

Company Registration No. 200602275E

WWF-World Wide Fund For Nature (Singapore) Limited

Financial Statements
30 June 2023



WWF-World Wide Fund For Nature (Singapore) Limited

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WWF-World Wide Fund For Nature (Singapore) Limited

Directors' statement

The directors present their statement to the members together with the audited financial statements of WWF-World Wide Fund For Nature (Singapore) Limited (the "Company") for the financial year ended 30 June 2023.

Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements of the Company together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 30 June 2023, and the financial performance, changes in funds and cash flows of the Company for the financial year then ended in accordance with the provisions of the Singapore Companies Act, 1967 (the Act), the Singapore Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations), and Financial Reporting Standards in Singapore (FRSs);
- (b) the use of donation monies under the WWFS Conservation Fund (the Fund) was in accordance with the objectives of the Fund as required under Regulation 11 (use of donations) of the Charities (Institutions of a Public Character) Regulations;
- (c) the Fund has 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;
- (d) 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; and
- (e) the accounting and other records required to be kept by the Company have been properly kept in accordance with the Act and the Charities Act and Regulations.

The Company was incorporated on 20 February 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.

Directors

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

Geh Min
Abhijit Ghosh
Kan Shook Wah
Susan Mary De Silva
Benjamin Daniel Swan
Kirtida Mrs Kirtida Mekani
Nagpal Jitendra
Neo Trina (Liang Zhen)
Seow Han Yong, Justin
Hsieh Fu Hua (Appointed on 1 July 2022)
Chng Lay Chew (Appointed on 22 December 2022)

WWF-World Wide Fund For Nature (Singapore) Limited

Directors' statement

Directors' interests in shares and debentures

As the Company is a company limited by guarantee and has no share capital and debentures, the statutory information required to be disclosed by the directors under paragraph 9, Twelfth Schedule of the Singapore Companies Act 1967 does not apply.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors:



Hsieh Fu Hua
Director



Abhijit Ghosh
Director

Singapore
17 November 2023

WWF-World Wide Fund For Nature (Singapore) Limited

Independent auditor's report For the financial year ended 30 June 2023

Independent auditor's report to the members of WWF-World Wide Fund For Nature (Singapore) Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of WWF-World Wide Fund For Nature (Singapore) Limited (the "Company"), which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 30 June 2023 and of the financial performance, changes in funds and cash flows of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for other information. The other information comprises the Directors' statement set out on pages 1 to 2 and other information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

WWF-World Wide Fund For Nature (Singapore) Limited

Independent auditor's report For the financial year ended 30 June 2023

Independent auditor's report to the members of WWF-World Wide Fund For Nature (Singapore) Limited

Responsibilities of management and those charged with governance 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 Act, the Charities Act and Regulations and FRSs, 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.

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

Those charged with governance comprises the directors. Their responsibilities include overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

WWF-World Wide Fund For Nature (Singapore) Limited

**Independent auditor's report
For the financial year ended 30 June 2023**

Independent auditor's report to the members of WWF-World Wide Fund For Nature (Singapore) Limited

Auditor's responsibilities for the audit of the financial statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

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

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

- (a) the Company has not complied with the requirements of Regulation 7 of the Charities (Fund-Raising Appeals for local and Foreign Charitable Purposes) Regulations 2012;
- (b) the WWFS Conservation Fund (the Fund) has not used the donation monies in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (c) the Fund has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.



Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

17 November 2023

WWF-World Wide Fund For Nature (Singapore) Limited**Statement of profit or loss and other comprehensive income
For the financial year ended 30 June 2023**

	Note	2023 \$	2022 \$
INCOME			
Operating income	15	17,091,328	17,288,651
Other income	15	481,845	416,395
Total income		<u>17,573,173</u>	<u>17,705,046</u>
OPERATING EXPENDITURE			
Expenses related to the donations in kind received		(1,597,438)	(909,905)
Staff costs and staff related costs	16	(10,901,661)	(10,592,012)
Professional fees		(1,592,162)	(2,602,101)
Travel and meetings		(216,347)	(65,242)
Communication and media		(506,753)	(329,629)
Raising and outreach expenses		(805,007)	(1,359,763)
Funds disbursed to donor specified global conservation programmes		(2,743,436)	(2,557,011)
Depreciation	9	(338,341)	(306,523)
Repair and maintenance		(87,942)	(77,532)
Telecommunications expenses		(32,548)	(21,059)
Training expenses		(29,110)	(31,089)
Interest expense on lease liabilities	11	(19,700)	(10,573)
Other expenditure	17	(462,658)	(785,165)
Total expenditure		<u>(19,333,103)</u>	<u>(19,647,604)</u>
Deficit before income tax		(1,759,930)	(1,942,558)
Income tax expense	12	-	-
Net deficit, representing total comprehensive income for the financial year		<u>(1,759,930)</u>	<u>(1,942,558)</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

