
***WWF - WORLD WIDE FUND
FOR NATURE, Gland***

*Report on the financial statements
For the year ended June 30, 2011*

Report of the statutory auditor

To the International Board of Trustees of
WWF - WORLD WIDE FUND FOR NATURE, GLAND

Report on the financial statements

As statutory auditor, we have audited the accompanying financial statements of WWF - World Wide Fund for Nature, which comprise the balance sheet, income and expenditure statement and notes for the year ended June 30, 2011. The financial statements for the year ended June 30, 2010 were audited by another auditor whose report, dated November 29, 2010, expressed an unqualified opinion on those financial statements.

International Board's Responsibility

The International Board is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law as well as the charter of the foundation and regulations. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The International Board is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance 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 the internal control system relevant to the entity's preparation of the financial statements 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 system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, 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.

Opinion

In our opinion, the financial statements for the year ended June 30, 2011 comply with Swiss law as well as with the charter of the foundation and regulations.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (articles 83b paragraph 3 CC and 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with articles 83b paragraph 3 CC and 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the International Board.

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

Deloitte SA



Jean-Marc Jenny
Licensed Audit Expert
Auditor in Charge



Jürg Gehring
Licensed Audit Expert

Geneva, November 27, 2011

Enclosures

- Financial statements (balance sheet, income and expenditure statement and notes)

**Balance sheet as at 30 June
(in Swiss Francs)**

	Notes	2011	2010 Restated
Assets			
Current assets			
Cash	7; 8	55 187 972	56 203 700
Short-term bank deposits	7; 8	2 534 832	3 074 041
Marketable securities	3(h); 8; 11	26 136 674	22 139 240
Receivables and other items		9 549 950	11 479 341
		<u>93 409 428</u>	<u>92 896 322</u>
Long-term receivables	9	0	3 275 573
Fixed assets	3(i); 12	<u>9 587 944</u>	<u>9 212 749</u>
Total assets		<u>102 997 372</u>	<u>105 384 644</u>
Liabilities and funds			
Current liabilities			
Accounts payable and accrued expenses		21 516 832	24 265 803
		<u>21 516 832</u>	<u>24 265 803</u>
Long-term liabilities			
Mortgage payable		1 740 000	1 905 473
		<u>1 740 000</u>	<u>1 905 473</u>
Restricted funds	3(f)		
Restricted operating funds	3(b)	60 280 116	59 842 374
Restricted endowment funds	15	3 297 870	2 821 470
		<u>63 577 986</u>	<u>62 663 844</u>
Unrestricted funds / "equity"	3(e)		
Unrestricted operating funds	3(b); 16; 17	1 485 382	4 201 283
Unrestricted reserves	16; 18	14 677 172	12 348 241
		<u>16 162 554</u>	<u>16 549 524</u>
Total funds		<u>79 740 539</u>	<u>79 213 368</u>
Total liabilities and funds		<u>102 997 372</u>	<u>105 384 644</u>

**Income and expenditure statement
for the year ended 30 June
(in Swiss Francs)**

	Notes	2011	2010 Restated
Operating income			
National Organisations	3(m)	91 959 083	97 299 908
Legacies and bequests		1 223	12 892 261
Trusts and foundations	3(m)	17 045 219	16 031 930
Individuals and general donations	3(m)	2 119 411	1 126 138
Corporations	3(m)	8 978 521	11 899 968
Governments and aid agencies	3(m)	52 265 815	53 593 578
Financial income (loss) - net	11; 19	1 824 928	(2 042 490)
Royalties		1 260 374	1 039 894
Special events		39 362	74 130
Other		1 541 674	1 467 323
Total operating income		<u>177 035 610</u>	<u>193 382 640</u>
Operating expenditure			
Conservation programme	2	129 288 468	141 439 711
Conservation policy		8 333 993	9 687 677
Global initiatives		6 139 505	12 102 422
Support to institutions and special work		720 111	804 950
Network services and people development		3 342 849	4 073 937
Network fundraising capacity building	9	6 001 297	506 168
Communication services		6 416 994	6 789 498
Fundraising		3 961 072	3 853 492
Finance and administration		5 870 146	6 146 233
Depreciation	5	500 396	548 124
Total operating expenditure		<u>170 574 831</u>	<u>185 952 211</u>
Excess of operating income over expenditure		<u>6 460 779</u>	<u>7 430 429</u>
Non-operating items			
Individual and general donations to endowment funds	15, 18	700 981	64 319
Total non-operating items		<u>700 981</u>	<u>64 319</u>
Excess of income over expenditure		7 161 760	7 494 748
Unrealised foreign currency translation adjustment	3(k)	(6 634 589)	(2 364 376)
Fund balances at beginning of year		79 213 368	74 082 996
Fund balances at end of year		<u><u>79 740 539</u></u>	<u><u>79 213 368</u></u>

