

**WWF-WORLD WIDE FUND FOR  
NATURE (SINGAPORE) LIMITED  
(A company limited by guarantee and  
not having a share capital)  
(Registration No. 200602275E)**

**REPORT OF THE DIRECTORS  
AND FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2015**

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
*(A company limited by guarantee)*

**REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS**

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**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
*(A company limited by guarantee)*

**REPORT OF THE DIRECTORS**

The directors present their report to the members together with the audited financial statements of the Company for the financial year ended June 30, 2015.

The Company was incorporated on February 20, 2006, and is limited by guarantee. In the event of winding up, the members of the Company guarantee to contribute a sum not exceeding \$1 each to the assets of the Company.

**1 DIRECTORS**

The directors of the Company in office at date of this report are:

Christopher John Hails

Chan Ee Lin

Goh Hwee Cheng

(Appointed on 17 August 2015)

Agarwal Achal

(Appointed on 17 August 2015)

Shaw Chai Chung Markham

(Appointed on 17 August 2015)

**2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS  
BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES**

Sections 201 (6)(f) and 201 (6)(A)(g) of the Singapore Companies Act, Cap. 50 (the “Act”) do not apply to the Company as it is a company limited by guarantee and without share capital and debentures.

**3 DIRECTORS’ INTERESTS IN SHARES AND DEBENTURES**

Sections 201 (6)(g) and 201 (6)(A)(h) of the Act do not apply to the Company as it is a company limited by guarantee and without share capital and debentures.

**4 DIRECTORS’ RECEIPT AND ENTITLEMENT TO CONTRACTUAL BENEFITS**

Since the beginning of the financial year, no director has received or become entitled to receive a benefit which is required to be disclosed under Section 201(8) of the Act, by reason of a contract made by the Company with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report, and except that Mr Christopher John Hails has an employment relationship with WWF International, Switzerland, and has received remuneration in that capacity.

**WWF-WORLD-WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
*(A company limited by guarantee)*

**REPORT OF THE DIRECTORS**

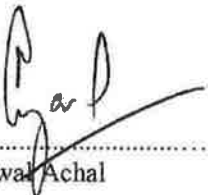
**5 OPTION TO TAKE UP UNISSUED SHARES, OPTION EXERCISED  
AND UNISSUED SHARES UNDER OPTION**

Sections 201 (11) and (12) of the Act do not apply to the Company as it is a company limited by guarantee.

**6 AUDITORS**

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

**ON BEHALF OF THE DIRECTORS**

  
.....  
Agarwal Achal

  
.....  
Shaw Chai Chung Markham


November 30, 2015

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
*(A company limited by guarantee)*

**STATEMENT OF DIRECTORS**

In the opinion of the directors, the accompanying financial statements set out on pages 6 to 30 are drawn up so as to give a true and fair view of the financial position of the Company as at June 30, 2015, and the financial performance, changes in equity and cash flows of the Company for the financial year then ended, and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

**ON BEHALF OF THE DIRECTORS**

  
.....  
Agarwal Achal

  
.....  
Shaw Chai Chung Markham

November 30, 2015

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**

### **WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED** *(A company limited by guarantee)*

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of WWF-World Wide Fund For Nature (Singapore) Limited (the "Company") which comprise the statement of financial position of the Company as at June 30, 2015, the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 30.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act"), the Singapore Charities Act Chapter 37 (the "Charities Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

#### **Auditors' Responsibility**

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

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

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

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**

### **WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**

*(A company limited by guarantee)*

#### **Opinion**

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Act, the Charities Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at June 30, 2015 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

#### **Report on other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

During the course of our audit, nothing has come to our attention to cause us to believe that during the year:

- a. the use of donation moneys was not in accordance with the objectives of the Company as required under regulation 16 of the Charities (Institutions of a Public Character) Regulations; and
- b. the Company has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations and the requirements of regulation 7 of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012.



