Gold Bullion Securities Limited

Registered No: 87322

Report and Financial Statements for the Year ended 31 December 2016

Contents

Management and Administration

Directors

Graham J Tuckwell – Chairman
Christopher J M Foulds
Steven G Ross
Joseph L Roxburgh

Administrator

R&H Fund Services (Jersey) Limited
Ordnance House
PO Box 83
31 Pier Road
St Helier
Jersey, JE4 8PW

Registered Office

Ordnance House
31 Pier Road
St Helier
Jersey, JE4 8PW

Registrar

Computershare Investor Services (Jersey) Limited
Queensway House
Hilgrove Street
St Helier
Jersey, JE1 1ES

Manager

ETFS Management Company (Jersey) Limited
Ordnance House
31 Pier Road
St Helier
Jersey, JE4 8PW

Custodian

HSBC Bank plc
8 Canada Square
London, E14 5HQ
United Kingdom

Auditor

KPMG Channel Islands Limited
37 Esplanade
St Helier
Jersey, JE4 8WQ

Trustee

The Law Debenture Trust Corporation plc
Fifth Floor
100 Wood Street
London, EC2V 7EX
United Kingdom

Jersey Legal Advisers

Mourant Ozannes
22 Grenville Street
St Helier
Jersey, JE4 8PX

Company Secretary

Joseph L Roxburgh
Ordnance House
31 Pier Road
St Helier
Jersey, JE4 8PW

The directors of Gold Bullion Securities Limited ("GBS" or the "Company") submit herewith the annual report and financial statements of the Company for the year ended 31 December 2016.

Directors

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

Graham J Tuckwell - Chairman	
Christopher J M Foulds	
Graeme D Ross	(Resigned 7 December 2016)
Steven G Ross	(Appointed 7 December 2016)
Joseph L Roxburgh	

Directors' Interests

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

Director	***Ordinary Shares of Nil Par Value***
Graham J Tuckwell (as majority shareholder of ETF Securities Limited ("ETFSL"))	100

Principal Activities

The Company's principal activity is the issue and listing of gold bullion securities ("Gold Securities"). These Gold Securities allow investors to gain exposure to gold without needing to take physical delivery of bullion. It also allows investors to buy and sell that interest through the trading of a security on the London Stock Exchange and any other exchange to which that security may be admitted to trading from time to time.

A Gold Security is a secured, undated zero coupon note of the Company, constituted by a trust instrument (the "Trust Instrument"), with a face value of USD 0.00001. Under the terms of the Trust Instrument the Gold Securities are secured on an amount of bullion equivalent to the gold entitlement of each Gold Security on any given date. This bullion is held in custody by designated custodians or their sub-custodians and the subject of a first legal mortgage in favour of the Trustee. Bullion, once deposited, may only be removed after approval from the Trustee.

Generally only security holders who have entered into an approved applicant agreement with the Company ("Approved Applicant") can submit applications and redemptions directly with the Company.

A holder of a Gold Security is entitled to require the redemption of that Gold Security and receive an amount of gold bullion ("Gold Bullion") equal to the gold entitlement on the date of redemption (and subject to applicable redemption fees). This redemption may occur:

- through an appropriate counterparty (such as an Approved Applicant as described above);
- through a transfer of physical Gold Bullion to the security holders' own allocated bullion account; or
- through a purchase of gold coins from the Royal Mint by utilising a facility entered into between the Royal Mint and ETFS Management Company (Jersey) Limited ("ManJer").

The Company earns a management fee by reducing the gold entitlement on a daily basis by an agreed amount (the "Gold Sales Charge" or "Management Fee"). The Gold Sales Charge is received in the form of bullion on a monthly basis following agreement from the Trustee.

The Company has entered into a service agreement with "ManJer" (the "Manager"), whereby ManJer is responsible for supplying or procuring the supply of all management and administration services required by the Company (including marketing) as well as the payment of costs relating to the listing and issuance of Gold Securities. In return for these services, the Company pays ManJer an amount equal to the Management Fee and the creation and redemption fees earned, less expenses. The bullion in respect of the Management Fee is transferred by the Trustee from the custodian accounts directly to ManJer. In addition, the monetary amounts in respect of the aggregate of the creation and redemption fees are transferred directly to ManJer (the "ManJer Fee") and there are no cash flows through the Company.

Review of Operations

The most recent prospectus was issued on 9 June 2016. The Gold Securities are listed on the London Stock Exchange, the Deutsche Börse, the Borsa Italiana, the Euronext Brussels and the NYSE Euronext Paris.

As at 31 December 2016, the Company had 31,708,851 (2015: 23,018,837) Gold Securities in issue, with assets under management of GBP 2,837.9 million (2015: GBP 1,572.3 million). The Company recognises its assets (Gold Bullion) and liabilities (Gold Securities) at fair value in the Statement of Financial Position.

During the year, the Company generated income from Management Fees and creation and redemption fees as follows:

	2016 GBP	2015 GBP
Creation and Redemption Fees	8,927	6,069
Management Fees	12,042,435	8,080,084
Total Fee Income	12,051,362	8,086,153

Under the terms of the service agreement with ManJer, the Company accrued expenses equal to its income less its own administrative expenses, resulting in an operating result for the year of GBP Nil (2015: GBP Nil).

The gain or loss on Gold Securities and Gold Bullion is recognised in the Statement of Profit or Loss and Other Comprehensive Income in line with the Company's accounting policy.