**Detailed operating income and expenditure statement
for the year ended 30 June 2011
(in Swiss Francs)**

OPERATING FUNDS				
	Notes	Unrestricted	Restricted	Total
Operating income				
National Organisations	3(m)	42 745 989	49 213 094	91 959 083
Legacies and bequests		27 604	(26 381)	1 223
Trusts and foundations	3(m)	1 334 566	15 710 653	17 045 219
Individuals and general donations	3(m)	1 805 994	313 417	2 119 411
Corporations	3(m)	819 725	8 158 796	8 978 521
Governments and aid agencies	3(m)	0	52 265 815	52 265 815
Financial income (loss) - net	11; 19	647 433	1 177 495	1 824 928
Royalties		901 869	358 505	1 260 374
Special events		0	39 362	39 362
Other		1 054 901	486 773	1 541 674
Total operating income		49 338 081	127 697 529	177 035 610
Operating expenditure				
Conservation programme	2	31 778 882	97 509 586	129 288 468
Conservation policy		3 964 493	4 369 500	8 333 993
Global initiatives		2 164 806	3 974 699	6 139 505
Support to institutions and special work		604 877	115 234	720 111
Network services and people development		3 139 210	203 639	3 342 849
Network fundraising capacity building	9	328 156	5 673 141	6 001 297
Communication services		6 059 905	357 089	6 416 994
Fundraising		2 996 290	964 782	3 961 072
Finance and administration		5 867 403	2 743	5 870 146
Depreciation	5	389 957	110 439	500 396
Total operating expenditure		57 293 979	113 280 852	170 574 831
Excess (shortfall) of operating income over expenditure		(7 955 898)	14 416 677	6 460 779
Foreign currency translation adjustment	3(k)	(848 444)	(5 786 145)	(6 634 589)
Operating fund balances at beginning of year		4 201 283	59 842 374	64 043 657
Fund transfers	3(g)	8 234 390	(8 234 390)	0
Transfers out to unrestricted board designated reserve and endowment funds	16	(2 145 949)	0	(2 145 949)
Transfer in from restricted endowment funds	15	0	41 600	41 600
Operating fund balances at end of year		1 485 382	60 280 116	61 765 498

Notes to the financial statements for the year ended 30 June 2011

Note 1 – Name and activity

The organisation's full registered name is "WWF - World Wide Fund for Nature (formerly World Wildlife Fund)", and is known as WWF International. WWF International is a foundation under the Swiss Civil Code whose aims are to conserve nature and ecological processes by preserving genetic, species, and ecosystem diversity, to ensure that the use of renewable natural resources is sustainable and to promote actions to reduce pollution and the wasteful exploitation and consumption of resources and energy. WWF International works closely with many organisations including local and global environmental NGOs, UN organisations, development agencies such as USAID and the World Bank, and business and industry partners. As well as being the secretariat for the WWF Network, WWF International also raises money to fund its conservation projects world-wide.

Note 2 – WWF International Offices

The income and expenditure, assets and liabilities of the following WWF offices have been included in these financial statements:

WWF Programme Offices:

- Caucasus Programme Office ^a
- Central Africa Regional Programme Office ("CARPO") ^b
- China Programme Office ("CPO")
- Danube-Carpathian Programme Office ("DCPO") ^c
- European Policy Office ("EPO")
- Eastern and Southern Africa Regional Programme Office ("ESARPO") ^d
- Greater Mekong Programme Office ("GMPO") ^e
- Madagascar and West Indian Ocean Programme Office ("MWIOPO")
- Mediterranean Programme Office ("MedPO")
- Mongolia Programme Office ("MPO")
- South Pacific Programme Office ("SPPO") ^f
- Western Melanesia Programme Office ("WMPO") ^g

^a Caucasus Programme Office comprises:

Caucasus Programme Office (Georgia)
Armenia Country Office
Azerbaijan Country Office

^b CARPO comprises:

