The gold reserve represents a level 1 fair value measurement as this is derived from quoted gold prices.

Amounts received in respect of the deferred consideration and licence fees were 6,567 ounces (2016: 6,567 ounces) and 1,770 ounces (2016: 1,412 ounces) respectively. As at 31 December 2017, 43,169 oz (2016: 34,832 oz) of gold was held in reserves.

Sensitivity to movement in Gold Price – gold reserve

For every US\$10 movement in the gold price, the World Gold Council is subject to an approximate US\$432,000 (2016: US\$348,000) fluctuation in the value of its gold reserve holdings.

9 Other non-current assets

	2017 US\$ 000's	2016 US\$ 000's
Other non-current assets		
Lease and utility deposits	1,104	1,532
Other non-current assets	204	187
Total other non-current assets	1,308	1,719

10 Other current assets

	2017 US\$ 000's	2016 US\$ 000's
Other current assets		
Dues receivable from members	815	426
Receivable from SPDR Gold Trust	11,624	10,617
Trade partner receivables	242	96
VAT receivable	741	911
Other current assets	291	456
Total other current assets	13,713	12,506

11 Creditors and accrued expenses

	2017 US\$ 000's	2016 US\$ 000's
Creditors	876	905
Accrued expenses	17,360	16,547
Other taxes payable	32	16
Other payables	91	311
Total creditors and accrued expenses	18,349	17,779

12 Provisions

	Post employment medical benefits US\$'000's	Other US\$'000's	Total US\$'000's
Current liabilities	38	457	495
Non-current liabilities	1,487	4,431	5,918
Balance at 1 January 2017	1,525	4,888	6,413
Increase in provisions	-	601	601
Amounts utilised	(36)	(511)	(547)
IAS 19 movements	112	32	144
Balance at 31 December 2017	1,601	5,010	6,611
Analysis between non-current and current Liabilities			
Current liabilities	-	4,676	4,676
Non-current liabilities	1,601	334	1,935
Balance at 31 December 2017	1,601	5,010	6,611

IAS 19 ('Employee Benefits') movements consist of interest costs of US\$14,000 (2016: US\$15,000, included within Personnel Expenditure and exchange gains of US\$98,000 (2016: US\$296,000) included within Net foreign exchange transaction losses.

Post- employment medical benefits

There are currently 7 (2016: 7) Geneva retirees. Each year the World Gold Council pays a maximum of 50% of total medical insurance premiums for the retirees.

In 2014, the World Gold Council obtained a third party actuarial valuation of its liability in this respect, which brings into account inflation, discount rates and longevity assumptions.

There are no assets in the Scheme. Benefits are met out of future company cash flow.

The provision for retiree benefits (present value of scheme benefits) increased by an overall US\$85,000 during the year (2016: US\$323,000 decrease).

The principal assumptions around the 2017 valuation are the same as for the 2014 actuarial valuation with inflation of 8% and the use of a liability discount rate of 0.85%.

Amounts recognised in the balance sheet	2017 US\$ '000's	2016 US\$ '000's
Present value of scheme liabilities	(1,601)	(1,525)
Related deferred tax asset	272	259
Net liability	(1,329)	(1,266)

The council expects to contribute US\$38,000 (2016: US\$38,000) to the scheme for the year ending 31 December 2018.

12 Provisions (continued)

Other provisions

Other provisions include two onerous lease contracts in New York for non-cancellable leases for office space and retention bonuses that will be paid in 2018/2019.

The provisions have been calculated with reference to the net rental costs to the end of the lease term in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

13 Deferred consideration

Deferred consideration overview

During 2004 the World Gold Council invested US\$74,817 in exchange for 39% of Gold Bullion Holdings (Jersey) Limited ("GBH") which, in turn, owned 100% of Gold Bullion Securities Limited ("GBSJ"). Both companies are registered in Jersey, Channel Islands. GBH acquired 100% of Gold Bullion Securities Limited ("GBSA"), a company registered in Australia, on 1 January 2005. Both GBSJ and GBSA were set up in order to issue gold-backed securities, which are listed on the London and Australian Stock Exchanges respectively.