WWF-World Wide Fund For Nature (Singapore) Limited**Statement of financial position
As at 30 June 2023**

	Note	2023 \$	2022 \$
ASSETS AND LIABILITIES			
Current assets			
Cash and cash equivalents	5	7,172,003	7,202,885
Pledged fixed deposit	5	102,676	102,676
Other receivables	6	3,983,274	6,426,354
Other current assets	7	1,063,817	893,721
Deposits		86,736	31,827
Inventories	8	-	218,331
Total current assets		12,408,506	14,875,794
Non-current asset			
Plant and equipment	9	718,374	883,325
Total assets		13,126,880	15,759,119
Current liabilities			
Trade and other payables	10	5,957,630	6,767,457
Lease liabilities	11	206,402	216,839
Total current liabilities		6,164,032	6,984,296
Non-current liability			
Lease liabilities	11	148,511	200,556
Provision for reinstatement costs		112,500	112,500
Net assets		6,701,837	8,461,767
FUNDS			
Restricted operating funds	14	1,554,894	2,360,133
Unrestricted operating funds	14	4,029,480	5,197,590
WWFS Conservation Fund	13	1,117,463	904,044
Total funds		6,701,837	8,461,767

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

WWF-World Wide Fund For Nature (Singapore) Limited**Statement of changes in funds
For the financial year ended 30 June 2023**

	Restricted Operating Funds (Note 14) \$	Unrestricted Operating Funds (Note 14) \$	WWFS Conservation Fund (Note 13) \$	Total \$
At 1 July 2022	2,360,133	5,197,590	904,044	8,461,767
Net (deficit)/surplus, representing total comprehensive income for the financial year	(805,239)	(1,155,220)	200,529	(1,759,930)
Transfer	-	(12,890)	12,890	-
30 June 2023	1,554,894	4,029,480	1,117,463	6,701,837
1 July 2021	2,077,439	7,446,266	880,620	10,404,325
Net surplus/(deficit), representing total comprehensive income for the financial year	282,694	(1,887,344)	(337,908)	(1,942,558)
Transfer	-	(361,332)	361,332	-
At 30 June 2022	2,360,133	5,197,590	904,044	8,461,767

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

WWF-World Wide Fund For Nature (Singapore) Limited**Statement of cash flows
For the financial year ended 30 June 2023**

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Deficit before income tax		(1,759,930)	(1,942,558)
Adjustments for:			
Depreciation of plant and equipment	9	338,341	306,523
Interest expense on lease liabilities	11	19,700	10,573
Plant and equipment written off	9	82	18,125
Provision for reinstatement cost		-	(112,500)
Reversal of write-down in inventory obsolescence	8,17	(34,556)	(18,956)
Interest income	15	(95,223)	-
Operating cash flows before changes in working capital		(1,531,586)	(1,738,793)
Changes in working capital:			
Decrease/(increase) in other receivables and deposits		2,388,171	(509,910)
(Increase)/decrease in other current assets		(170,096)	444,244
Decrease/(increase) in inventories		252,887	(11,577)
Increase in pledged fixed deposits		-	(103)
(Decrease)/increase in trade and other payables		(809,827)	395,843
Cash generated from/(used in) operations		129,549	(1,420,296)
Cash flows from investing activities			
Purchase of plant and equipment	9	(36,383)	(360,006)
Interest received	15	95,223	-
Cash generated from/(used in) investing activities		58,840	(360,006)
Cash flows from financing activity			
Payment of lease liabilities, representing cash used in financing activity	11	(219,271)	(188,973)
Net decrease in cash and cash equivalents		(30,882)	(1,969,275)
Cash and cash equivalents at beginning of year		7,202,885	9,172,160
Cash and cash equivalents at end of year	5	7,172,003	7,202,885

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

WWF-World Wide Fund For Nature (Singapore) Limited

Notes to the financial statements For the financial year ended 30 June 2023

1. Corporate information

The Company 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.