Central Africa Regional Programme Office (Cameroon)
Cameroon Country Office
Central African Republic Country Office
Democratic Republic of Congo Country Office
Gabon Country Office

^c DCPO comprises:

Danube-Carpathian Regional Programme Office (Austria)
Bulgaria Country Office
Romania Country Office

^d ESARPO comprises:

Eastern and Southern Africa Regional Programme Office (Kenya)
Kenya Country Office
Mozambique Country Office
Tanzania Country Office
Uganda Country Office
Zimbabwe Country Office
Zambia Country Office

^e Greater Mekong Programme Office comprises:

Greater Mekong Programme Office (Vietnam)
Cambodia Country Office
Lao PDR Country Office

Thailand Country Office
Vietnam Country Office

^f SPPO comprises:
South Pacific Programme Office (Fiji)
Fiji Country Office

^g WMPO comprises:
Western Melanesia Programme Office (Papua New Guinea)
Papua New Guinea Country Office
Solomon Islands Country Office

Other WWF Office:
- Information & Communications Technology (“ICT”) previously called Global Technology Services (“GTS”) (hosted by WWF-UK and WWF Singapore)

The WWF International Conservation Programme includes projects which are funded directly by WWF National Organisations and other sources. The expenditure incurred by the WWF Programme Offices is classified under conservation programme.

Note 3 – Summary of significant accounting policies

- a) WWF International uses the accruals basis for expenditure and the cash basis for income, except for financial income as described in note 3(h) below. Payments to non-consolidated offices are recognised as an expense in these financial statements at the time payments are made to projects.
- b) Operating funds are those funds available for expenditure on conservation, communication, education and public policy, National Organisation support, direct fundraising, administration and finance and depreciation.
- c) Unexpended project allocations represent funds received and committed by management for specific projects but not yet spent.
- d) Unallocated funds represent funds received but not yet allocated by management for specific projects.
- e) Unrestricted operating and endowment funds are funds subject to no externally imposed restrictions.
- f) Restricted operating and endowment funds are funds subject to specific conditions imposed by the donor.
- g) Where restricted funds are received, which can be attributed to activities for which unrestricted funds have been used, the unrestricted funds are reimbursed, provided that the expenditure has taken place not earlier than in the preceding financial year or has been approved by the donor.
- h) Marketable securities are shown in the financial statements at market value.
- i) All fixed asset purchases by the WWF Programme Offices are expensed in the year of acquisition. Fixed asset purchases of land, buildings, building renovation, building equipment, software and IT equipment by WWF International Secretariat exceeding CHF 50 000 are shown in the balance sheet at their historical cost net of accumulated depreciation. Depreciation is provided on a straight-line basis over the estimated useful lives of the specific asset as follows:

Land	not depreciated
Buildings	not depreciated
Building renovation	not depreciated
Building equipment	25 years
Software	10 years
IT equipment	5 years

No depreciation has been charged on the capitalised building and renovation costs since management considers that the underlying value of WWF International’s land and buildings significantly exceeds their book value.

- j) WWF International's accounting records are maintained in Swiss francs. Monetary assets and liabilities denominated in currencies other than Swiss francs are recorded on the basis of exchange rates ruling at the balance sheet date. Income and expenditure in currencies other than Swiss francs are recorded on the basis of exchange rates ruling at the transaction date.
- k) Net unrealised exchange adjustments arising on translation of foreign currency operating results and balances to Swiss Francs are shown as unrealised foreign currency translation adjustments.
- l) When WWF International purchases external debt of a country for convertible currency and then swaps the debt for local currency of the country concerned (Debt for Nature Swaps), it initially records the local currency received at its Swiss franc cost and does not take credit for any higher Swiss franc equivalent which would be obtained by applying the official current exchange rate. Expenditure on nature projects of local currency thus acquired is reflected in WWF International's Swiss franc financial statements at the same exchange rate, i.e. at cost. Any unexpended local currency is recorded in Swiss francs at the lower of cost or the official current exchange rate.
- m) Income which is raised jointly by WWF International and National Organisations is classified as NO income, with the exception that GAA (Government and governmental aid agencies) income received via an NO is classified as GAA income.
- n) Certain comparative figures in the balance sheet and in the income and expenditure account have been reclassified to conform to current year presentation. These changes have no impact on the net surplus (deficit) in the income & expenditure statement.