The Company holds Gold Bullion to support the Gold Securities as determined by the Gold Entitlement (which is calculated in accordance with an agreed formula published in the prospectus). Gold Bullion is marked to fair value using the latest quote provided by the London Bullion Market Association ("LBMA").

The Company has entered into contractual obligations to issue and redeem Gold Securities in exchange for Gold Bullion as determined by the Gold Entitlement on each trading day. The Gold Bullion in respect of each creation and redemption is recorded using the price provided by the LBMA on the transaction date.

IFRS 13 requires the Company to identify the principal market and to utilise the available market price within that principal market. The directors consider that the stock exchanges where the Gold Securities are listed to be the principal market and as a result the fair value of the Gold Securities is the on-exchange price as quoted on those stock exchanges demonstrating active trading. As a result of the difference in valuation methodology between Gold Bullion and Gold Securities there is a mis-match between accounting values, and the results of the Company reflect a gain or loss on the difference between the value of the Gold Bullion (through the application of the price provided by the LBMA against the Gold Entitlement referred to within this financial statements as the "Contractual Value") and the market price of Gold Securities. This gain or loss would be reversed on a subsequent redemption of the Gold Securities and transfer of the corresponding Gold Bullion. This is presented in more detail in note 8 of these financial statements.

Dividends

There were no dividends declared or paid in the year (2015: USD Nil). It is the Company's policy that dividends will only be declared when the directors are of the opinion that there are sufficient distributable reserves.

Going Concern

The nature of the Company's business dictates that the outstanding Gold Securities may be redeemed at any time by the holder and in certain circumstances may be compulsorily redeemed by the Company. As the redemption of Gold Securities will always coincide with the transfer of an equal amount (in value) of Gold Bullion, no liquidity risk is considered to arise. All other expenses are met by ManJer; therefore the directors consider the Company to be a going concern.

Future Developments

Referendum of the United Kingdom's ("UK's") membership of the European Union (the "EU Referendum")

The EU referendum took place on 23 June 2016 and resulted in an overall vote to leave the European Union ("EU"). The EU referendum is non-binding and therefore in order to start the process to leave the EU, the British government will have to invoke Article 50 of the Lisbon Treaty ("Article 50"). Invoking Article 50 starts a two-year period during which a leaving agreement is negotiated setting out the arrangements for the withdrawal and outlining the UK's future relationship with the EU. The exact process for the UK's withdrawal is uncertain, although it is generally expected to take longer than two years as this would require the renegotiation of treaties and agreements, together with legislation changes.

The Company is domiciled in Jersey, outside of the EU, and the Gold Securities are distributed in the EU under the EU Prospectus Directive which requires their offering to the public to be approved by an EU Member State regulator. To date, the Company has chosen the UK Financial Conduct Authority ("FCA") as its member state regulator for these purposes. Request is then made to the FCA, as the chosen Member State regulator, for the passporting of the offering across the EU, once again, under the Prospectus Directive.

It is currently expected that the Company would select an alternate EU Member State regulator through which to seek approval and request passporting for its offering to maintain the Company's access to relevant markets. As the Gold Securities already comply with the European wide requirements of the Prospectus Directive, this is not expected to cause any disruption or alteration to the terms or nature of the Gold Securities.

The Gold Securities continue to comply with all applicable laws and regulations. Continued assessment of the impact will be required throughout the withdrawal process should the United Kingdom leave the EU.

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

Risk Management

Each Gold Security is a debt instrument whose redemption price is linked directly to the value of the Gold Bullion. Any movements in the value of the Gold Bullion are wholly attributable to the holders of the Gold Securities, therefore the Company has no residual exposure to movements in the value of the Gold Bullion. From a commercial perspective the gains or losses on the liability represented by the Gold Securities are matched economically by corresponding losses or gains attributable to the Gold Bullion (see detail on page 3 regarding the accounting mis-match). The Company does not retain any net gains or losses or net risk exposure. Further details surrounding the value of Gold Securities and the Gold Bullion are disclosed in note 13.

Movements in the value of the underlying Gold Bullion, and thus the value of the Gold Securities, may vary widely which could have an impact on the demand for the Gold Securities issued by the Company. These movements are shown in notes 7 and 8.

Directors' Remuneration

No director has a service contract with the Company. The directors of the Company who are employees within the ETF Securities Group do not receive separate remuneration in their capacity as directors of the Company. R&H Fund Services (Jersey) Limited ("R&H" or the "Administrator") receives a fee in respect of the directors of the Company who are employees of R&H.

The directors' fees which have been paid by ManJer on behalf of the Company for the year:

	2016 GBP	**2015 GBP**
Graham J Tuckwell	Nil	Nil
Christopher J M Foulds	Nil	Nil
Graeme D Ross	7,500	7,500
Steven G Ross	500	Nil
Joseph L Roxburgh	Nil	Nil

Corporate Governance

There is no standard code of corporate governance in Jersey. The operations, as previously described in the directors' report, are such that the directors do not consider the Company is required to voluntarily apply the UK Corporate Governance Code.

As the Board is small there is no nomination committee and appointments of new directors are considered by the Board as a whole. The Board does not consider it appropriate that directors should be appointed for a specific term. Furthermore the structure of the Board is such that it is considered unnecessary to identify a senior non-executive director.

The constitution of the Board is disclosed above and will continue to have such a composition of directors beyond the next meeting of the directors.

The Board meets regularly as required by the operations of the Company, but at least quarterly to review the overall business of the Company and to consider matters specifically reserved for its review.