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 (2022: 3). The Company has been registered as a charity under the Charities Act since 10 March 2006.

Included in the Company, is WWFS Conservation Fund which was originally conferred on 1 January 2008 with the status of Institution of Public Character ("IPC"), subject to a recurring renewal. The IPC status has been renewed for another two-year term, commencing 1 July 2023.

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

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("SFRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("S" or "SGD") which is the functional currency of the Company.

2.2 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 July 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

WWF-World Wide Fund For Nature (Singapore) Limited

Notes to the financial statements For the financial year ended 30 June 2023

2. Summary of significant accounting policies (cont'd)

2.3 *Standards issued but not yet effective*

The Company has not adopted the following standards and amendments applicable to the Company that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
FRS 117 Insurance Contracts	1 January 2023
Amendments to FRS 116 Leases: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to FRS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants	1 January 2024
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors expect that the adoption of the standards and amendments above will have no material impact on the financial statements in the year of initial application.

2.4 *Functional currency transactions and balances*

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the statement of comprehensive income.

WWF-World Wide Fund For Nature (Singapore) Limited

Notes to the financial statements For the financial year ended 30 June 2023

2. Summary of significant accounting policies (cont'd)

2.5 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives of the assets as follows:

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

Construction in progress is stated at cost and is not depreciated. Cost includes direct related expenditure incurred during the period of construction and up to the completion of the construction. The accumulated costs will be reclassified to the appropriate plant and equipment account when the construction is substantially completed and the asset is ready for its intended use.

The residual value, useful life and depreciation method are reviewed at each reporting year, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in statement of comprehensive income in the year the asset is derecognised

2.6 *Impairment of non-financial assets*

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in the statement of comprehensive income.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the statement of comprehensive income unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023**

2. Summary of significant accounting policies (cont'd)**2.7 Financial instruments****(a) Financial assets**Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of comprehensive income.

Receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income and fair value through profit or loss. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in statement of comprehensive income when the assets are derecognised or impaired, and through the amortisation process.

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in statement of comprehensive income.

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023**

2. Summary of significant accounting policies (cont'd)**2.7 Financial instruments (cont'd)****(b) Financial liabilities**Initial recognition and measurement

Financial liabilities are recognised when and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of comprehensive income when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On de-recognition, the difference between the carrying amounts and the consideration paid is recognised in statement of comprehensive income.

2.8 Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023**

2. Summary of significant accounting policies (cont'd)**2.8 Impairment of financial assets (cont'd)**

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the statement of comprehensive income.

2.9 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 an outflow of economic resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank and fixed deposits which is subject to an insignificant risk of changes in value.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2.12 Employee benefits**(a) Defined contribution plans**

The Company makes contributions to the Central Provident Fund (CPF) scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

WWF-World Wide Fund For Nature (Singapore) Limited

Notes to the financial statements For the financial year ended 30 June 2023

2. Summary of significant accounting policies (cont'd)

2.13 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life lives of the assets.

Office space	-	2 to 3 years
Office equipment	-	5 years

If the ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.6.

The Company's right-of-use assets are presented within plant and equipment (Note 9).

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at initial application date or lease commencement date because the interest rate implicit in the lease is not readily determinable. After initial application date or commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023**

2. Summary of significant accounting policies (cont'd)**2.13 Leases (cont'd)****(iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of equipment. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.14 Income

Income is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third parties.

Income is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

(a) Donations

Donations are recognised as and when the Company's entitlement to such income is established with certainty and the amount can be measured with sufficient reliability. This normally coincides with the receipt of the donation. Donations received in advance are deferred and recognised as and when the projects are held.

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. Donation in kind relating to services is recognised as expenditure in the statement of comprehensive income upon acceptance of the services. 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.

(b) Programme income from related parties and companies

Programme income are funds from WWF International and other related parties and companies primarily used to fund donor specified global and regional conservation programmes.

(c) Sales of merchandise and artworks

Revenue is recognised at the point in time when the merchandise and artworks are delivered to the customer and all criteria for acceptance have been satisfied.

