

ANGLOGOLD ASHANTI LTD
Form 6-K
December 02, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 or 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

Report on Form 6-K dated December 2, 2011

This Report on Form 6-K shall be incorporated by reference in

our automatic shelf Registration Statement on Form F-3 as amended (File No. 333-161634) and our Registration Statements on Form S-8 (File Nos. 333-10990 and 333-113789) as amended, to the extent not superseded by documents or reports subsequently filed by us under the Securities Act of 1933 or the Securities Exchange Act of 1934, in each case as amended

Commission file number: 1-14846

AngloGold Ashanti Limited

(Name of Registrant)

Edgar Filing: ANGLOGOLD ASHANTI LTD - Form 6-K

76 Jeppe Street

Newtown, Johannesburg, 2001

(P O Box 62117, Marshalltown, 2107)

South Africa

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F: **Form 40-F:**

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes: **No:**

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes: **No:**

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes: **No:**

Enclosures: Unaudited condensed consolidated financial statements as of September 30, 2011 and December 31, 2010 and for each of the nine month periods ended September 30, 2011 and 2010, prepared in accordance with U.S. GAAP, and related management's discussion and analysis of financial condition and results of operations.

ANGLOGOLD ASHANTI LIMITED

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

Prepared in accordance with US GAAP

	Nine months ended September 30,	
	2011	2010
	(unaudited)	(unaudited)
	(in US Dollars, millions, except for share data)	
Sales and other income	4,845	3,821
Product sales	4,791	3,791
Interest, dividends and other	54	30
Cost and expenses	3,226	3,624
Production costs	2,151	1,877
Exploration costs	196	157
Related party transactions	(8)	(13)
General and administrative	207	150
Royalties	142	96
Market development costs	6	9
Depreciation, depletion and amortization	583	514
Impairment of assets (see note D)	14	32
Interest expense	135	102
Accretion expense	21	16
Employment severance costs	10	14
(Profit)/loss on sale of assets, realization of loans, indirect taxes and other (see note F)	(32)	33
Non-hedge derivative (gain)/loss and movement on bonds (see note G)	(199)	637
Income from continuing operations before income tax and equity income in associates	1,619	197
Taxation expense (see note H)	(452)	(127)
Equity income in associates	53	48
Net income	1,220	118
Less: Net income attributable to noncontrolling interests	(32)	(36)
Net income attributable to AngloGold Ashanti	1,188	82
Income per share attributable to AngloGold Ashanti common stockholders: (cents) (see note J)		
Net income		
Ordinary shares	309	22
E Ordinary shares	155	11
Ordinary shares diluted	277	22
E Ordinary shares diluted	143	11
Weighted average number of shares used in computation		
Ordinary shares	382,918,604	364,236,067
Ordinary shares diluted	417,764,833	365,394,902
E Ordinary shares basic and diluted	2,958,298	3,305,316
Dividend declared per ordinary share (cents)	23	18
Dividend declared per E ordinary share (cents)	12	9

ANGLOGOLD ASHANTI LIMITED

CONDENSED CONSOLIDATED BALANCE SHEETS

Prepared in accordance with US GAAP

	At September 30, 2011 (unaudited)	At December 31, 2010 (unaudited)
	(in US Dollars, millions)	
ASSETS		
Current assets	2,414	1,997
Cash and cash equivalents	1,075	575
Restricted cash	38	10
Receivables	280	298
Trade	54	53
Recoverable taxes, rebates, levies and duties	114	156
Related parties	1	3
Other	111	86
Inventories (see note C)	847	792
Materials on the leach pad (see note C)	97	91
Derivatives		1
Deferred taxation assets	76	214
Assets held for sale	1	16
Property, plant and equipment, net	5,811	5,926
Acquired properties, net	781	836
Goodwill and other intangibles, net	194	197
Other long-term inventory (see note C)	54	27
Materials on the leach pad (see note C)	367	331
Other long-term assets (see note M)	1,029	1,073
Deferred taxation assets	36	1
Total assets	10,686	10,388
LIABILITIES AND EQUITY		
Current liabilities	952	1,004
Accounts payable and other current liabilities	740	732
Short-term debt	45	133
Short-term debt at fair value (see note E)	2	2
Tax payable	165	134
Liabilities held for sale		3
Other non-current liabilities	66	69
Long-term debt (see note E)	1,688	1,730
Long-term debt at fair value (see note E)	769	872
Derivatives	78	176
Deferred taxation liabilities	1,152	1,200
Provision for environmental rehabilitation	546	530
Provision for labor, civil, compensation claims and settlements	33	38
Provision for pension and other post-retirement medical benefits	154	180
Commitments and contingencies		
Equity	5,248	4,589
Common stock		
Share capital 600,000,000 (2010 600,000,000) authorized ordinary shares of 25 ZAR cents each. Share capital 4,280,000 (2010 4,280,000) authorized E ordinary shares of 25 ZAR cents each. Ordinary shares issued 2011 381,384,598 (2010 380,769,139). E ordinary shares issued 2011 1,400,000 (2010 1,120,000)	13	13
Additional paid in capital	8,717	8,670
Accumulated deficit	(2,770)	(3,869)
Accumulated other comprehensive income (see note K)	(884)	(385)
Other reserves	36	37
Total AngloGold Ashanti stockholders' equity	5,112	4,466
Noncontrolling interests	136	123