Employees

The Company does not have any employees. It is the Company's policy to use the services of specialist subcontractors or consultants as far as possible.

Internal Control

During the year the Company did not have any employees or subsidiaries, and there is no intention that this will change. The Company, being a special purpose company established for the purpose of issuing Gold Securities, has not undertaken any business, save for issuing and redeeming Gold Securities, entering into the required documents and performing the obligations and exercising its rights in relation thereto, since its incorporation. The Company does not intend to undertake any business other than issuing and redeeming Gold Securities and performing the obligations and exercising its rights in relation thereto.

The Company is dependent upon ManJer to provide management and administration services to it. ManJer is licensed under the Financial Services (Jersey) Law 1998 to conduct classes U, V and Z of Fund Services Business. ManJer outsources the administration services in respect of the Company to R&H. Documented contractual arrangements are in place with the Administrator which define the areas where the authority is delegated to them. The performance of the Manager and Administrator are reviewed on an ongoing basis by the Board through their review of periodic reports.

Internal Control (continued)

ManJer provides management and other services to both the Company and other companies issuing commodity and index tracking securities.

The Board, having reviewed the effectiveness of the internal control systems of the Manager and R&H, and having a regard to the role of its external auditors, does not consider that there is a need for the Company to establish its own internal audit function.

Auditor

A resolution to reappoint KPMG Channel Islands Limited as the auditor of the Company will be proposed at the next meeting of the directors.

Audit Committee

The Board has not established a separate audit committee; instead the Board meets to consider the financial reporting by the Company, the internal controls, and relations with the external auditors. In addition the Board reviews the independence and objectivity of the auditors.

Joseph L Roxburgh
Director
Jersey
13 March 2017

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Jersey governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

With regard to Regulation 2004/109/EC of the European Union (the "EU Transparency Directive"), the directors confirm that to the best of their knowledge that:

- the financial statements for the year ended 31 December 2016 give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as required by law and in accordance with International Financial Reporting Standards as issued by the IASB; and
- the Directors' Report gives a fair view of the development of the Company's business, financial position and the important events that have occurred during the year and their impact on these financial statements.

The principal risks and uncertainties faced by the Company are disclosed in note 13 of these financial statements.

By order of the board

Joseph L Roxburgh
Director
13 March 2017

Independent Auditor's Report

We have audited the financial statements of Gold Bullion Securities Limited (the "Company") for the year ended 31 December 2016 which comprise the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards 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 set out on page 7, 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 Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 and of its result for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards; and
- have been prepared in accordance with the requirements of 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:

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

Steven Hunt
For and on behalf of KPMG Channel Islands Limited
Chartered Accountants and Recognized Auditor
37 Esplanade
St. Helier, Jersey
13 March 2017

Statement of Profit or Loss and Other Comprehensive Income

	Notes	Year ended 31 December 2016 GBP	2015 GBP
Revenue	3	12,051,362	8,086,153
Expenses	3	(12,051,362)	(8,086,153)
Operating Result	3	**-**	**-**
Net Gain / (Loss) Arising on Contractual and Fair Value of Gold Bullion	7	539,432,371	(156,659,059)
Net (Loss) / Gain Arising on Fair Value of Gold Securities	8	(528,481,227)	154,026,605
Result and Total Comprehensive Income for the Year		**10,951,144**	**(2,632,454)**
[1] Adjustment from Market Value to Contractual Value of Gold Securities	2	(10,951,144)	2,632,454
Adjusted Result and Total Comprehensive Income for the Year		**-**	**-**

The directors consider the Company's activities as continuing.

[1] An explanation of the non-statutory adjustment is set out on page 15. This represents the movement in the difference between the Contractual Value price of Gold Bullion and the market price of Gold Securities.

The notes on pages 13 to 24 form part of these financial statements

Statement of Financial Position

	Notes	As at 31 December 2016 GBP	2015 GBP
Current Assets			
Gold Swing Bar	5	405,309	308,037
Trade and Other Receivables	6	1,138,327	674,373
Amounts Receivable on Gold Bullion Awaiting Settlement	7	5,827,547	3,110,746
Amounts Receivable on Securities Awaiting Settlement	8	6,708,367	-
Gold Bullion	7	2,837,890,031	1,572,315,513
Total Assets		**2,851,969,581**	**1,576,408,669**
Current Liabilities			
Gold Securities	8	2,824,277,869	1,569,654,495
Amounts Payable on Securities Awaiting Settlement	8	5,827,547	3,110,746
Amounts Payable on Gold Bullion Awaiting Settlement	7	6,708,367	-
Trade and Other Payables	9	1,443,636	882,410
Total Liabilities		**2,838,257,419**	**1,573,647,651**
Equity			
Share Capital	10	100	100
Share Premium	11	99,900	99,900
Revaluation Reserve		13,612,162	2,661,018
Total Equity		**13,712,162**	**2,761,018**
Total Equity and Liabilities		**2,851,969,581**	**1,576,408,669**

The financial statements on pages 9 to 24 were approved and authorised for issue by the board of directors and signed on its behalf on 13 March 2017.