Public Accountants and  
Chartered Accountants  
Singapore

November 30, 2015

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
*(A company limited by guarantee)*

**STATEMENT OF FINANCIAL POSITION**  
**As at June 30, 2015**

	<u>Note</u>	<u>2015</u> \$	<u>2014</u> \$
<b><u>ASSETS AND LIABILITY</u></b>			
<b>Current assets</b>			
Cash and bank balances	6	6,024,936	5,613,560
Trade and other receivables	7	401,233	689,519
Other current assets	8	151,544	186,231
Deposits	9	32,778	27,886
Inventories	10	<u>16,206</u>	<u>31,028</u>
Total current assets		<u>6,626,697</u>	<u>6,548,224</u>
<b>Non-current asset</b>			
Plant and equipment	11	<u>69,219</u>	<u>129,018</u>
<b>Total assets</b>		<u>6,695,916</u>	<u>6,677,242</u>
<b>Current liability</b>			
Trade and other payables	12	<u>1,357,157</u>	<u>1,384,347</u>
<b>Net assets</b>		<u>5,338,759</u>	<u>5,292,895</u>
<b><u>EQUITY</u></b>			
Restricted operating funds	13(a)	1,292,917	1,487,528
Unrestricted operating funds		3,521,476	3,240,596
WWFS Conservation Fund	14	<u>524,366</u>	<u>564,771</u>
<b>Total equity</b>		<u>5,338,759</u>	<u>5,292,895</u>

See accompanying notes to financial statements.

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
*(A company limited by guarantee)*

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**Year ended June 30, 2015**

	<u>Note</u>	<u>2015</u> \$	<u>2014</u> \$
<b>INCOME</b>	15	8,874,474	12,169,215
<b>OPERATING EXPENDITURE</b>			
- Expense related to the donation in kind received	16	(743,111)	(2,294,413)
- Staff costs and staff related costs	16	(3,143,965)	(2,967,378)
- Professional fees		(479,395)	(512,547)
- Travel and meetings		(243,548)	(305,134)
- Communication and media		(483,983)	(743,938)
- Fund-raising and outreach expenses		(1,773,367)	(2,159,746)
- Funds disbursed to donor specified global conservation programmes		(1,514,432)	(1,224,799)
- Grant to third parties		(7,645)	(6,360)
- Rental on operating leases	18	(116,159)	(120,778)
- Depreciation	11	(68,433)	(66,782)
- Repair and maintenance		(10,592)	(14,914)
- Telecommunications expenses		(66,405)	(77,187)
- Training expenses		(11,600)	(47,398)
- Others		<u>(165,975)</u>	<u>(157,151)</u>
Total expenditure		(8,828,610)	(10,698,525)
<b>Surplus before income tax</b>	16	45,864	1,470,690
Income tax	17	<u>-</u>	<u>-</u>
<b>Net surplus, representing total comprehensive income for the financial year</b>		<u>45,864</u>	<u>1,470,690</u>

See accompanying notes to financial statements.

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
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**STATEMENT OF CHANGES IN EQUITY**  
**Year ended June 30, 2015**

	Restricted operating funds \$	Unrestricted operating funds \$	WWFS Conservation Fund \$ (Note 14)	Total \$
Balance at July 1, 2013	2,143,308	1,472,906	205,991	3,822,205
Transfer of reserves	(7,810)	-	7,810	-
Net (deficit)/surplus, representing total comprehensive income for the financial year	<u>(647,970)</u>	<u>1,767,690</u>	<u>350,970</u>	<u>1,470,690</u>
Balance at June 30, 2014	1,487,528	3,240,596	564,771	5,292,895
Net (deficit)/surplus, representing total comprehensive income for the financial year	<u>(194,611)</u>	<u>280,880</u>	<u>(40,405)</u>	<u>45,864</u>
Balance at June 30, 2015	<u>1,292,917</u>	<u>3,521,476</u>	<u>524,366</u>	<u>5,338,759</u>

See accompanying notes to financial statements.

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
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**STATEMENT OF CASH FLOWS**  
**Year ended June 30, 2015**

	<u>2015</u>	<u>2014</u>
	\$	\$
<b>Operating activities</b>		
Surplus before income tax	45,864	1,470,690
Adjustments for:		
Depreciation	<u>68,433</u>	<u>66,782</u>
Operating cash flows before working capital changes	<u>114,297</u>	<u>1,537,472</u>
Trade and other receivables and deposits	283,394	(111,612)
Other current assets	34,687	(161,583)
Inventories	14,822	29,290
Trade and other payables	<u>(27,190)</u>	<u>(100,849)</u>
Net cash from operating activities	<u>420,010</u>	<u>1,192,718</u>
<b>Investing activity</b>		
Purchase of plant and equipment, representing net cash used in investing activity	<u>(8,634)</u>	<u>(38,571)</u>
Net increase in cash and bank balances	411,376	1,154,147
Cash and cash equivalent at the beginning of the financial year	<u>5,613,560</u>	<u>4,459,413</u>
<b>Cash and cash equivalent at the end of the financial year (Note 6)</b>	<u>6,024,936</u>	<u>5,613,560</u>

See accompanying notes to financial statements.