WWF-World Wide Fund For Nature (Singapore) Limited

Notes to the financial statements For the financial year ended 30 June 2023

2. Summary of significant accounting policies (cont'd)

2.15 *Government grants*

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

2.16 *Taxes*

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 exempted from income tax under the Singapore Income Tax Act 1947.

2.17 *Contingencies*

A contingent liability is:

- (a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- (b) A present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities and assets are not recognised on the balance sheet of the Company, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

WWF-World Wide Fund For Nature (Singapore) Limited

Notes to the financial statements For the financial year ended 30 June 2023

3. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods. Management is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

4. Related companies and party transactions

At the end of the reporting period, the members of the Company are:

- World Wide Fund for Nature (Incorporated in Switzerland), known as WWF International
- Mr Teng Ngiek Lian
- 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 has 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.

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. Amounts due from/to related companies and related parties are unsecured, repayable upon demand and interest-free.

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****4. Related companies and party transactions (cont'd)**

(a) Income and expenditure

	2023	2022
	\$	\$
Programme income from related parties and companies:		
- WWF International	3,220,196	3,511,800
- Related parties	2,036,455	2,732,577
- Related companies	31,417	30,622
	<u>5,288,068</u>	<u>6,274,999</u>
Funds disbursed to donor specified global conservation programmes:		
- Related parties	1,613,908	1,582,476
- Related companies	1,129,528	974,535
	<u>2,743,436</u>	<u>2,557,011</u>
Expenses paid to WWF International	<u>15,188</u>	<u>379,653</u>
Payments on behalf of WWF International	-	<u>12,320</u>

(b) Compensation of key management personnel

	2023	2022
	\$	\$
Salaries and bonuses	605,655	489,220
Central Provident Fund contributions	25,522	20,400
Other benefits	1,920	1,600
	<u>633,097</u>	<u>511,220</u>

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

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****5. Cash and cash equivalents**

	2023	2022
	\$	\$
Cash at bank and on hand	2,008,980	4,202,885
Fixed deposits	5,265,699	3,102,676
	<hr/>	<hr/>
Total cash and bank balances	7,274,679	7,305,561
Less: Pledged fixed deposit	(102,676)	(102,676)
	<hr/>	<hr/>
Cash and cash equivalents in the statement of cash flows	7,172,003	7,202,885
	<hr/> <hr/>	<hr/> <hr/>

The fixed deposits bear an interest rate of 2.4% to 3.2% (2022: 0.10% to 0.50%) per annum for a tenure of 1 month to 12 months (2022: 3 months to 12 months).

The pledged deposit of \$102,676 (2022: \$102,676) is used as security for the Company credit card facility.

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

	2023	2022
	\$	\$
Cash at bank	307,919	1,122,510
Fixed Deposit	1,608,137	-
	<hr/>	<hr/>
	1,916,056	1,122,510
	<hr/> <hr/>	<hr/> <hr/>

Cash and bank balances denominated in foreign currencies as at 30 June are as follows:

	2023	2022
	\$	\$
US Dollar	113,718	119,866
Euro	28,720	24,619
Swiss Franc	120,295	15,522
GB Pound	1,501	208,788
	<hr/> <hr/>	<hr/> <hr/>

6. Other receivables

	2023	2022
	\$	\$
Other receivables from third parties	1,080,176	887,580
Other receivables from related company	34,166	-
Other receivables from related parties	1,407,389	3,968,331
Staff advances	-	20,498
Grant receivables	1,461,543	1,549,945
	<hr/>	<hr/>
Total other receivables	3,983,274	6,426,354
	<hr/> <hr/>	<hr/> <hr/>

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****6. Other receivables (cont'd)**

Other receivables from third parties, related company and related parties are unsecured, on-interest bearing and repayable on demand.

The following amount pertains to the WWFS Conservation Fund:

	2023	2022
	\$	\$
Other receivables	83,171	4,300

Amounts due from other receivables are non-trade, unsecured, interest-free, repayable on demand.

Expected credit losses

For the purpose of impairment assessment, other receivables are considered to be recoverable as these are not due for repayment at the end of the reporting period and there has been no significant increase in the risk of default on these receivables since initial recognition. Based on management's assessment and the Company's historical credit loss experience with the relevant counterparties, the management had assessed the expected credit loss to be insignificant. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the ECL, management has taken into account the financial position of the third parties, related companies and related parties, adjusted for factors that are specific to these companies and general economic conditions of the industry in which these companies operate, in estimating the probability of default of the receivables as well as the loss upon default. Management determines the receivables from these companies are subject to immaterial credit loss.