Joseph L Roxburgh
Director

The notes on pages 13 to 24 form part of these financial statements

Statement of Cash Flows

	Year ended 31 December	
	2016	**2015**
	GBP	**GBP**
Operating Result for the Year	**-**	**-**
Non Cash Movement Due to Revaluation of Gold Swing Bar	(97,272)	22,993
	(97,272)	22,993
Changes in Operating Assets and Liabilities		
(Increase) / Decrease in Receivables[2]	(463,954)	183,158
Increase / (Decrease) in Payables[2]	463,854	(183,133)
Increase / (Decrease) in Gold Loan	97,272	(22,993)
Cash Flows from Operating Activities	97,172	(22,968)
Cash Flows from Financing Activities		
Increase / (Decrease) in Undated Zero Coupon Notes	100	(25)
Net Cash Flows from Financing Activities	100	(25)
Net Decrease in Cash and Cash Equivalents	**-**	**-**
Cash and Cash Equivalents at the Beginning of the Year	-	-
Net Decrease in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents at the End of the Year	**-**	**-**

Gold Securities are issued and redeemed by receipt/transfer of bullion and have been netted off in the Statement of Cash Flows.

[2] The movement on receivables and payables balances were presented net in the financial statements for the year ended 31 December 2015, and have been adjusted such that they are presented gross, in order that the presentation is consistent with the year ended 31 December 2016.

The notes on pages 13 to 24 form part of these financial statements

Statement of Changes in Equity

	Notes	Stated Capital GBP	Share Premium GBP	Retained Earnings GBP	Revaluation Reserve[3] GBP	Total Equity GBP	Adjusted Total Equity GBP
Opening Balance at 1 January 2015		100	99,900	-	5,293,472	5,393,472	100,000
Result and Total Comprehensive Income for the Year		-		(2,632,454)	-	(2,632,454)	(2,632,454)
Transfer to Revaluation Reserve	8	-		2,632,454	(2,632,454)	-	-
[4] Adjustment from Market Value to Contractual Value of Gold Securities	8	-	-	-	-	-	2,632,454
Balance at 31 December 2015		**100**	**99,900**	**-**	**2,661,018**	**2,761,018**	**100,000**
Opening Balance at 1 January 2016		100	99,900	-	2,661,018	2,761,018	100,000
Result and Total Comprehensive Income for the Year		-	-	10,951,144	-	10,951,144	10,951,144
Transfer to Revaluation Reserve	8	-	-	(10,951,144)	10,951,144	-	-
[4] Adjustment from Market Value to Contractual Value of Gold Securities	8	-	-	-	-	-	(10,951,144)
Balance at 31 December 2016		**100**	**99,900**	**-**	**13,612,162**	**13,712,162**	**100,000**

[3] This represents the difference between the Contractual Value of Gold Bullion and the market price of Gold Securities.
[4] An explanation of the non-statutory adjustment is set out on page 15.

The notes on pages 13 to 24 form part of these financial statements

1. General Information

Gold Bullion Securities Limited (the "Company") is a company incorporated in Jersey. The address of the registered office is Ordnance House, 31 Pier Road, St. Helier, Jersey, JE4 8PW.

The ETF Securities Group specialises in the development and issuance of Exchange Traded Products ("ETPs"). ETPs include Exchange Traded Commodities ("ETCs") and Exchange Traded Funds ("ETFs"). The ETCs issued by the Company are secured, undated, limited recourse debt securities designed to track the value (before fees and expenses) of an underlying commodity, index or currency while providing market liquidity for the investor.

The purpose of the Company is to provide a vehicle that permits trading of the Gold Securities, and the Company does not make gains from trading in the underlying Gold Bullion. The Gold Securities are issued under limited recourse arrangements whereby the Company has no residual exposure to the value of the Gold Bullion, therefore from a commercial perspective gains and losses in respect of Gold Bullion will always be offset by an equal and opposite loss or gain on the Gold Securities. Further details regarding the risks of the Company are disclosed in note 13.

ETCs are not typically actively managed, are significantly lower in cost when compared to actively managed mutual funds and are easily accessible to investors. No active trading of Gold Bullion is required of the Company because the Company only receives or delivers Gold Bullion on the issue and redemption of Gold Securities, and only holds Gold Bullion as determined by the Gold Entitlement to support the Gold Securities.

The Company is entitled to:

(1) a Management Fee which is calculated by reducing the Gold Entitlement on a daily basis by an agreed amount; and
(2) Creation and redemption fees on the issue and redemption of the Gold Securities.

No creation or redemption fees are payable to the Company when investors trade in the Gold Securities on a listed market such as the London Stock Exchange.

The Company has entered into a service agreement with ETFS Management Company (Jersey) Limited ("ManJer" or the "Manager"), whereby ManJer is responsible for supplying or procuring the supply of all management and administration services required by the Company (including marketing) as well as the payment of costs relating to the listing and issuance of Gold Securities. In return for these services, the Company pays ManJer an amount equal to the Management Fee and the creation and redemption fees earned (the "ManJer Fee"). As a result there are no operating profits or losses recognised through the Company.

2. 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.

Going Concern

The nature of the Company's business dictates that the outstanding Gold Securities may be redeemed at any time by the holder and in certain circumstances may be compulsorily redeemed by the Company. Generally, only Security Holders who have entered into an approved applicant agreement with the Company ("Approved Applicant") can submit applications and redemptions directly with the Company. As the redemption of Gold Securities will always coincide with the payment of an equal amount of Gold Bullion, no net liquidity risk is considered to arise. All other expenses of the Company are met by ManJer; therefore the directors consider the Company to be a going concern and have prepared the financial statements on this basis.

2. Accounting Policies (continued)

Critical Accounting Estimates and Judgements

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. 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 Gold Bullion and Gold Securities held at fair value through profit or loss as disclosed in notes 7 and 8. Actual results could vary from these estimates.