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
*(A company limited by guarantee)*

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**1 GENERAL**

The Company (Registration No. 200602275E) is incorporated and domiciled as a public company in Singapore limited by guarantee. The address of its registered office and principal place of business is at 354 Tanglin Road #02-11, Singapore 247672. The financial statements are expressed in Singapore dollars.

Under Article 8 of the Memorandum of Association of the Company, each member of the Company undertakes to contribute a sum not exceeding \$1 to the assets of the Company in the event of it being wound up. The number of members at the end of the reporting period is 3 (2014 : 3). The Company has been registered as a charity under the Charities Act since March 10, 2006.

Included in the Company, is WWFS Conservation Fund which has been conferred with the status of Institution of a Public Character ("IPC") for a period of 2 years commencing January 1, 2008. The IPC status was renewed for another 2 years commencing January 1, 2014.

The principal activities of the Company is to promote conservation awareness/programmes and coordinate and support regional conservation activities.

The financial statements of the Company for the financial year ended June 30, 2015 were authorised for issue by the Board of Directors on November 30, 2015.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF ACCOUNTING** - The financial statements are prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 36 *Impairment of Assets*.

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
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**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**ADOPTION OF NEW AND REVISED STANDARDS** - In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after July 1, 2014. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

At the date of authorisation of these financial statements, the management anticipates that the adoption of FRSs, INT FRSs and amendments to FRS that were issued but effective only in future periods will not have a material impact on the financial statements of the Company in the period of their initial adoption.

**FINANCIAL INSTRUMENTS** - Financial assets and financial liabilities are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense are recognised on an effective interest basis for debt instruments.

**Financial assets**

Financial assets are classified as "loans and receivables". The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition.

Cash and bank balances

Cash and bank balances comprise cash on hand, fixed deposits and bank balances and are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
*(A company limited by guarantee)*

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2015**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Trade and other receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market, are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of receivables where the carrying amount is reduced through the use of an allowance account. When a receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to the profit or loss. Changes in the carrying amount of the allowance account are recognised in profit or loss.

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
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**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**Financial liabilities**

Classification as debt

Financial liabilities issued by the Company are classified according to the substance of the contractual arrangements entered into and the definition of a financial liability.

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis except for short-term payables when the recognition of interest would be immaterial.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

**LEASES** - Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
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**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2015**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**INVENTORIES** – Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**PLANT AND EQUIPMENT** - Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Office equipment	-	5 years
Furniture and fixtures	-	5 years
Leasehold improvements	-	5 years
Computer equipment and software	-	3 years

The estimated useful lives and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

**IMPAIRMENT OF ASSETS** - At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
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**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2015**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**PROVISIONS** - Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**REVENUE RECOGNITION** - Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured based on the fair value of consideration received or receivable (in cash or in kind).

When a donation in kind (goods or services) is received, the fair value of the consideration received is estimated to be the price that the Company would have paid in the open market for an equivalent item. Where a donation in kind that cannot be capitalised is recognised, an equivalent amount is included as expenditure in the statement of comprehensive income. Where a donation in kind refers to donation of assets, an equivalent amount is recognised as cost of plant and equipment in the statement of financial position to be depreciated over their estimated useful lives, or other assets as appropriate.

Income from related companies are recognised when services are rendered.

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
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**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**GOVERNMENT GRANTS** - Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants relating to approved projects are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in income or expenditure in the period in which they become receivable.

**INCOME TAX** – The Company is an organisation set up only for charitable purposes, and is registered with the Commissioner of Charities under the Charities Act (Cap. 37). The Company is exempt from income tax under the Singapore Income Tax Act.

**EMPLOYEE LEAVE ENTITLEMENT** - Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
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**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**RETIREMENT BENEFIT COSTS** - Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Company's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

**FOREIGN CURRENCY TRANSACTIONS** - The financial statements of the Company are presented in Singapore dollars, the currency of the primary economic environment in which the Company operates (its functional currency).

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit and loss.

**3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

**(a) Critical judgements in applying the Company's accounting policies**

Management is of the opinion that any instances of application of judgment are not expected to have a significant effect on the amounts recognised in the financial statements.