On 11 July 2008, the World Gold Council acquired the 28% of GBH owned by Gold Bullion Investment Trust ("GBIT") for deferred cash consideration of US\$10.0 million making GBH a 67% subsidiary of the WGC. The remaining 33% interest in GBH was owned by ETFS Limited ("ETFS"). The US\$10 million was meant to be payable in instalments through to December 2019, but however in 2016 the outstanding balance of US\$3m was settled to satisfy the full consideration. The investment was accounted for at its fair value at the time of purchase of US\$8.8 million. The 28% shareholding is in a class of shares which only entitles the holders to 5% of the economic interest in GBH.

On 18 July 2008 GBH completed the sale ("the Disposal") of its subsidiaries, GBSJ and GBSA, to ETFS for deferred consideration in gold of 492,500 ounces payable, in equal instalments every 6 months, between 2008 and 2058 (the "Deferred Consideration").

On 18 July 2008, GBH cancelled the 33% shareholding in GBH which belonged to ETFS by transferring one third of the proceeds of the Disposal to them (164,167 ounces payable between 2008 and 2058 – a result of this series of transactions, GBH became a 100% subsidiary of the World Gold Council and would receive Deferred Consideration totalling 328,333 ounces ("deferred consideration receivable").

The whole deferred consideration contract was designated at the time of the transaction akin to a financial asset measured at fair value through profit and loss, accordingly movements in the fair value of the contract will be taken to the consolidated statement of comprehensive surplus over the life of the deferred consideration.

The deferred consideration represents a level 3 fair value measurement as this is derived from a combination of quoted gold prices and inputs other than quoted prices. At the end of December 2017, the number of ounces payable to Gold Bullions Holdings (Jersey) Limited by ETFS is 285,949 ounces (2016: 272,516) after 3,283.33 ounces had been received in both March 2017 and September 2017.

13 Deferred consideration (continued)

Statement of financial position

	2017 US\$ 000's	2016 US\$ 000's
At 1 January	61,080	55,178
Gold received	(8,300)	(8,536)
Fair value adjustment through P&L	13,054	25,509
Foreign exchange through Other Comprehensive income	5,423	(11,061)
At 31 December	71,267	61,090
Current assets	8,105	7,151
Non-current assets	63,162	53,939
Total receivables	71,267	61,090

	2017 US\$ 000's	2016 US\$ 000's
Fair Value Adjustment on Gold (P&L)		
Fair value on deferred consideration	13,054	25,509
Fair value adjustment on gold holdings	4,758	1,479
	17,812	26,988

Deferred consideration receivable

The accounting treatment adopted for the deferred consideration receivable for the GBS entities is based on a discounted cash flow projection. The present value of each instalment of the Deferred Consideration is valued by multiplying the number of ounces of gold receivable by a gold forward price and discounting the resulting value at an appropriate discount rate that reflects the current market assessments of the time value of money and the risks specific to the deferred consideration. The value of the Deferred Consideration will vary in line with changes in gold spot and forward prices along with the discount factor used.

The gold forward price for the next 10 years is an observable input into the valuation of Deferred Consideration, based on market data. Thereafter, no observable market data in respect to gold forward prices is available, consistent with the lack of liquidity in the market for gold beyond 10 years. At 31 December 2017, the present value of Deferred Consideration receivable within the next 10 years is US\$50.1 million (2016: US\$41.3 million) representing 70.3% (2016: 67.6%) of the present value of total deferred consideration receivable.

To calculate the gold forward price for years 12 to 44, a forward rate of 2.17% (2016: 4.65%) has been used, which approximates the 10-year Gold Forward Offered Rate ("GOFO").

Valuation techniques that rely to a greater extent on unobservable inputs require a higher level of management judgement to calculate a fair value than those based wholly on observable inputs relating to the discount rate and the gold forward price. The valuation of Deferred Consideration is highly sensitive to changes in the current gold price and to a lesser extent gold forward prices beyond 10 years.