Accounting Standards

(a) Standards, amendments and interpretations adopted in the year:

In preparing the financial statements the Company has adopted all new or revised Standards and Interpretations, including:

- IAS 1 Presentation of Financial Statements – Disclosure Initiative
- IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interest in Other Entities and IAS 28 Investments in Associates and Joint Ventures – Applying the Consolidation Exception
- IFRS 11 Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations
- IFRS 14 Regulatory Deferral Accounts
- IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation
- IAS 16 Property, Plant and Equipment and IAS 41 Agriculture – Agriculture: Bearer Plants
- IAS 27 Separate Financial Statements - Equity Method in Separate Financial Statements
- Annual Improvements to IFRS, including the following standards:
  - IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
  - IFRS 7 Financial Instruments: Disclosures
  - IAS 19 Employee Benefits
  - IAS 34 Interim Financial Reporting

Of those Standards and Interpretations adopted in the current year, none have resulted in any significant effect on these financial statements.

(b) New and revised IFRSs in issue but not yet effective:

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

- IFRS 9 Financial Instruments (as amended in 2014) (effective for annual periods beginning on or after 1 January 2018)
- IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (no effective date set)
- IFRS 15 Revenue from Contracts with Customers (effective for annual periods beginning on or after 1 January 2018)
- IFRS 16 Leases (effective for annual periods beginning on or after 1 January 2019)
- IAS 12 Income Taxes (effective for annual periods beginning on or after 1 January 2017)
- IAS 7 Statement of Cash Flows – Disclosure Initiative (effective for annual periods beginning on or after 1 January 2017)
- IFRS 2 Share-based Payment (effective for annual periods beginning on or after 1 January 2018)
- IFRS 4 Insurance Contracts (overlay approach to be applied when IFRS 9 is first applied, deferral approach effective for annual periods beginning on or after 1 January 2018 and only available for three years after that date)
- Annual Improvements to IFRS

2. Accounting Policies (continued)

Accounting Standards (continued)

(b) New and revised IFRSs in issue but not yet effective (continued):

The directors intend to adopt IFRS 9 for the annual period beginning on 1 January 2018. The directors have undertaken a preliminary assessment of the impact of adopting IFRS 9 and have concluded that there would be no impact on the amounts reported in respect of the Company's financial instruments. Disclosures in the financial statements will be amended as necessary to meet the requirements of the standard.

The directors do not expect the adoption of the remaining standards, amendments and interpretations that are in issue but not yet effective will have a material impact on the financial statements of the Company in future periods.

The directors have considered other standards and interpretations in issue but not effective and concluded that they would not have a material impact on the future financial periods when they become available.

Gold Securities

i) Issue and Redemption

The Company has entered into a Trust Instrument with The Law Debenture Trust Corporation plc ("Law Debenture") to permit the Company to issue Gold Securities. The conditions of issue are set out in the Trust Instrument. Each time a Gold Security is issued or redeemed by the Company a corresponding amount of Gold Bullion is transferred into or from the relevant secured account held by the Custodian.

Financial liabilities are recognised and de-recognised on the transaction date.

ii) Pricing

Gold Bullion is priced on a daily basis based on the Gold Entitlement of the Gold Securities and the value of the gold using the appropriate fixing price provided by the London Bullion Market Association ("LBMA"). This price is calculated based on the formula set out in the prospectus, and is referred to as the 'Contractual Value'.

IFRS 13 requires the Company to identify the principal market and to utilise the available market price within that principal market. The directors consider that the stock exchanges where the Gold Securities are listed to be the principal market and as a result the fair value of the Gold Securities is the on-exchange price as quoted on those stock exchanges demonstrating active trading. The Gold Securities are priced using the mid-market price on the Statement of Financial Position date taken at the time the gold fix is set.

Consequently a difference arises between the value of Gold Bullion (at Contractual Value) and Gold Securities (at market value) presented in the Statement of Financial Position. This difference is reversed on a subsequent redemption of the Gold Securities and transfer of the corresponding Gold Bullion.

iii) Designation at fair value through Profit or Loss

The Gold Securities comprise a financial instrument and are designated at fair value through the profit or loss upon initial recognition. This is in order to enable gains or losses on both the Gold Securities and Gold Bullion to be recorded in the Statement of Profit or Loss and Other Comprehensive Income.

Through the mis-matched accounting values, the results of the Company reflect a gain or loss which represents the movement in the cumulative difference between the value of the Gold Bullion and the market price of Gold Securities. This gain or loss is transferred to a Revaluation Reserve which is non-distributable. The results of the Company are adjusted through the presentation of a non-statutory movement entitled 'Adjustment from Market Value to Contractual Value (as set out in the prospectus) of Gold Securities'.

2. Accounting Policies (continued)

Gold Bullion and Gold Securities Awaiting Settlement

The issue and redemption of Gold Securities, and the transfer in and out of Gold Bullion, is accounted for on the transaction date. Where settlement pricing is applied, the transaction will not settle until two days after the transaction date. Where transactions are awaiting settlement at the year end, the monetary value of the Gold Bullion and the Gold Securities due to be settled is separately disclosed within the relevant assets and liabilities on the Statement of Financial Position.