Total liabilities and equity

10,686

10,388

ANGLOGOLD ASHANTI LIMITED

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Prepared in accordance with US GAAP

	Nine months ended September 30,	
	2011	2010
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Net cash provided by operating activities	1,951	541
Net income	1,220	118
Reconciled to net cash provided by operations:		
Loss on sale of assets, realization of loans, indirect taxes and other	30	48
Depreciation, depletion and amortization	583	514
Impairment of assets	14	32
Deferred taxation	182	97
Cash utilized for hedge book settlements		(1,550)
Movement in non-hedge derivatives and bonds	(199)	1,471
Equity income in associates	(53)	(48)
Dividends received from associates	78	104
Other non cash items	19	27
Net increase in provision for environmental rehabilitation, pension and other post-retirement medical benefits	50	25
Effect of changes in operating working capital items:		
Receivables	(8)	(98)
Inventories	(119)	(126)
Accounts payable and other current liabilities	154	(73)
Net cash used in investing activities	(1,103)	(1,268)
Increase in non-current investments	(215)	(120)
Additions to property, plant and equipment	(939)	(623)
Expenditure on intangible assets	(6)	
Proceeds on sale of mining assets	12	67
Proceeds on sale of investments	79	62
Cash outflows from derivatives purchased		(670)
Proceeds on disposal of subsidiary	9	
Loans receivable advanced	(13)	(7)
Loans receivable repaid	3	
Cash of subsidiary disposed	(11)	
Change in restricted cash	(22)	23
Net cash (used)/generated by financing activities	(253)	916
Repayments of debt	(259)	(1,318)
Issuance of stock	3	793
Share issue expenses		(16)
Proceeds from debt	106	2,040
Debt issue costs		(34)
Cash outflows from derivatives with financing		(453)
Dividends paid to common stockholders	(89)	(67)
Dividends paid to noncontrolling interests	(14)	(29)
Net increase in cash and cash equivalents	595	189
Effect of exchange rate changes on cash	(106)	49
Cash and cash equivalents January 1,	586	1,100
Cash and cash equivalents September 30,	1,075	1,338

ANGLOGOLD ASHANTI LIMITED

CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY

Prepared in accordance with US GAAP

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2011

(unaudited)

(In millions, except share information)

	AngloGold Ashanti stockholders							
				Accumulated other comprehensive income	Accumulated deficit	Other reserves	Noncontrolling interests	Total
	Common stock	\$	\$	\$	\$	\$	\$	\$
Balance - December 31, 2010	381,889,139	13	8,670	(385)	(3,869)	37	123	4,589
Net income					1,188		32	1,220
Translation loss				(436)			(6)	(442)
Net loss on available-for-sale financial assets arising during the period, net of tax of \$11 million ⁽¹⁾				(82)				(82)
Release on disposal of available-for-sale financial assets during the period, net of tax of \$nil million				1				1
Realized loss in earnings on available-for-sale financial assets during the period, net of tax of \$nil million				18				18
Other comprehensive income								(505)
Comprehensive income								715
Share of equity accounted joint ventures other comprehensive income						(1)		(1)
Stock issues as part of Share Incentive Scheme	594,092		23					23
Stock issues in exchange for E Ordinary shares cancelled	3,375		9					9
E Ordinary shares of common stock issued - Izingwe Holdings	280,000							
Stock issues transferred from Employee Share Ownership Plan to exiting employees	17,992		1					1
Stock based compensation expense			14					14
Dividends					(89)		(13)	(102)
Balance - September 30, 2011	382,784,598	13	8,717	(884)	(2,770)	36	136	5,248

⁽¹⁾ Includes a decline in the fair value of International Tower Hill Mines Ltd (ITH) of \$60 million.

ANGLOGOLD ASHANTI LIMITED

CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY

Prepared in accordance with US GAAP

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010

(unaudited)

(In millions, except share information)

	AngloGold Ashanti stockholders							
	Common stock	Additional paid in capital	Accumulated other comprehensive income	Accumulated deficit	Other reserves	Noncontrolling interests	Total	
	\$	\$	\$	\$	\$	\$	\$	
Balance - December 31, 2009	362,974,807	12	7,836	(654)	(3,914)	37	128	3,445
Net income					82		36	118
Translation gain				100			2	102
Net loss on cash flow hedges removed from other comprehensive income and reported in income, net of tax of \$32 million				20				20
Net gain on available-for-sale financial assets arising during the period, net of tax of \$nil million				18				18
Release on disposal of available-for-sale financial assets during the period, net of tax of \$2 million				(4)				(4)
Other comprehensive income								136
Comprehensive income								254
Stock issues as part of equity offering ⁽¹⁾	18,140,000	1	772					773
Stock issues as part of Share Incentive Scheme	585,408		22					22
Stock issues in exchange for E Ordinary shares cancelled			12					12
E Ordinary shares of common stock cancelled - Izingwe Holdings	(280,000)							
Stock issues transferred from Employee Share Ownership Plan to exiting employees	95,253		4					4
Stock based compensation expense			7					7
Dividends					(67)		(37)	(104)
Balance - September 30, 2010	381,515,468	13	8,653	(520)	(3,899)	37	129	4,413

⁽¹⁾ On September 16, 2010, AngloGold Ashanti announced the placement of 18,140,000 ordinary shares at an issue price of \$43.50 per American Depositary Share (ADR) resulting in total net proceeds of \$773 million.