13 Deferred consideration (continued)

Sensitivity analysis has been performed in respect of the GOFO beyond 10 years. The value of deferred consideration based on the maximum and minimum historical rolling average estimated 10-year gold forward price of 1% and 7% would be US\$67.7 million (2016: US\$52.5 million) and US\$98.5 million (2016: US\$70.7 million) respectively, which highlights the sensitivity of the calculation. The present value of Deferred Consideration receivable recognised at 31 December 2017 of US\$71.3 million (2016: US\$61.1 million) is considered to be a reasonable approximation of fair value.

Given the uncertainty and subjective nature of valuing financial instruments at fair value, it is possible that the outcomes in the next financial year could differ from that of the current year, due to the assumptions used. Differences in assumptions used could result in a material adjustment in the carrying amount of the Deferred Consideration measured at fair value. Movements in fair value will be taken to the consolidated statement of comprehensive surplus over the life of the Deferred Consideration.

A discount rate of 15.17% (2016: 17.65%) has been applied, which reflects a credit risk premium for ETFS (to estimate the credit risk associated with lending to ETFS for a remaining period of circa 42 years). At 31 December 2017 and to the date of this report, the assets of ETFS are more than sufficient to permit payments to be made.

The table below highlights the sensitivity of the valuation of the Deferred Consideration to changes in other significant assumptions at the reporting date.

Sensitivity Summary of US\$m items	2017	2016
Discount rate sensitivity		
1% Increase	4.6 decrease	4.0 decrease
1% Decrease	5.3 increase	4.6 increase
Gold price movement		
US\$10 increase	0.5 increase	0.5 increase
US\$10 decrease	0.5 decrease	0.5 decrease
1% increase	0.7 increase	0.6 increase
1% decrease	0.7 decrease	0.6 decrease

In the event of liquidation of ETFS the right of World Gold Council to receive payments in gold would revert to GBSJ and GBSA (i.e. GBSJ and GBSA would become liable to continue making the payments to Gold Bullion Holdings Limited).

14 Operating expenditure

Effective July 17, 2015, WGTS assumed the responsibility to negotiate and pay all ordinary fees and expenses of the SPDR Gold Trust which include fees and expenses of the Trustee, the fees and expenses of the Custodian for the custody of the Trust's gold bars, the fees and expenses of the Sponsor, certain taxes, the fees of the Marketing Agent, printing and mailing costs, legal and audit fees, registration fees, NYSE Arca listing fees and other marketing costs and expenses. See Note 19 - Related Party Transactions for further reference.

	2017 US\$ 000's	2016 US\$ 000's
Marketing agent's fees	48,485	49,431
Custodian fees	10,267	10,592
Trustee's fees	3,255	2,000
Other GLD and GLDW expenses	11,787	9,805
Total GLD and GLDW expenditure	73,794	71,828
Media and promotional expenditure	3,683	4,071
Research and consultancy costs	7,333	8,632
Total other market development expenditure	11,016	12,703
Total market development expenditure	84,810	84,531
Key management personnel compensation*	2,574	9,203
Other personnel expenditure	16,692	10,971
Total personnel expenditure	19,266	20,174
Facility costs	5,888	4,670
Membership governance	564	432
Professional fees	3,264	3,140
Travel and other costs	2,450	2,735
Total general and administrative expenditure	12,166	10,977
Total operational expenditure	116,242	115,682

* Key management personnel compensation is comprised of short-term employee benefits of US\$2.5 million (2016: US\$6.2 million), post employment benefits of US\$ Nil (2016: US\$ Nil), long-term employee benefits of US\$0.1 million (2016: US\$ 2.5 million), and termination benefits of US\$ Nil (2016: US\$0.5 million).

	2017 US\$ 000's	2016 US\$ 000's
Amounts receivable by auditors and their associates in respect of:		
Audit of these financial statements	240	263
Audit of financial statements of subsidiaries of the company	86	86
Taxation compliance services	149	173
Total fees	475	522

	2017 No	2016 No
Employee numbers		
Number of employees at year end	62	57

	2017 US\$ 000's	2016 US\$ 000's
Contributions to retirement plans (all staff)		
Contributions made to retirement plans	811	702

15 Taxation

Analysis of tax charge	2017 US\$ 000's	2016 US\$ 000's
Current taxes on profit for year	(3,634)	6,435
Current taxes adjustment for prior years	(1,067)	163
Deferred taxation on profit for year	7,092	6,782
Deferred taxation adjustment for prior years	(1,560)	(468)
Taxation for the year	811	12,912

The World Gold Council is an Association registered in Switzerland and operating worldwide across a number of fiscal jurisdictions with varying tax legislation and rates.