Gold Swing Bar

The Gold Swing Bar is denominated in gold ounces and marked to fair value at the year end with movements recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Gold Bullion

The Company holds Gold Bullion equal to the amount due to holders of Gold Securities solely for the purpose of meeting its obligations under the Gold Securities. The Gold Bullion held is marked to fair value and movements are recorded in the Statement of Profit or Loss and Other Comprehensive Income.

The fair value is calculated using the latest quote provided by the LBMA.

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 Gold Securities are recognised at the date on which the transaction becomes legally binding. All other income and expenses are recognised on an accruals basis.

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. The effective interest method is a method of calculating the amortised cost of an instrument and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Gains and losses on loans and receivables which are impaired are recognised immediately through profit or loss.

Gold Bullion Receivable and Payable

Management Fees receivable are accrued by reducing the Gold Entitlement on a daily basis by an agreed amount. These fees are receivable in Gold Bullion, recorded at fair value at the Statement of Financial Position date using the latest quote provided by the LBMA. Movements in fair value are recognised through profit or loss.

Management Fees payable are also accrued based on the income accrued in accordance with the agreement with ManJer. These fees (relating to Management Fees received) are payable in Gold Bullion, and recorded at fair value at the Statement of Financial Position date using the latest quote provided by the LBMA. Movements in fair value are recognised through profit or loss.

2. Accounting Policies (continued)

Foreign Currency Translation

The financial statements of the Company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the financial statements, the results and financial position of the Company are expressed in British Pounds, which is the functional currency of the Company, and the presentational currency of the financial statements.

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 month in which they are incurred. The resulting differences are accounted for through profit or loss.

Segmental Reporting

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the Chief Operating Decision Maker ("CODM") in order to allocate resources to the segments and to assess their performance. The CODM has been determined as the board of directors. 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 has not provided segmental information as the Company has only one business or product group, issuing Gold Securities, and one geographical segment which is Europe. In addition the Company has no single major customer from which greater than 10% of revenue is generated. All information relevant to the understanding of the Company's activities is included in these financial statements.

3. Operating Result

Operating result for the year comprised:

	Year ended 31 December	
	2016 GBP	2015 GBP
Creation and Redemption Fees	8,927	6,069
Management Fees	12,042,435	8,080,084
Total Revenue	**12,051,362**	**8,086,153**
ManJer Fees	(12,051,362)	(8,086,153)
Total Operating Expenses	**(12,051,362)**	**(8,086,153)**
Operating Result	**-**	**-**

Audit Fees for the year of GBP 12,180 will be met by ManJer (2015: GBP 12,000).

4. Taxation

The Company is subject to Jersey Income Tax. The Jersey Income Tax rate applicable to the Company for the foreseeable future is zero percent.

5. Gold Swing Bar

The Company has a loan facility with HSBC Bank USA, N.A. giving the Company the rights, interest and title to a gold bar. The 430 (2015: 430) ounce gold bar held by the Company is held for the purpose of facilitating the allocation of gold to holders of Gold Securities. The gold is recorded at market value using the last quote provided by the LBMA being the AM fix rate on 31 December 2016 of GBP 942.580 per oz. (2015: GBP 716.364 per oz.). The loan is denominated in gold ounces and marked to fair value at the year end with movements recognised in the Statement of Profit or Loss and Other Comprehensive Income. The loan is repayable on demand. The Company intends to maintain the loan as long as the Company continues to operate.

6. Trade and Other Receivables

	As at 31 December	
	2016 GBP	2015 GBP
Management Fees	1,028,735	562,151
Creation and Redemption Fees	9,407	12,036
Other Receivables	100,185	100,186
	1,138,327	**674,373**

The fair value of these receivables is equal to the carrying value.

7. Gold Bullion

	As at 31 December	
	2016 GBP	2015 GBP
Change in Fair Value for the Year	**539,432,371**	**(156,659,059)**
Gold Bullion Held at Fair Value	**2,837,890,031**	**1,572,315,513**

As at 31 December 2016, there was Gold Bullion awaiting settlement in respect of the creation or redemption of Gold Securities with transaction dates before the year end and settlement dates in the following year:

- The monetary amount receivable as a result of unsettled redemptions is GBP 5,827,547 (2015: GBP 3,110,746).
- The monetary amount payable as a result of unsettled creations is GBP 6,708,367 (2015: GBP Nil).

All Gold Bullion assets have been valued using the AM fix on 31 December 2016 as quoted by the LBMA being the last fix price available for the year.

8. Gold Securities

Whilst the Gold Securities are quoted on the open market, the Company’s liability relates to its contractual obligations to issue and redeem Gold Securities in exchange for Gold Bullion as determined by the Gold Entitlement on each trading day. The monetary value of each creation and redemption of Gold Securities recorded using the price provided by the LBMA on the transaction date, and is the “Contractual Value”. Therefore, the issue and redemption of Gold Securities is recorded at a value that corresponds to the value of the Gold Bullion transferred in respect of the issue and redemption. As a result the Company has no net exposure to gains or losses on the Gold Securities and Gold Bullion.

8. Gold Securities (continued)

The Company measures the Gold Securities at their market value in accordance with IFRS 13 rather than at the Contractual Value described above. The transferable value is deemed to be the prices quoted on stock exchanges or other markets where the Gold Securities are listed or traded. However Gold Bullion is valued based on the Gold Entitlement (which is calculated in accordance with an agreed formula published in the prospectus), and applying the latest quoted gold price published by the LBMA.