Other receivables denominated in foreign currencies as at 30 June are as follows:

	2023	2022
	\$	\$
US Dollar	337,558	55,087
GB Pound	2,957	-
Euro	305,950	672,087
Swiss Franc	626,995	295,480
Norwegian Krone	23,208	-

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****7. Other current assets**

	2023	2022
	\$	\$
Prepayments	231,956	139,438
Advance funding to global conservation programmes	831,861	754,283
	<u>1,063,817</u>	<u>893,721</u>

The following amounts pertains to the WWFS Conservation Fund:

	2023	2022
	\$	\$
Prepayments	136,194	-
	<u>136,194</u>	<u>-</u>

Other current assets denominated in foreign currencies as at 30 June are as follows:

	2023	2022
	\$	\$
US Dollar	399,798	411,653
Euro	3,972	2,163
Australian Dollar	32,564	11,603
	<u>436,334</u>	<u>425,419</u>

8. Inventories

	2023	2022
	\$	\$
Statement of financial position:		
Merchandise	-	180,214
Less: Allowances for inventory obsolescence	-	(34,556)
Tiger Trail Artworks	-	72,673
	<u>-</u>	<u>117,231</u>
Inventories (net realisable value)	<u>-</u>	<u>218,331</u>
Statement of profit or loss and other comprehensive income:		
Inventories recognised as an expenditure	252,887	131,191
Reversal of write-down in inventory obsolescence	(34,556)	(18,956)
	<u>218,331</u>	<u>112,235</u>

The reversal of write-down in inventories was due to the inventories being sold above the carrying amounts in financial year ended 30 June 2023 and 2022.

WWF-World Wide Fund For Nature (Singapore) Limited
Notes to the financial statements
For the financial year ended 30 June 2023
9. Plant and equipment

	Office Equipment \$	Furniture and fixtures \$	Leasehold improvements \$	Computer equipment \$	Computer software \$	Office space (Right-of- use assets) \$	Office equipment (Right-of- use assets) \$	Construction in progress \$	Total \$
Cost:									
At 1 July 2021	54,642	115,140	408,779	452,377	197,137	492,301	13,454	-	1,733,830
Additions	25,644	-	134,808	34,129	59,001	494,630	-	218,924	967,136
Transfer	-	(12,102)	(53,276)	-	-	-	-	-	(65,378)
At 30 June 2022 and 1 July 2022	80,286	103,038	490,311	486,506	256,138	986,931	13,454	218,924	2,635,588
Additions	3,704	-	25,406	3,116	-	33,744	103,345	4,157	173,472
Written Off	(13,401)	(30,648)	(312,580)	(257,862)	(8,518)	-	-	-	(623,009)
Transfer	-	-	223,081	-	-	-	-	(223,081)	-
At 30 June 2023	70,589	72,390	426,218	231,760	247,620	1,020,675	116,799	-	2,186,051
Accumulated depreciation:									
At 1 July 2021	41,512	98,724	356,048	412,218	178,212	397,051	9,228	-	1,492,993
Depreciation	7,507	12,402	48,578	28,404	27,693	177,713	4,226	-	306,523
Written Off	-	(9,960)	(37,293)	-	-	-	-	-	(47,253)
At 30 June 2022 and 1 July 2022	49,019	101,166	367,333	440,622	205,905	574,764	13,454	-	1,752,263
Depreciation	9,084	1,567	75,930	24,628	22,370	181,748	23,014	-	338,341
Written Off	(13,401)	(30,566)	(312,580)	(257,862)	(8,518)	-	-	-	(622,927)
At 30 June 2023	44,702	72,167	130,683	207,388	219,757	756,512	36,468	-	1,467,677
Carrying amount:									
At 30 June 2023	25,887	223	295,535	24,372	27,863	264,163	80,331	-	718,374
At 30 June 2022	31,267	1,872	122,978	45,884	50,233	412,167	-	218,924	883,325

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****9. Plant and equipment (cont'd)**

The Company leases office space and office equipment with an average lease term of 3 years (2022: 3 years). Such right-of-use assets are presented as part of plant and equipment above.