The World Gold Council has a mutual status for UK Corporation Tax. As a result of this, the charge to UK Corporation Tax is levied only on its non-mutual trading income. Changes in fair value of financial instruments are not subject to tax.

Tax reconciliation

	2017 US\$ 000's	2016 US\$ 000's
Surplus in the consolidated statement of comprehensive surplus	52,431	40,712
Tax credit at the standard rate of UK tax of 19.25% (2016: 20%)	10,093	8,142
Expenses not deductible and income not taxable	(9,951)	3,754
Other timing differences not recognised	(60)	(118)
Creation of tax losses not recognised and similar	441	1,787
Overseas tax rates and local taxes	2,936	(348)
Adjustments in respect of prior years	(2,648)	(305)
Taxation for the year	811	12,912

Reconciliation of tax assets - current liability	UK Tax US\$ 000's	Foreign Tax US\$ 000's	Total US\$ 000's
Balance at 1 January 2017	2,982	15,816	18,798
Charge for current year	4,196	(8,917)	(4,721)
Exchange differences	183	-	183
Tax paid	(5,741)	(3,356)	(9,097)
Balance at 31 December 2017	1,620	3,543	5,163
Shown as payable in consolidated statement of financial position	1,620	3,543	5,163
Total as above	1,620	3,543	5,163

15 Taxation (continued)

Reconciliation of deferred taxation - foreign	Tax losses US\$ 000s	Other timing differences US\$ 000s	Total US\$ 000s
Balance at 1 January 2017	(12,864)	(1,887)	(14,751)
Charge for current year	6,126	(594)	5,532
Exchange difference	(1)	(1)	(2)
Balance at 31 December 2017	(6,739)	(2,482)	(9,221)

Taxable losses have been incurred by the Company which are available for offset against future taxable profits. A deferred tax asset has not been recognised in respect of these losses since the Company may not generate sufficient taxable profits to utilise these losses in the immediate future and consequently the recoverability of the deferred tax asset is uncertain. The total deferred tax asset not recognised, measured at 19.25% (2016: 20%) is approximately \$4.9m (2016: US\$4.4m).

No taxes have been provided for liabilities which may arise on the distribution of unremitted earnings of subsidiaries on the basis of control.

16 Financial commitments and guarantees

	2017 US\$ 000 s	2016 US\$ 000 s
(a) Capital commitments at the end of the financial year which are contracted but not provided for	Nil	Nil

(b) Total commitments under non-cancellable operating lease rentals payable are as follows:

	2017 US\$ 000 s	2016 US\$ 000 s
Due within one year	3,140	3,189
Due between 2 and 5 years	6,180	8,682
Due beyond 5 years	-	536
Total non-cancellable operating lease commitments	9,320	12,407

The commitments for 2017 include the gross commitment of US\$5.1 million (2016: US\$6.4 million) in regard to the office space that is no longer required. The future minimum sublease payments expected to be received are \$1.4m (2016: \$1.4m). The obligation for the discounted future payment, net of expected rental income as an onerous lease provision was recorded in the 2015 financial statements.

16 Financial commitments and guarantees (continued)

Bank guarantees

The World Gold Council has bank guarantees totalling US\$993,336 (2016: US\$970,950) which it holds in the normal course of its operations and in addition holds a letter of credit totalling US\$779,210 (2016: US\$684,210) in favour of the lessor for office space in New York.

17 Subsidiaries, branches and representative offices

The consolidated financial statements incorporate the assets, liabilities, revenue and expenditure (other than intra-group items) of the following subsidiaries, branches and representative offices through which the World Gold Council conducts its operations.