The fair values and changes thereof during the year based on prices available on the open market as recognised in the financial statements are:

	As at 31 December	
	2016	**2015**
	GBP	**GBP**
Change in Fair Value for the Year	**(528,481,227)**	**154,026,605**
Gold Securities at Fair Value	**2,824,277,869**	**1,569,654,495**

The contractual redemption values and changes thereof during the year based on the contractual settlement values are:

	As at 31 December	
	2016	**2015**
	GBP	**GBP**
Change in Contractual Redemption Value for the Year	**(539,432,371)**	**156,659,059**
Gold Securities at Contractual Redemption Value	**2,837,890,031**	**1,572,315,513**

The gain or loss on the difference between the value of the Gold Bullion and the market price of Gold Securities would be reversed on a subsequent redemption of the Gold Securities and transfer of the corresponding Gold Bullion.

The mismatched accounting values are as shown below and represent the non-statutory adjustment presented in the Statement of Profit or Loss and Other Comprehensive Income:

	Year ended 31 December	
	2016	**2015**
	GBP	**GBP**
Net Gain / (Loss) Arising on Contractual and Fair Value of Gold Bullion	539,432,371	(156,659,059)
Net (Loss) / Gain Arising on Contractual Redemption Value of Gold Securities	(528,481,227)	154,026,605
	10,951,144	**(2,632,454)**

As at 31 December 2016, there were Gold Securities awaiting settlement in respect of creations or redemptions with transaction dates before the year end and settlement dates in the following year:

- The monetary amount receivable as a result of unsettled creations of Gold Securities is GBP 6,708,367 (2015: GBP Nil).
- The monetary amount payable as a result of unsettled redemptions of Gold Securities is GBP 5,827,547 (2015: GBP 3,110,746).

Gold Securities are secured, undated zero coupon notes with a face value of USD 0.00001. As at 31 December 2016, there were 31,708,851 (2015: 23,018,837) Gold Securities outstanding, with a face value, in aggregate, of GBP 257 (2015: GBP 156).

9. Trade and Other Payables

	As at 31 December 2016 GBP	As at 31 December 2015 GBP
ManJer Fees Payable	1,038,327	574,373
Gold Loan	405,309	308,037
	1,443,636	**882,410**

The fair value of these payables is equal to the carrying value.

10. Share Capital

	As at 31 December 2016 GBP	As at 31 December 2015 GBP
100 Shares	**100**	**100**

The Company has an authorised capital of 10,000 Ordinary Shares of £1 each.

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 Securities Limited (“ETFSL”) is the parent company of HoldCo.

11. Share Premium

	As at 31 December 2016 GBP	As at 31 December 2015 GBP
100 Shares of GBP 1 Each, Issued at GBP 1,000 Each	**99,900**	**99,900**

12. Related Party Disclosures

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

Fees charged by ManJer during the year:

	Year ended 31 December 2016 GBP	Year ended 31 December 2015 GBP
ManJer Fees	**12,051,362**	**8,086,153**

12. Related Party Disclosures (continued)

The following balances were due to ManJer at the year end:

	Year ended 31 December	
	2016	2015
	GBP	GBP
ManJer Fees Payable	**938,142**	**474,187**

As disclosed in the Directors' Report, ManJer paid Directors' Fees in respect of the Company of GBP 8,000 (2015: GBP 7,500).

Steven G Ross is a director of R&H Fund Services (Jersey) Limited ("R&H" or the "Administrator"). (Graeme D Ross was also a director of R&H until 31 December 2016). During the year, R&H charged ManJer administration fees in respect of the Company of GBP 39,000 (2015: GBP 46,500), of which GBP 9,750 (2015: GBP 11,625) was outstanding at the year end.

Graham J Tuckwell is a director of ETFSL, ManJer and HoldCo. Joseph L Roxburgh is a director of ManJer and HoldCo. Christopher JM Foulds is the Compliance Officer of ManJer.

13. Financial Risk Management

The Gold Securities are subject to normal market fluctuations and other risks inherent in investing in securities and other financial instruments. There can be no assurance that any appreciation in the value of securities will occur, and the capital value of an investor's original investment is not guaranteed. The value of investments may go down as well as up, and an investor may not get back the original amount invested.

The Company is exposed to a number of risks arising from its activities. The information provided below is not intended to be a comprehensive summary of all the risks associated with the Gold Securities and investors should refer to the most recent prospectus for a detailed summary of the risks inherent in investing in the Gold Securities. Any data provided should not be used or interpreted as a basis for future forecast or investment performance.

The risk management policies employed by the Company to manage these are discussed below.

(a) Credit Risk

Credit risk primarily refers to the risk that Approved Applicants or the Custodian will default on its contractual obligations resulting in financial loss.

Credit risk is managed by the Company by only dealing with Approved Applicants who are believed to be creditworthy. In the event the Approved Applicants fail to complete their obligation, no securities will be created therefore the Company does not have the risk of loss of the amount expected to be received.

Credit risk also includes custodial risk. The custodian is not required to take out insurance and neither is the Trustee. Accordingly, there is a risk that the secured Gold Bullion could be lost, stolen or damaged and the Company would not be able to satisfy its obligations in respect of the Gold Securities.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities as they fall due.

When the Gold Securities are redeemed, the Company returns the corresponding amount of Gold Bullion determined by the Gold Entitlement of those Gold Securities, therefore any redemption of Gold Securities would not impact the liquidity of the Company.

13. Financial Risk Management (continued)

(c) Settlement Risk

Settlement risk primarily refers to the risk that an Approved Applicant will default on its contractual obligations resulting in financial loss.