**WWF-WORLD WIDE FUND FOR NATURE (SINGAPORE) LIMITED**  
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**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES  
OF ESTIMATION UNCERTAINTY (cont'd)**

**(b) *Key sources of estimation uncertainty***

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Allowance for doubtful debts

The policy for allowance for bad and doubtful debts of the company is based on the evaluation of collectability and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness, the past collection history and on-going dealings with these parties. If the financial conditions of the counterparties were to deteriorate, resulting in an impairment of their ability to make payments, allowances may be required. The management is of the view that there is no doubtful debt allowance required as at year end.

The carrying amount of other receivables from related companies is disclosed in Note 7 to the financial statements.

**4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT**

**(a) *Categories of financial instruments***

The following table sets out the financial instruments as at the end of the reporting period:

	<u>2015</u>	<u>2014</u>
	\$	\$
<b>Financial assets</b>		
Loans and receivables (including cash and bank balances)	<u>6,458,947</u>	<u>6,330,965</u>
<b>Financial liabilities</b>		
Amortised cost	<u>692,795</u>	<u>886,877</u>

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**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2015**

**4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT**  
**(cont'd)**

*(b) Financial risk management policies and objectives*

Risk management is carried out under policies approved by the Board of Directors. The Board provides principles for overall risk management as well as policies covering specific areas, such as foreign exchange risk and liquidity risk.

**(i) Foreign exchange risk management**

The Company transacts business mainly in Singapore dollars and therefore is not exposed to significant exchange rate movements of foreign currencies against Singapore dollar, which is both the functional and presentation currency. As such, no sensitivity analysis is prepared.

**(ii) Interest rate risk management**

The Company is exposed to interest rate risk through the impact of interest rates changes on interest-earning cash and fixed deposits. The Company does not have any significant interest-bearing financial liabilities and financial assets. No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's income or expenditure arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

**(iii) Credit risk management**

The Company places its cash and bank balances with reputable institutions and an amount of \$351,806 (2014: \$640,486) placed in trust with an outsourced accounting service provider.

The maximum credit risk that the Company is exposed to is represented by the carrying amounts of its financial assets as stated in the statement of financial position. Management is of the view that no allowance for doubtful debts is required as these receivables are recoverable.

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**NOTES TO FINANCIAL STATEMENTS**  
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**4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT**  
**(cont'd)**

**(iv) Liquidity risk management**

The Company adopts prudent liquidity risk management by monitoring its projected and actual cash inflows and outflows to ensure that its funding needs are identified and managed in advance. The Company maintains sufficient cash deemed adequate to finance its operations. The Company has no financial liabilities which mature later than one year from the end of the reporting period.

**(v) Fair values of financial assets and financial liabilities**

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables approximate their respective fair values due to the relatively short-term nature of the financial assets and liabilities.

**(c) *Capital risk management policies and objectives***

The Company is not subject to any externally imposed capital requirements and its operations are funded mainly by donations. The capital structure of the Company comprises restricted operating funds, unrestricted operating funds and WWFS Conservation Fund. The Company's overall strategy remains unchanged from 2014.

It is the policy of the Company to maintain a level of unrestricted operating funds of approximately 6 months of its monthly management and administrative costs to ensure that the Company's operational activities could continue during a period of unforeseen difficulty. The management and directors monitor the Company's reserves level regularly on an ongoing basis.

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**NOTES TO FINANCIAL STATEMENTS**

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**5 RELATED PARTY TRANSACTIONS**

The members of the Company are:

- World Wide Fund for Nature (Incorporated in Switzerland), known as WWF International
- Peter Scott Wildlife Endowment Foundation
- Mr Christopher John Hails

Related companies are entities under common control of World Wide Fund for Nature.

Other related parties are National Organisations (“NO”) which are part of the WWF network. Some of the NOs have members on the Board of WWF International. WWF International have agreed with the NOs to serve them and to be supported by them, as their effective central instrument to define fundamental WWF network policy, unite the WWF network, coordinate the WWF network activities and provide the WWF network with all appropriate services. Other related parties also comprise companies which are controlled by a person or a close member of that person’s family who has significant influence over the Company.