Subsidiaries (100% owned)	Location
WGC (US) Holdings Inc	USA
World Gold Trust Services, LLC	USA
WGC USA Inc	USA
WGC USA Asset Management, LLC	USA
WGC USA Distribution Company LLC (Dormant)	USA
WGC (UK) Finance Limited	United Kingdom
World Gold Council KK	Japan
World Gold Council (Far East) Pte Limited	Singapore
WGC Financial Services SA	Switzerland
WGC Holdings Limited (Jersey)	Jersey
Gold Bullion Holdings (Jersey) Limited	Jersey
World Gold Council (IOM) Limited	Isle of Man
WGCH Technology Limited	Jersey
WGC (UK) Limited	United Kingdom
World Gold Council (India) Private Limited	India
World Gold Council China Co Limited	China – Beijing
World Gold Council China Co Limited	China – Shanghai

Branches and representative offices	Location
United Kingdom	London
China	Beijing and Shanghai
India	Mumbai

18 Investment in joint ventures

In October 2013 World Gold Council, via its subsidiary WGC (UK) Limited acquired a 50% share in Metals Focus Data Limited for US\$1,638 (£1,000). The business of the joint venture is the collection of data relating to the supply and demand for precious metals and licensing of data to third parties.

In March 2017 The World Gold Council and Invent Advisors Private Limited invested in setting up a joint venture. The World Gold Council contributed R26,800,000 for its initial stake. The business of the joint venture is to deliver a digital platform from which gold can be purchased and sold in smaller amounts. The investment is held in the accounts at cost of \$421,000.

Joint ventures	Location
Metals Focus Data Limited (50% owned)	United Kingdom
Invent	India

19 Related party transactions

In accordance with IAS 24 ('Related Party Disclosures') the Directors believe that the following are related party transactions in respect of internal and external dealings that the World Gold Council may have.

Trading transactions

Transactions between the World Gold Council, its subsidiaries and its branches, are eliminated on consolidation and are not disclosed in this note. Transactions with members of the World Gold Council are disclosed separately below.

Transactions with trading partners who are joint shareholders in investments that the World Gold Council holds are disclosed below.

Members' Dues	2017 US\$ 000's	2016 US\$ 000's
Top 10 Members' dues	2,097	2,094
Percentage of total Members' dues	82%	90%
Amounts due from members at 31 December	815	426

Total Members' dues in 2017 amounted to US\$ 2.908 million (2016: US\$ 2.318 million).

Trading transactions with Gold Bullion Investment Trust (GBIT)	2017 US\$ 000's	2016 US\$ 000's
Accrued liability / loan to GBIT	-	181
Deferred consideration paid to GBIT	-	3,000
Deferred consideration current liability	-	-
Deferred consideration non-current liability	-	-

The beneficiaries of Gold Bullion Investment Trust ("GBIT") include a number of the Members of the World Gold Council. However, the World Gold Council is unable to influence the actions of GBIT. As a result, the operations of GBIT are seen as distinct from that of World Gold Council and are not consolidated in the World Gold Council's results.

19 Related party transactions (continued)

Transactions with joint ventures

Transactions with Metals Focus Data Limited ("MFD") included expenses recorded of US\$730,390 (2016: US\$782,997). At 31 December 2017 US\$ Nil (2016: US\$ Nil) was owed to MFD.

Other significant trading parties

The following parties are significant for the underlying operations of the World Gold Council. The World Gold Council does not exert influence over these parties, but due to the nature, significance and timeframe of the relationship the transactions are detailed below.

Trading transactions with ETFS	2017 US\$ 000's	2016 US\$ 000's
Participation fee from ETFS	2,224	1,805
Participation fee receivable from ETFS at year end	184	193
Semi-annual capital gold received	8,300	8,536

The above represents transactions with ETFS in 2017. ETFS was the third party that the subsidiaries of Gold Bullion Holdings (Jersey) Limited were sold to in 2008. Gold Bullion Holdings (Jersey) Limited currently receives gold from ETFS by way of the semi-annual payment until March 2058.