Note 4 – Impact of the first-time consolidation

The impact of the consolidation of the Mongolia Programme Office for the first time in FY2011 is as follows:

	Total CHF
Increase in the operating funds at 30 June 2011	<u>334 613</u>
Represented by the Mongolia Programme Office's:	
Operating Funds balances as at 30 June 2010	518 801
Deficit for the year ended 30 June 2011	-110 363
Unrealised foreign currency translation adjustment	<u>-73 825</u>
	<u>334 613</u>

The prior year FY2010 figures have not been restated to include the Mongolia Programme Office's figures. Accordingly, a year on year comparison is not possible.

Note 5 – Impact of change in accounting policy

With effect from 1 July 2010, all fixed asset purchases by WWF International Secretariat exceeding CHF 50 000 are capitalised and depreciated on a straight-line basis over their estimated useful lives. The impact of this change reduces the fixed assets expenditure and increases the net surplus in FY2011 by CHF 212 182. See also note 3(i) for a description of the accounting policy and note 12 for a breakdown of acquisition cost and accumulated depreciation by asset category.

Note 6 – Financial information for Programme Offices not included within WWF International financial statements

For the year ended 30 June 2011, the financial results of the WWF Western Africa Forest Country Office (“WAFPCO”), WWF Poland, WWF Singapore and WWF Western Africa Marine Eco-region Programme Office (“WAMER”) are not included in these financial statements. It is our intention to include all of our offices, on a case by case basis, as and when operational circumstances permit. The table below provides key figures for each office:

FY2011	WAFPCO	WWF Poland	WWF Singapore	WAMER	Total
in CHF (000's)					
Cash & Bank at 30 June 2011	121	1 556	1 012	309	2 998
Income received other than from WWF International for the year ended 30 June 2011	60	3 982	956	2 907	7 905

At 30 June 2011 some CHF 3.0 million (2010 - CHF 4.1 million) of unspent cash was held in bank accounts at these Programme Offices. These amounts are not reflected as cash in the WWF International balance sheet.

Further, income and related expenditure received from sources other than WWF International for these Programme Offices are not included in the WWF International income and expenditure statement.

Note 7 – Cash and short-term bank deposits held by WWF International’s offices

Cash and short-term bank deposits at 30 June 2011 include CHF 39.6 million (2010 - CHF 40.4 million) attributable to WWF Programme and other offices listed in note 2 above.

Note 8 – Cash and short-term bank deposits held by WWF International Secretariat

Cash and short-term bank deposits at 30 June 2011 include CHF 5.1 million (2010 – CHF 5.8 million) set aside for investment in marketable securities.

Note 9 – Long-term receivables

	Contingent receivables	Long-term receivables
	2011	2010
	CHF	CHF
<u>Global Membership Initiative</u>		
WWF Poland, Warsaw	2 381 236	1 368 595
WWF-Brazil, Brasilia	834 068	1 343 966
WWF-Indonesia, Jakarta	157 944	173 170
WWF-New Zealand, Wellington	144 636	158 580
WWF-Hungary, Budapest	186 821	132 150
WWF-Philippines, Manila	90 397	99 112
	<u>3 795 102</u>	<u>3 275 573</u>

Donations from National Organisations have been used to create a revolving fund (“Revolving Development Loan Fund”), from which loans are made to offices with fundraising potential. The selection of loan recipients, their fundraising performance and repayment are overseen by the Donor Advisory Board of the Global Membership

Initiative, a committee of National Organisation representatives. As the Global Membership Initiative is a project of WWF International managed by WWF International employees, the related contingent loans, income and expenditure appear in the accounts of WWF International.

During FY2011 the loan agreements were amended to present the receivables as contingent in nature. Accordingly, the long-term receivables totalling of CHF 3 275 573 at 30 June 2010 have been expensed as restricted expenditure in FY2011. Additional funding amounting to CHF 1 147 700 has been recognised in restricted expenditure in FY2011.

The repayment of the interest free loans granted to WWF-Brazil, WWF Poland, WWF-Indonesia, WWF-New Zealand, WWF-Hungary and WWF-Philippines by the Global Membership Initiative is contingent in any given fiscal year on the recipient office reaching and maintaining a cumulative profitability in its GMI-funded membership project. In each fiscal year following the cumulative “break-even” point, a minimum of 35% of the actual surplus generated, if any, in the previous fiscal year by the recipient office shall be reclassified as loan payable by the recipient office and shall be repaid to the Revolving Development Loan Fund prior to the close of the first quarter.