During the financial year, there were addition for plant and equipment with a total of \$173,472 (2022: \$967,136) of which \$NIL (2022: \$112,500) is related to leasehold improvement for the provision for reinstatement cost and \$137,089 (2022: \$494,630) is related to recognition of right-of-use assets at the commencement of the lease. The net cash flow for the purchase of plant and equipment is \$36,383 (2022: \$360,006).

The provision for reinstatement cost was made for the estimated cost for reinstating the Company's rented premises to the original condition upon termination of the lease.

10. Trade and other payables

	2023	2022
	\$	\$
Trade and other payables:		
Trade payables	257,993	234,804
Other payables	25,712	3,482
Income from related companies received in advance	1,654,243	3,046,302
Donations received in advance	2,539,578	2,327,813
Payable to related companies	806,862	1,316
Payable to related party	-	3,892
GST payables	43,676	45,560
Provision for annual leave	61,114	70,650
Accrued expenses	568,452	1,033,638
	<hr/>	<hr/>
Total trade and other payables	5,957,630	6,767,457
	<hr/> <hr/>	<hr/> <hr/>

Trade and other payables are non-interest bearing. Trade payables are normally settled on 30 to 60 days term.

Amounts due to related companies and related party are non-interest bearing and repayable on demand.

Trade and other payables denominated in foreign currencies as at 30 June are as follows:

	2023	2022
	\$	\$
US Dollar	1,582,384	914,260
Euro	133,138	188,043
Swiss Franc	529,201	322,905
Malaysian Ringgit	5,862	-
Australian Dollar	342	-
GB Pound	16,062	17,286
Indonesian Rupiah	-	2,062
	<hr/> <hr/>	<hr/> <hr/>

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****10. Trade and other payables (cont'd)**

The above balances include the following amounts which pertains to the WWFS Conservation Fund:

	2023	2022
	\$	\$
Accrued expenses	13,541	19,527
Donations received in advance	786,336	59,083

In the separate stand-alone statement of financial position of the WWFS Conservation Fund, there is a balance due to WWF Singapore of \$246,977 (2022: \$193,074) as at 30 June 2023.

11. Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the financial year:

	2023	2022
	\$	\$
At beginning of the year	417,395	101,165
Additions	137,089	494,630
Accretion of interest	19,700	10,573
Payments	(219,271)	(188,973)
At end of the year	354,913	417,395
Current	206,402	216,839
Non-current	148,511	200,556

The following are the amounts recognised in statement of profit or loss and other comprehensive income:

	2023	2022
	\$	\$
Depreciation of right-of-use assets	204,762	181,939
Interest expense on leases liabilities	19,700	10,573
Rent concessions	-	(674)
Expenses in relation to short-term leases	19,447	16,029
Total amount recognised in statement of profit or loss and other comprehensive income	243,909	207,867

Total cash outflow

The Company had total cash outflows for leases of \$238,718 (2022: \$205,002).

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****12. 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 exempted from income tax under the Singapore Income Tax Act 1947.

13. 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.

Movements in the WWFS Conservation Fund are as follows:

	2023	2022
	\$	\$
At beginning of the year	904,044	880,620
Add:		
Donations and collections	1,422,077	208,346
Donations in kind*	1,597,438	300,000
Other income	-	1,261
Total donations (Note 15)	3,019,515	509,607
Government grants (Note 15)	25,000	4,440
Interest income (Note 15)	17,088	-
Total income	3,061,603	514,047
Less: Expenditure	(2,861,074)	(851,955)
Net surplus/(deficit) for the year	200,529	(337,908)
Add: Transfer from unrestricted operating funds	12,890	361,332
Net movement for the year	213,419	23,424
At end of the year	1,117,463	904,044

* Donations in kind is recognised in accordance with the accounting policies on income recognition (see Note 2.14).

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****13. WWFS Conservation fund (cont'd)**

Of the total donations received (excluding donations in kind) during the financial year, \$1,422,077 (2022: \$101,128) were tax deductible donations received.

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

	2023	2022
	\$	\$
Expenses for charitable activities:		
- Outreach and awareness projects expenses	699,621	329,139
- Expense related to the donations in kind received	1,597,438	300,000
- Professional fees	138,725	88,267
Other administrative expenses	5,377	2,250
Management fee billed by WWF Singapore*	419,913	132,299
	<hr/>	<hr/>
Total expenditure incurred for WWFS Conservation Fund's activities	2,861,074	851,955
	<hr/> <hr/>	<hr/> <hr/>

*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.