ETFS has been included in the related party analysis due to the magnitude and nature of the receivable, along with the timeframe over which the gold will be received.

Trading transactions with SPDR® Gold Trust	2017 US\$ 000's	2016 US\$ 000's
Sponsor fees from the Trust	135,220	139,177
Amount receivable from the Trust at year end	11,624	10,617

The above relates to all the transactions undertaken with the SPDR® Gold Trust by the World Gold Council's US based subsidiary World Gold Trust Services LLC ("WGTS").

WGTS, a company wholly owned by the ultimate parent company the World Gold Council, is the sponsor of SPDR® Gold Trust (the "Trust"), an investment trust whose shares are traded on NYSE Arca Inc. The shares of the SPDR® Gold Trust are also listed on the Singapore Exchange, the Mexican Stock Exchange (Bolsa Mexicana de Valores), the Tokyo Stock Exchange and the Stock Exchange of Hong Kong.

WGTS was responsible for establishing the Trust and for the registration of the Trust's shares. WGTS generally oversees the performance of the Trustee (The Bank of New York Mellon) and the Trust's principal service providers, but does not exercise day-to-day oversight over the Trustee or such service providers.

WGTS regularly communicates with the Trustee to monitor the overall performance of the Trust. WGTS, with the assistance and support of the Trustee, is responsible for preparing and filing periodic reports on behalf of the Trust with the United States Securities and Exchange Commission, along with that of the Tokyo stock exchange and will provide any required certification for such reports. WGTS will designate the independent registered public accounting firm of the Trust and from time to time employs legal counsel for the Trust. WGTS maintains a public website on behalf of the Trust, which contains information about the Trust and the Trust's shares, and oversees certain shareholder services, such as prospectus fulfilment.

19 Related party transactions (continued)

Fees are paid to the Sponsor as compensation for services performed under the trust indenture and for services performed in connection with maintaining the Trust's website.

Effective 17 July 2015, the Trust's only recurring expense is the Sponsor's fee paid to WGTS, which accrues daily at an annual rate equal to 0.40% of the daily NAV, in exchange for the Sponsor, WGTS, assuming the responsibility to pay all ordinary fees and expenses of the Trust which include fees and expenses of the Trustee, the fees and expenses of the Custodian for the custody of the Trust's gold bars, the fees and expenses of the Sponsor, certain taxes, the fees of the Marketing Agent, printing and mailing costs, legal and audit fees, registration fees, NYSE Arca listing fees and other marketing costs and expenses.

	2017 US\$ 000's	2016 US\$ 000's
Trading transactions with SPDR® Long Dollar Gold Trust		
Sponsor fees from the Trust	65	-
Amount receivable from the Trust at year end	5	-

The above relates to all the transactions undertaken with the SPDR® Long Dollar Gold Trust by the World Gold Council's US based subsidiary WGC USA Asset Management Company, LLC ("WAM").

WAM, a company wholly owned by the ultimate parent company the World Gold Council, is the sponsor of SPDR® Long Dollar Gold Trust (the "Trust"), an investment trust whose shares are traded on NYSE Arca Inc.

WGC USA Asset Management Company, LLC is the Sponsor of the Trust and is the Commodity Pool Operator of the Fund.

WAM regularly communicates with the Trustee to monitor the overall performance of the Trust. WAM, with the assistance and support of the Trustee, is responsible for preparing and filing periodic reports on behalf of the Trust with the United States Securities and Exchange Commission and will provide any required certification for such reports. WAM will designate the independent registered public accounting firm of the Trust and from time to time employs legal counsel for the Trust. WAM maintains a public website on behalf of the Trust, which contains information about the Trust and the Trust's shares, and oversees certain shareholder services, ~~including prospectus fulfillment, investor inquiries, and the distribution of dividends.~~

WAM was responsible for establishing the Trust and for the registration of the Trust's shares. WAM generally oversees the performance of the Trustee (The Bank of New York Mellon) and the Trust's principal service providers, but does not exercise day-to-day oversight over the Trustee or ~~any~~ service providers.

Fees are paid to the Sponsor as compensation for services performed under the trust indenture and for services performed in connection with maintaining the Trust's website.