The directors believe that settlement risk would only be caused by the risk of the Company's trading counterparty not delivering Gold Bullion or Gold Securities on the settlement date. The Gold Securities settle through the CREST system. The directors feel that this risk is mitigated as Gold Securities are not issued until the required amount of Gold Bullion has been received in the Custodian account, and Gold Bullion is not transferred until the relevant Gold Securities have been delivered in CREST. As a result each transaction does not settle until both parties have fulfilled their contractual obligations.

Amounts outstanding in respect of positions yet to settle are disclosed in notes 7 and 8.

(d) Market Risk

Market risk is the risk that changes in market prices (such as foreign exchange rates, interest rates, the value of Gold Bullion and equity prices) will affect the Company's income, or the value of its assets or the value of its financial instruments issued.

i) Price Risk
The value of the Company's liability in respect of the Gold Securities fluctuates according to Gold Bullion prices and the risk of such change in price is managed by the Company by holding Gold Bullion in the same quantity as its liability. Therefore, the Company bears no financial risk from a change in the price of Gold Bullion. The obligation to holders of Gold Securities is limited to the proceeds received from the Gold Bullion held with the custodian. Refer to note 8 for the further details regarding fair values.

However, there is an inherent risk from the point of view of investors as the price of Gold Bullion and the value of the Gold Securities may vary widely due to, amongst other things, changing supply or demand for Gold Bullion, government and monetary policy or intervention and global or regional political, economic or financial events.

The market price of Gold Securities is a function of supply and demand amongst investors wishing to buy and sell Gold Securities and the bid or offer spread that the market makers are willing to quote. This is highlighted in note 8, and below under the Fair Value Hierarchy.

ii) Interest Rate Risk
The Company does not have significant exposure to interest rate risk since none of its assets or liabilities bear any interest.

iii) Currency Risk
The directors do not consider the Company to have a significant exposure to currency risk arising from the current economic uncertainties facing a number of countries around the world as the gains or losses on the liability represented by the Gold Securities are matched economically by corresponding losses or gains attributable to the Gold Bullion.

(e) Sensitivity Analysis

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

The Company's rights and liability in respect of Gold Securities, relates to its contractual obligations to issue and redeem Gold Securities in exchange for Gold Bullion as determined by the Gold Entitlement on each trading day. The monetary value of each creation and redemption of Gold Securities is recorded using the price provided by the LBMA on the transaction date. As a result the Company's contractual and economic monetary liability in connection with the issue of Gold Securities is matched by movements in the monetary value of the corresponding Gold Bullion. Consequently, the Company does not have any net exposure to market price risk. Therefore, in the directors' opinion, no sensitivity analysis is required to be disclosed.

13. Financial Risk Management (continued)

(f) Capital Management

The Company's principal activity is the issue and listing of Gold Securities. These securities are issued and redeemed as demand requires. The Company holds a corresponding amount of Gold Bullion which matches the total liability of the Gold Securities issued. ManJer supplies or arranges the supply of all management and administration services to the Company and pays all management and administration costs of the Company, including Trustee and Custodian Fees. In return for these services the Company pays ManJer a fee, which under the terms of the service agreement is equal to the aggregate of the Management Fee and creation and redemption fees earned, less expenses. The Company is not subject to any capital requirements imposed by a regulator and there were no changes in the Company's approach to capital management during the year.

As all Gold Securities issued are supported by an equivalent amount of Gold Bullion held by the Custodian and the running costs of the Company are paid by ManJer, the directors of the Company consider the capital management and its current capital resources are adequate to maintain the ongoing listing and issue of Gold Securities.

(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.

The Company is required to utilise the available market price as the Gold Securities are quoted and actively traded on the open market. Therefore Gold Securities are classified as Level 1 financial liabilities.

The Company holds Gold Bullion to support the Gold Securities as determined by the Gold Entitlement (which is calculated in accordance with an agreed formula published in the prospectus). Gold Bullion is marked to fair value using the latest quote provided by the LBMA. The Company has contractual obligations to issue and redeem Gold Securities in exchange for Gold Bullion as determined by the Gold Entitlement on each trading day. The monetary value of each creation and redemption of Gold Securities is recorded using the price provided by the LBMA on the transaction date applied to that Gold Entitlement. Therefore, Gold Bullion is classified as a level 2 asset, as the value is calculated using third party pricing sources supported by observable, verifiable inputs.

The categorisation of the Company's assets and (liabilities) are as shown below:

	Fair Value as at 31 December	
	2016	**2015**
	GBP	**GBP**
Level 1		
Gold Securities	**(2,824,277,869)**	**(1,569,654,495)**
Level 2		
Gold Bullion	**2,837,890,031**	**1,572,315,513**

The Gold Securities and the Gold Bullion are recognised at fair value through profit or loss upon initial recognition in line with the Company's accounting policy. There are no liabilities classified in level 3. There were no reclassifications during the year.

Gold Bullion is not considered to be a financial asset; however, it has been presented here for purposes of consistency with prior periods and to show a matching between assets and liabilities.

14. Ultimate Controlling Party

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

The value of the Gold Bullion backing the Gold Securities is wholly attributable to the holders of the Gold Securities.

15. Events Occurring After the Reporting Period

No significant events have occurred since the end of the reporting period up to the date of signing the Financial Statements which would impact on the financial position of the Company disclosed in the Statement of Financial Position as at 31 December 2016 or on the results and cash flows of the Company for the year ended on that date.

The intelligent alternative.