14. 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.

Restricted operating funds

Fund balances restricted by outside sources are 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 that 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.

Unrestricted operating funds

Fund balances which are not subject to restrictions imposed by the donors. Management retains full control over the use of unrestricted funds in achieving any of the Company's purposes in accordance with applicable rules.

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****14. Operating funds (cont'd)**

Movements in the restricted operating funds and unrestricted operating funds are as follows:

	Restricted operating funds		Unrestricted operating funds	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
At beginning of the year	2,360,133	2,077,439	5,197,590	7,446,266
Add: Income	8,772,969	10,007,417	5,738,601	7,183,582
Less: Expenditure	(9,578,208)	(9,724,723)	(6,893,821)	(9,070,926)
Net (deficit)/surplus for the year	(805,239)	282,694	(1,155,220)	(1,887,344)
Less: Transfer to WWFS Conservation Fund	-	-	(12,890)	(361,332)
Net movement for the year	(805,239)	282,694	(1,168,110)	(2,248,676)
At end of the year	1,554,894	2,360,133	4,029,480	5,197,590

15. Income

	2023	2022
	\$	\$
Operating income		
Donations and collections	3,721,322	3,485,186
Donation from direct donors debit program	5,062,423	6,408,954
Donations in kind*	-	609,905
Revenue for WWFS Conservation Fund (Note 13)	1,422,077	209,607
Donations in kind* for WWFS Conservation Fund (Note 13)	1,597,438	300,000
	11,803,260	11,013,652
Programme income from related parties and companies (Note 4)	5,288,068	6,274,999
Total operating income	17,091,328	17,288,651
Other income		
Government grants from Economic Development Board, Wage Credit Scheme and Job Support Scheme	127,363	189,936
Government grant for WWFS Conservation Fund (Note 13)	25,000	4,440
Interest income	78,135	-
Interest income for WWFS Conservation Fund (Note 13)	17,088	-
Other income	234,259	222,019
Total other income	481,845	416,395
Total income	17,573,173	17,705,046

* Donations in kind is recognised in accordance with the accounting policies on income recognition (see Note 2.14).

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****15. Income (con'd)**

Under the permit (No 0069 2022) issued by the Ministry of Culture, Community and Youth ("MCCY") on 12 December 2022, there were no fund-raising appeals conducted nor fund raised under this permit during the year.

16. Staff costs and staff related costs

	2023	2022
	\$	\$
Salaries and related costs	9,793,609	9,466,871
Contributions to Central Provident Fund	807,504	756,746
Other short-term benefits	208,201	255,939
Other staff related costs	92,347	112,456
	10,901,661	10,592,012
	10,901,661	10,592,012

Compensation of three highest paid staff

With reference to Section 8 of the "Code of Governance for Charities and Institutions of a Public Character", the annual remuneration of three highest paid staff involved in the day-to-day operations are as follows:

	2023	2022
	\$	\$
Remuneration band:		
\$100,000 to \$200,000	1	1
\$200,001 to \$300,000	2	2
	2	2

In 2023 and 2022, there is no paid staff who is close member of the family of the Executive Heads or Board Members.

17. Other expenditure

Included in other expenditure are:

	2023	2022
	\$	\$
Reversal of write-down in inventory obsolescence (Note 8)	(34,556)	(18,956)
Bank charges	20,672	17,349
Plant and equipment expensed off	15,994	24,852
Foreign exchange loss - net	38,078	39,988
Costs of temporary workers	103,503	167,565
	132,697	130,709

WWF-World Wide Fund For Nature (Singapore) Limited

Notes to the financial statements For the financial year ended 30 June 2023

18. Fair value of assets and liabilities

(a) *Fair values hierarchy*

The Company categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) *Assets and liabilities not measured at fair value*

Management has determined that the carrying amounts of cash and bank balances, deposits, trade payables, other receivables and payables amounts due from/(to) related companies and related parties and accruals, based on their notional amounts, reasonably approximate their fair values because these are short term in nature.

The fair value of the lease liabilities is estimated by discounting expected cash outflow at effective interest rate at the end of the reporting period.