The Trust's only recurring expense is the Sponsor's fee paid to WAM, which accrues daily at an annual rate equal to 0.33% of the daily NAV, in exchange for the Sponsor, WAM, assuming the responsibility to pay all ordinary fees and expenses of the Trust which include fees and expenses of the Trustee, the fees and expenses of the Custodian for the custody of the Trust's gold bars, the fees and expenses of the Sponsor, certain taxes, the fees of the Marketing Agent, printing and mailing costs, legal and audit fees, registration fees, NYSE Arca listing fees and other marketing costs and expenses.

20 Investments

	2017 US\$ 000's	2016 US\$ 000's
Investment in GLDW – available for sale	6,043	-
Other investments	78	78

Investment in GLDW

During the year the World Gold Council purchased shares in the SPDR® Long Dollar Gold Trust ("GLDW"). It purchased 20,000 shares on 1 February 2017 for \$2,370,000 and 30,000 on 14 July 2017 for \$3,486,000. These investments are classified as available for sale and were revalued at 31 December 2017 to \$6,043,500 based on the market value of the securities. The 50,000 shares represent 31.0% of the total shares issued in the ETF

Other investments

This represents the value invested in a gold technology start-up company by World Gold Council Holdings Limited. A review of the carrying value of its shareholding for the year ended 31 December 2017 has indicated that the investment value is a good proxy for management's best estimate of the fair value of the stake held.

Investments in Associates

In 2016, the World Gold Council was instrumental in setting up EOS Precious Metal Limited ("EOS"), in an attempt to create an on-exchange trading platform for gold and other precious metals.

WGC UK Ltd. holds an investment in associate of EOS, purchased for \$0.3m in 2016, and holds a 46.9% share of the capital in the company.

21 Subsequent events

On 13 November 2017 ETF Securities announced its intention to sell its Jersey-domiciled ETF business to WisdomTree Investments Inc.

The sale is subject to regulatory approval and is expected to close in Q1 2018.

Management are currently in discussions with WisdomTree about the potential novation of the deferred consideration agreement from ETFS to WisdomTree and expect this to be concluded as part of the sale closure.

Locations of the World Gold Council

The World Gold Council network covers the USA, Europe, India and the Far East including China, Singapore and Japan. This network provides us with expertise in every aspect of the gold market and is fundamental to creating local and increasingly global initiatives with partners. Strong contacts with local governmental organisations and trade bodies enable the World Gold Council to play a leading role in liberalising markets.

Strong local trade contacts have also allowed the development of joint marketing initiatives with retailers, manufacturers and trade organisations. Local offices develop the relationships with the key partners helping to create demand for specific partner pieces and to improve the image of gold.

Location	Address
London (head office)	10 Old Bailey, London EC4M 7NG United Kingdom Tel: +44.(0)20.7826.4700 Fax: +44.(0)20.7826.4799
Registered Swiss address	c/o Pestalozzi Lachenal Party 65 Rue de Rhone Geneva 3 Switzerland CH 1211
New York	685 Third Avenue, 27th Floor New York, NY 10017, United States of America Tel: +1 212.317.3800 Fax: +1.212.688.0410
Singapore	9 Raffles Place, Level 57, Republic Plaza Singapore 048619, Republic of Singapore Tel: +65.6823.1510 Fax: +65.6823.1410
Beijing	Room 556, 5/F China Life Tower No. 16 Chaowai Street, Chaoyang District 100020 Beijing, People's Republic of China Tel: +86.10.8592.5000 Fax: +86.10.8592.5050
Shanghai	Room 5B, 48 th Floor 1717 Nanjing Road (West) Wheelock Square, Jing'an District, 200040 Shanghai, People's Republic of China T +86.21.2226.1188 F +86.21.2226.1199
Mumbai	B-6/3, 6th floor, Laxmi Towers, C-25, Bandra Kurla Complex Bandra (East), Mumbai – 400051, India Tel: +91 22 6157.9100 Fax: +91.22.6157.9199

Websites

www.gold.org
www.exchangetradegold.com
www.spdrgoldshares.com