Note 10 – Loan to WWF-Turkey

The financial statements do not reflect a loan in the amount of USD 160 000 made to WWF-Turkey in July 2004 with a balance outstanding of USD 80 000, financed by the following National Organisations:

	2011 USD	2010 USD
WWF-Netherlands	50 000	50 000
WWF-Switzerland	30 000	30 000
	<u>80 000</u>	<u>80 000</u>

As WWF-Turkey repays the loan, this financing has been repaid to the National Organisations in the same amounts. WWF-Turkey has repaid USD 80 000 as at 30 June 2011 (2010 – USD 80 000).

Note 11 – Hedging - foreign exchange forward contract

At 30 June 2011, the net unrealised loss resulting from the following foreign exchange forward contracts are taken to the income and expenditure account.

Contract to sell EUR 11 150 000 on 15 December 2011 for CHF 13 491 500

	CHF
Net present value of contractual proceeds	13 584 569
Value of EUR 11 150 000 at 30 June 2011	<u>13 611 627</u>
Net unrealised loss at 30 June 2011	<u>- 27 058</u>

Contract to sell USD 16 000 000 on 15 December 2011 for CHF 13 467 200

Contract to sell USD 800 000 on 15 December 2011 for CHF 663 280

	CHF
Net present value of contractual proceeds	14 171 928
Value of USD 16 800 000 at 30 June 2011	<u>14 145 600</u>
Net unrealised gain at 30 June 2011	<u>26 328</u>

Contract to buy JPY 50 400 000 on 15 December 2011 for CHF 532 274

Contract to sell JPY 50 400 000 on 15 December 2011 for CHF 530 359

	CHF
Net present value of contractual proceeds	- 1 920
Value of JPY 0 at 30 June 2011	<u>0</u>
Net unrealised loss at 30 June 2011	<u>-1 920</u>
Total net unrealised loss	<u>-2 650</u>

Note 12 – Fixed assets

The fixed asset balance is comprised of:

	2010 CHF	Additions CHF	2011 CHF
Capitalised acquisition costs			
Main building renovations	4 994 044	0	4 994 044
Pavilion land, building and renovations	2 036 041	0	2 036 041
Heat pump	281 242	0	281 242
ERP system implementation	2 167 078	0	2 167 078
IT equipment	0	247 874	247 874
Computer software under development	0	409 549	409 549
	<u>9 478 405</u>	<u>657 423</u>	<u>10 135 828</u>
Accumulated depreciation			
Heat pump	0	29 231	29 231
ERP system implementation	265 656	217 305	482 961
IT equipment	0	35 692	35 692
	<u>265 656</u>	<u>282 228</u>	<u>547 884</u>
Net fixed assets	<u>9 212 749</u>	<u>375 195</u>	<u>9 587 944</u>

The insurance value of fixed assets, including those expensed at the time of purchase, is as follows:

	2011 CHF	2010 CHF
Main building	7 351 193	7 351 193
Pavilion	1 912 844	1 912 844
Equipment and fixtures	<u>4 800 000</u>	<u>4 800 000</u>
	<u>14 064 037</u>	<u>14 064 037</u>

Note 13 - Other investments

WWF International has 100% ownership of Panda Fördergesellschaft GmbH, Germany whose net assets at 31 December 2010, based on unaudited financial statements, amounted to EUR 352 805 (2009 audited – EUR 287 843). WWF International has title to 76% of the shares of The Living Planet Fund Management Company S.A., Luxembourg, whose net assets at 31 December 2010 amounted to EUR 125 020 (2009 – EUR 300 244). The holdings in Panda Fördergesellschaft GmbH and The Living Planet Fund Management Company S.A were fully expensed at the time of the investments.

Note 14 – Contingent liability

As and when WWF-Italy pays the remaining overdue FY09 Network Service Contributions, WWF International management intends to pay over the balance of CHF 492 915 (2010 – CHF 892 915) to the WWF Offices in proportion to their contribution to the FY09 Innovation Emergency Innovation budget. In FY2011, WWF-Italy paid CHF 400 000.