19. Financial instruments, financial risks and capital management

Financial risk management policies and objectives

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks. The Board of Directors also provides independent oversight to the effectiveness of the risk management process. It is and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purpose shall be undertaken. The Company does not apply hedge accounting.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risk.

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****19. Financial instruments, financial risks and capital management (cont'd)*****Financial risk management policies and objectives (cont'd)*****(i) Foreign currency risk**

The Company's foreign currency risk arose mainly from the exchange rate movement of United States Dollars ("USD"), Euro ("EUR"), Australian Dollar ("AUD") and Swiss Franc ("CHF"). The exposure is managed through the timing of receipts and payments as negotiated with the related parties and companies since funding received and programme funding provided, are mainly from/to related parties and companies.

The Company also holds cash denominated in foreign currency for working capital purposes. At the end of the reporting period, such foreign currency balances are mainly in USD, EUR, AUD, and CHF.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Company's deficit before tax to a reasonably possible change in the exchange rates of USD, EUR, AUD and CHF against SGD with all other variables held constant.

		2023	2022
		\$	\$
USD/SGD	Strengthened 10% (2022: 10%)	73,131	44,752
	Weakened 10% (2022: 10%)	(73,131)	(44,752)
EUR/SGD	Strengthened 10% (2022: 10%)	(20,550)	(48,621)
	Weakened 10% (2022: 10%)	20,550	48,621
AUD/SGD	Strengthened 10% (2022: 10%)	(3,222)	1,160
	Weakened 10% (2022: 10%)	3,222	(1,160)
CHF/SGD	Strengthened 10% (2022: 10%)	(21,809)	2,742
	Weakened 10% (2022: 10%)	21,809	(2,742)

(ii) Interest rate risk

The Company is exposed to interest rate risk through the impact of interest rates changes on interest-earning cash and fixed deposits (Note 5). The Company has no interest-bearing liabilities.

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.

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****19. Financial instruments, financial risks and capital management (cont'd)*****Financial risk management policies and objectives (cont'd)*****(iii) Credit risk**

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 loss allowance is required as these receivables are recoverable.

The Company's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is > 90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery.	Amount is written off

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023**

19. Financial instruments, financial risks and capital management (cont'd)***Financial risk management policies and objectives (cont'd)*****(iii) Credit risk (cont'd)**

For the purpose of impairment assessment, the receivables are considered to have low risk of default as these are not due for repayment at the end of reporting period and there has been no significant increase in credit risk on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the ECL for related companies and related parties, management has taken into account the financial position of the related companies and related parties and general economic conditions of the countries in which these entities operate, in estimating the probability of default of the receivables as well as the loss upon default. Management determines the receivables due from these companies are subject to immaterial credit loss.

The Company has not made any allowance for ECL on the rest of the financial assets as management has assessed that these receivables are recoverable and historical default rate and risk of default is low.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a level of cash and cash equivalents deemed adequate by management to finance the Company's operation and mitigate the effects of fluctuation in cash flow.

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 assets and liabilities which mature later than one year from the end of the reporting period, apart from non-current lease liabilities matured within (one to five years).

WWF-World Wide Fund For Nature (Singapore) Limited**Notes to the financial statements
For the financial year ended 30 June 2023****20. Financial instruments by category**

At the end of the year, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2023	2022
	\$	\$
Financial assets measured at amortised cost:		
Cash and bank balances (Note 5)	7,274,679	7,305,561
Other receivables (Note 6)	3,983,274	6,426,354
Deposits	86,736	31,827
	<hr/>	<hr/>
Total financial assets measured at amortised cost	11,344,689	13,763,742
	<hr/>	<hr/>
Financial liabilities measured at amortised cost:		
Trade and other payables (Note 10)	5,957,630	6,767,457
Less:		
Income from related companies received in advance (Note 10)	(1,654,243)	(3,046,302)
Donations received in advance (Note 10)	(2,539,578)	(2,327,813)
GST payables (Note 10)	(43,676)	(45,560)
	<hr/>	<hr/>
Total financial liabilities measured at amortised cost	1,720,133	1,347,782
	<hr/> <hr/>	<hr/> <hr/>

21. 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 2022.

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.

22. Authorisation of financial statements

The financial statements for the financial year ended 30 June 2023 were authorised for issue in accordance with a resolution of the directors on 17 November 2023.