WWFS CONSERVATION FUND - It is not the normal practice for the trustees, or people connected with them, to receive remuneration, or other benefits, from the WWFS Conservation Fund for which they are responsible, or from institutions connected with the WWFS Conservation Fund. The Chief Executive Officer and the direct reporting senior officers of the Company have employment relationships with the Company and have received remuneration in those capacities.

As a normal practice and for avoidance of any conflicts of interests, trustees make their declaration of interests as necessary at each Trustee meeting of WWFS Conservation Fund conducted during the financial year. The key management personnel carry out their daily duties independently from the trustees.

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**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**5 RELATED PARTY TRANSACTIONS (cont'd)**

Some of the Company's significant transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected below in these financial statements other than those disclosed elsewhere in the financial statements.

	<u>2015</u>	<u>2014</u>
	\$	\$
Income from the supporting organisation		
- WWF International	<u>(1,832,587)</u>	<u>(2,029,893)</u>
Expenses paid to supporting organisation		
- WWF International	<u>5,152</u>	<u>-</u>
Income from related companies	<u>(261,470)</u>	<u>(153,071)</u>
Shared services cost recovery from a related company	<u>(50,000)</u>	<u>(76,203)</u>
Funds disbursed to donor specified global conservation programmes		
- Related parties	108,177	445,502
- Related companies	1,380,519	766,621
- WWF International	<u>25,736</u>	<u>12,676</u>
	<u>1,514,432</u>	<u>1,224,799</u>
Receipts on behalf by related companies	<u>7,888</u>	<u>-</u>
Expenses paid to related parties	<u>59,483</u>	<u>134,261</u>
Payments on behalf of related companies	<u>1,053,513</u>	<u>1,135,368</u>
Payments on behalf by related companies	<u>18,965</u>	<u>-</u>

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**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

**6 CASH AND BANK BALANCES**

	<u>2015</u>	<u>2014</u>
	\$	\$
Cash at bank and on hand	3,579,216	4,226,922
Fixed deposits	<u>2,445,720</u>	<u>1,386,638</u>
	<u>6,024,936</u>	<u>5,613,560</u>

Cash amounting to \$351,806 (2014 : \$640,486) was placed in trust with an outsourced accounting service provider.

Fixed deposits bear an interest rate of 0.15% to 1.15% (2014 : 0.10% to 0.15%) per annum for a tenure of 3 to 6 months.

Included above is the following amount pertaining to WWFS Conservation Fund:

	<u>2015</u>	<u>2014</u>
	\$	\$
Cash at bank	<u>872,480</u>	<u>902,242</u>

**7 TRADE AND OTHER RECEIVABLES**

	<u>2015</u>	<u>2014</u>
	\$	\$
Other receivables from related companies (Note 5)	357,888	388,533
Staff travel advances	4,200	10,000
Other receivables	14,489	220,446
Government grant receivable	<u>24,656</u>	<u>70,540</u>
	<u>401,233</u>	<u>689,519</u>

The following amount pertains to the WWFS Conservation Fund:

	<u>2015</u>	<u>2014</u>
	\$	\$
Other receivables	35,073	270,940
Other receivables from related companies (Note 5)	<u>-</u>	<u>20,000</u>

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**NOTES TO FINANCIAL STATEMENTS**  
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7 TRADE AND OTHER RECEIVABLES (cont'd)

The trade and other receivables are not past due and the Company has not recognised any allowance on these receivables as management is of the view that these receivables are recoverable.

8 OTHER CURRENT ASSETS

	<u>2015</u>	<u>2014</u>
	\$	\$
Prepayments	20,864	18,250
Advance funding to global conservation programmes	130,680	167,981
Other assets	51,210	47,778
Less: Provision for obsolescence	<u>(51,210)</u>	<u>(47,778)</u>
	<u>151,544</u>	<u>186,231</u>

9 DEPOSITS

	<u>2015</u>	<u>2014</u>
	\$	\$
Refundable deposits	<u>32,778</u>	<u>27,886</u>

10 INVENTORIES

	<u>2015</u>	<u>2014</u>
	\$	\$
Merchandise	<u>16,206</u>	<u>31,028</u>

The cost of inventories recognised as an expense includes \$ 12,332 (2014: \$ 1,276) in respect of write-downs of inventory to net realisable value.