Note 15 – Analysis of restricted endowment funds

	Balance at 30 June 2010	Additions/ (reductions) to capital base	Balance at 30 June 2011
	CHF	CHF	CHF
Restricted endowment funds comprise:			
Prince Bernhard Scholarship	2 247 272	0	2 247 272
Oak Foundation donation	364 000	476 400	840 400
Other donation	210 198	0	210 198
	<u>2 821 470</u>	<u>476 400</u>	<u>3 297 870</u>

a) Prince Bernhard Scholarship Fund

The Prince Bernhard Scholarship Fund is comprised of donations. Income from the fund will be used to provide training and advanced education to further the cause of nature conservation around the world.

b) Oak Foundation donation

The Oak Foundation has partially funded the ERP system implementation and the donation is released to operating income as the related capitalised acquisition costs are depreciated at a rate of CHF 41 600 per annum. In FY11, the Oak Foundation donated a further CHF 518 000 towards the Global Reporting Repository and Conservation Project Management software under development.

c) Other donation

A donation which cannot be used until the time of the donor's death.

Note 16 – Transfer to unrestricted Board designated reserves and endowment funds

The WWF International Board approved the transfer of CHF 1 371 512 from the operating funds to the unrestricted Board designated reserves and CHF 774 437 to the unrestricted endowment funds.

Note 17 – Analysis of unrestricted operating funds

	2011 CHF	2010 CHF
Unrestricted operating funds comprise:		
Unexpended project allocations	1 365 025	3 026 875
Unallocated funds	<u>120 357</u>	<u>1 174 408</u>
	<u>1 485 382</u>	<u>4 201 283</u>

Note 18 – Analysis of unrestricted reserves

	Balance at 30 June 2010 CHF	Addition to capital base CHF	Reduction to capital base CHF	Balance at 30 June 2011 CHF
Unrestricted reserves comprise:				
a) Unrestricted Board designated reserves:				
- The 1001: A Nature Trust	7 474 498	1 477 485	-	8 951 983
- Sigvaldason Fund	1 909 210	-	-	1 909 210
Total unrestricted Board designated reserves	9 383 708	1 477 485	-	10 861 193
b) Unrestricted endowment funds:				
- Prince Bernhard Scholarship Fund for Nature Conservation	867 167	77 008	-	944 175
- Endowment Fund	2 077 367	774 437	-	2 851 804
Total unrestricted endowment funds	2 944 534	851 445	-	3 795 979
c) Statutory capital	20 000	-	-	20 000
Total unrestricted reserves	12 348 242	2 328 930	-	14 677 172

a) Unrestricted Board designated reserves

Board designated reserves are subject to no externally imposed restrictions but have been set aside by the International Board of Trustees of WWF International as not being available to meet current expenditure but rather to be maintained in the interest of the long-term financial stability of the organisation. Board designated reserves at 30 June 2011 include:

- The 1001: A Nature Trust

The 1001: A Nature Trust is a trust fund built up through individual life membership contributions. There are no externally imposed restrictions on the use of the funds and income deemed earned from them.

- Sigvaldason Fund

The Sigvaldason Fund comprises a legacy received in 1988 from the estate of the late Mrs Gerda Sigvaldason of Sweden. There are no externally imposed restrictions on the use of the funds and income deemed earned from them.

b) Unrestricted endowment funds comprise:

- Prince Bernhard Scholarship Fund for Nature Conservation

The Prince Bernhard Scholarship Fund for Nature Conservation is comprised of donations. There are no externally imposed restrictions on the use of the funds and income deemed earned from them. Income from the fund will be used to achieve conservation worldwide, including to help build conservation capacity, promote exchange of information and expertise, promote learning services, provide training and scholarships, etc.

- Endowment Fund

There are no externally imposed restrictions on the use of the Endowment Fund and income deemed earned from it.

c) Statutory capital:

The Statutory capital of CHF 20 000 represents the initial capital of the foundation.

Note 19 – Financial income (loss) - net

	2011	2010 restated
	CHF	CHF
The net financial income (loss) is comprised of:		
Interest and dividends	269 904	338 550
Realised/unrealised gain (loss) on marketable securities	182 476	1 677 713
Foreign exchange gain/(loss) (see notes 3(j), 8)	1 722 868	-3 666 428
Mortgage interest	-64 425	-65 885
Bank charges and commissions	-285 895	-326 440
Net financial gain (loss)	1 824 928	-2 042 490

Note 20 – Risk analysis

The Board of Trustees and its Audit Committee have reviewed and approved the risk analysis performed during the period and the accompanying risk management strategy. This strategy, as well as specific strategic risks, will be reviewed periodically by the Board of Trustees.