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2011

Prepared in accordance with US GAAP

Note A. Basis of presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) for interim financial information. Accordingly, they do not include all of the information and footnotes required by US GAAP for annual financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine-month period ended September 30, 2011 are not necessarily indicative of the results that may be expected for the year ending December 31, 2011.

The balance sheet as at December 31, 2010 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by US GAAP for complete financial statements.

For further information, refer to the consolidated financial statements and footnotes thereto included in the Company s annual report on Form 20-F for the year ended December 31, 2010.

Note B. Accounting developments

Recently adopted pronouncements

Disclosures about the credit quality of financing receivables and the allowance for credit losses

In July 2010, the Financial Accounting Standards Board (FASB) Accounting Standards Codification (the Codification or ASC) guidance was issued for the disclosure of the allowance for credit losses and financing receivable modifications. The expanded disclosures include roll-forward schedules of the allowance for credit losses and enhanced disclosure of financing receivables that were modified during a reporting period and those that were previously modified and have re-defaulted. The new disclosure requirements are required for interim and annual periods beginning on or after December 15, 2010. Except for presentation changes, the adoption had no impact on the Company s financial statements.

Fair value measurements

In January 2010, the FASB ASC guidance for disclosures about fair value measurements was updated requiring level 3 disclosure details regarding separate information about purchases, sales, issuances, and settlements in the reconciliation of fair value measurements using significant unobservable inputs. The disclosures related to Level 3 fair value measurements are effective for interim and annual reporting periods beginning after December 15, 2010. The adoption of the updated guidance had no impact on the Company s financial statements as the Company does not have Level 3 fair value measurements.

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED

SEPTEMBER 30, 2011

Prepared in accordance with US GAAP

Note B. Accounting developments (continued)

Recently issued pronouncements

Goodwill impairment testing

In September 2011, the FASB issued updated guidance which simplifies how an entity tests goodwill for impairment. The guidance allows both public and nonpublic entities an option to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test. Under that option, an entity no longer would be required to calculate the fair value of a reporting unit unless the entity determines, based on that qualitative assessment, that it is more likely than not that its fair value is less than its carrying amount. The guidance also includes examples of the types of events and circumstances to consider in conducting the qualitative assessment. The amendments will be effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. Early adoption is permitted. The Company does not expect the adoption of the updated guidance to have a material impact on the Company's financial statements.

Presentation of comprehensive income

In June 2011, the FASB issued guidance for disclosures about comprehensive income. The guidance is intended to increase the prominence of other comprehensive income in financial statements. The main provisions of the guidance provide that an entity that reports items of other comprehensive income has the option to present comprehensive income in either one statement or two consecutive statements. The current option in US GAAP that permits the presentation of other comprehensive income in the statement of changes in equity will be eliminated. The amendments are effective for fiscal years, and interim periods within those years, beginning after December 15, 2011 and should be applied retrospectively. Early adoption is permitted. The Company plans to adopt the two consecutive statement approach and does not expect the adoption of this guidance to have a material impact on the Company's financial statements. In November 2011, the FASB issued a proposal to defer the requirement in the guidance to present reclassification adjustments for each component of accumulated other comprehensive income in both net income and other comprehensive income on the face of the financial statements.

Fair value measurements

In May 2011, the FASB issued updated guidance on fair value measurement and disclosure requirements. The requirements do not extend the use of fair value accounting, but provide guidance on how it should be applied where its use is already required or permitted by other standards within US GAAP. The update will supersede most of the FASB ASC guidance for fair value measurements, although many of the changes are clarifications of existing guidance or wording changes. The amendments are effective in the first quarter of 2012. The Company does not expect the adoption of the updated guidance to have a material impact on the Company's financial statements.

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED

SEPTEMBER 30, 2011

Prepared in accordance with US GAAP

Note C. Inventories

	At September 30, 2011 (unaudited)	At December 31, 2010
(in US Dollars, millions)		
The components of inventory consist of the following:		
Short-term		
Metals in process	187	184
Gold on hand (doré/bullion)	55	77
Ore stockpiles	398	324
Uranium oxide and sulfuric acid	25	43
Supplies	279	255
	944	883
Less: Materials on the leach pad ⁽¹⁾	(97)	(91)
	847	792

⁽¹⁾ Short-term portion relating to heap leach inventory classified separately, as materials on the leach pad.

	At September 30, 2011 (unaudited)	At December 31, 2010
(in US Dollars, millions)		
Long-term		