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**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2015**

**11 PLANT AND EQUIPMENT**

	Office equipment	Furniture and fixtures	Leasehold improvements	Computer equipment	Computer software	Total
	\$	\$	\$	\$	\$	\$
Cost:						
At July 1, 2013	22,917	66,291	86,107	102,941	40,109	318,365
Additions	4,029	-	-	34,542	-	38,571
Write-offs	-	-	-	(1,569)	-	(1,569)
At June 30, 2014	26,946	66,291	86,107	135,914	40,109	355,367
Additions	-	-	-	8,313	321	8,634
Write-offs	-	-	-	(404)	-	(404)
At June 30, 2015	<u>26,946</u>	<u>66,291</u>	<u>86,107</u>	<u>143,823</u>	<u>40,430</u>	<u>363,597</u>
Accumulated depreciation:						
At July 1, 2013	8,487	33,785	31,976	71,122	15,766	161,136
Depreciation charge	5,221	10,154	17,221	22,629	11,557	66,782
Write-offs	-	-	-	(1,569)	-	(1,569)
At June 30, 2014	13,708	43,939	49,197	92,182	27,323	226,349
Depreciation charge	5,179	9,991	17,221	25,426	10,616	68,433
Write-offs	-	-	-	(404)	-	(404)
At June 30, 2015	<u>18,887</u>	<u>53,930</u>	<u>66,418</u>	<u>117,204</u>	<u>37,939</u>	<u>294,378</u>
Carrying amount:						
At June 30, 2015	<u>8,059</u>	<u>12,361</u>	<u>19,689</u>	<u>26,619</u>	<u>2,491</u>	<u>69,219</u>
At June 30, 2014	<u>13,238</u>	<u>22,352</u>	<u>36,910</u>	<u>43,732</u>	<u>12,786</u>	<u>129,018</u>

The following amount pertains to the WWFS Conservation Fund:

	2015 \$	2014 \$
Plant and equipment	<u>-</u>	<u>-</u>

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**NOTES TO FINANCIAL STATEMENTS**  
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**12 TRADE AND OTHER PAYABLES**

	<u>2015</u>	<u>2014</u>
	\$	\$
Trade creditors	89,767	170,475
Other creditors	22,101	12,819
Income from related companies received in advance (Note 5)	356,316	127,427
Payable to related companies (Note 5)	63,817	60,103
Payable to related party (Note 5)	-	18,038
Accrued expenses	485,580	584,297
Donations received in advance	308,046	370,043
Provision for annual leave	31,530	41,145
	<u>1,357,157</u>	<u>1,384,347</u>

The following amount pertains to the WWFS Conservation Fund:

	<u>2015</u>	<u>2014</u>
	\$	\$
Accrued expenses	18,949	15,591
Donations received in advance	<u>80,707</u>	<u>104,224</u>

Liabilities for amounts payable are normally settled on 30 to 60 days (2014 : 30 to 60 days) credit terms.

There are no significant payables of the Company that are not denominated in its functional currency.

In the stand-alone statement of financial position of the WWFS Conservation Fund, there is a balance due to WWF Singapore of \$283,531 (2014 : \$508,596).

**13 OPERATING FUNDS**

The Company's Memorandum of Association provides that no portion of the income and property of the Company shall be paid by way of dividend, bonus or otherwise to the members of the Company.

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**NOTES TO FINANCIAL STATEMENTS**  
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13 OPERATING FUNDS (cont'd)

*(a) Restricted operating funds*

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense.

14 WWFS CONSERVATION FUND

The WWFS Conservation Fund ("Fund") is an Institution of a Public Character ("IPC") which enables donors to enjoy tax deductions. Donations collected by the Fund are restricted in use. A separate independent board of trustees provides oversight for the Fund. The WWFS Conservation Fund is to be utilised only for the following objectives:

- (a) the conservation of the natural environment and ecological processes in Singapore; and/or
- (b) to promote awareness of conservation efforts in relation to the conservation of the natural environment and ecological processes, such that by any means they will benefit the Singapore community.

Expenditure incurred during the financial year for the above objectives are as follows:

	<u>2015</u>	<u>2014</u>
	\$	\$
Expenses for charitable activities		
- Outreach and awareness projects expenses	490,144	698,533
- Expense related to the donation in kind received	723,711	2,292,514
Other administrative expenses	9,495	12,407
Management fee billed by WWF Singapore*	<u>62,455</u>	<u>88,868</u>
Total expenditure incurred for WWFS Conservation Fund's activities	<u>1,285,805</u>	<u>3,092,322</u>

- \* The activities and consequently accounting records of the WWFS Conservation Fund have to be segregated from the other activities of the Company as it is a restricted fund, as described above. The management fee billed to WWFS Conservation Fund represents a recovery of shared costs and expenses.

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**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2015**

14 WWFS CONSERVATION FUND (cont'd)

Movement in the WWFS Conservation Fund is as follows:

	<u>2015</u>	<u>2014</u>
	\$	\$
Balance at the beginning of the financial year	564,771	205,991
Add:		
Donations and collections	276,226	756,428
Donation in kind (Note 16) #	723,711	2,292,514
Income from related companies (Note 5)	-	20,000
Government grant	<u>24,656</u>	<u>58,940</u>
Total income	1,024,593	3,127,882
Less: Expenditure	(1,285,805)	(3,092,322)
Add: Transfer from restricted operating fund	<u>220,807</u>	<u>315,410</u>
from WWF-World Wide Fund For Nature (Singapore) Limited		
Net movement for the financial year	<u>(40,405)</u>	<u>350,970</u>
Transfer of reserves *	<u>-</u>	<u>7,810</u>
Balance at the end of the financial year	<u>524,366</u>	<u>564,771</u>

# Donation in kind is recognised in accordance with the accounting policies on revenue recognition (see Note 2)

\* Refers to the transfer of residual funds from a completed project to another on-going project in accordance to donor's specific request and intent.

Of the total donations received (excluding the donation in kind) during the financial year, \$214,791 (2014 : \$665,469) were tax deductible donations received.

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**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015**

15 INCOME

	<u>2015</u>	<u>2014</u>
	\$	\$
<b><u>Revenue</u></b>		
Donations and collections	355,780	275,098
Direct donors debit program	5,363,277	6,553,867
Government grant	-	11,600
Donation in kind (Note 16)	19,400	1,899
Revenue for WWFS Conservation Fund (Note 14)	<u>1,024,593</u>	<u>3,127,882</u>
<b>Total revenue</b>	<u>6,763,050</u>	<u>9,970,346</u>
<b><u>Other income</u></b>		
	<u>2015</u>	<u>2014</u>
	\$	\$
Income from related companies (Note 5)	2,094,057	2,162,964
Other income	<u>17,367</u>	<u>35,905</u>
<b>Total income</b>	<u>8,874,474</u>	<u>12,169,215</u>

16 SURPLUS BEFORE INCOME TAX

	<u>2015</u>	<u>2014</u>
	\$	\$
Surplus before income tax include:		
Bank charges*	9,127	11,551
Fixed assets expensed off*	26,737	26,414
Foreign exchange gain	1,414	(1,461)
Costs of temporary workers*	63,738	58,744
Cost of merchandise sold *	10,951	22,987
Staff costs (other than directors)		
- salaries and related costs	2,814,456	2,550,816
- defined contribution plans	274,897	310,016
- other benefits	48,801	41,587
- other staff-related costs	<u>5,811</u>	<u>64,959</u>
	<u>3,143,965</u>	<u>2,967,378</u>

\* Included in "Others" in the statement of comprehensive income

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**NOTES TO FINANCIAL STATEMENTS**  
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16 SURPLUS BEFORE INCOME TAX (cont'd)

Donation in kind

No cash was received for the donation in kind. Out of the total amount, \$743,111 (2014 : \$2,294,413) has an equivalent expense amount shown under the "expenditure" section.

Compensation of key management personnel (related party transactions)

The remuneration of key management personnel during the year is as follows:

	<u>2015</u>	<u>2014</u>
	\$	\$
Salaries and other short-term employee benefits	199,589	175,092
Post-employment benefits - contribution to CPF	<u>19,629</u>	<u>17,601</u>
	<u>219,218</u>	<u>192,693</u>

There was no compensation paid by the Company to the directors of the Company.

17 INCOME TAX

The Company is exempt from tax.

18 OPERATING LEASE COMMITMENTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Minimum lease payments under operating lease:		
Recognised as an expense during the year	<u>116,159</u>	<u>120,778</u>

As at the end of the reporting period, the Company has outstanding commitments under operating leases which fall due as follows:

	<u>2015</u>	<u>2014</u>
	\$	\$
Within 1 year	124,985	114,498
Between 2 to 5 years	<u>129,878</u>	<u>233,794</u>
	<u>254,863</u>	<u>348,292</u>

Operating lease payments represent payable for office space and photocopier.