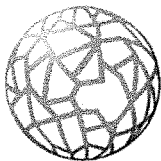




World Wide Fund for Nature Australia
ACN 001 594 074

Annual Report

30 June 2018



ACFID
MEMBER

WWF-Australia is a signatory to the ACFID Code of Conduct, which is a voluntary, self-regulatory sector code of good practice. As a signatory we are committed and fully adhere to the ACFID Code of Conduct, conducting our work with transparency, accountability and integrity.

World Wide Fund for Nature Australia

ACN 001 594 074

Annual Report – 30 June 2018

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This financial report covers World Wide Fund for Nature Australia as an individual entity.

World Wide Fund for Nature Australia is a company incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 1, 1 Smail Street
Ultimo NSW 2007

A description of the nature of the entity's operations and its principal activities is included in the Directors' Report on page 2, which does not form part of this financial report.

The financial report was authorised for issue by the Directors on the 31 October, 2018. The entity has the power to amend and reissue the financial report.

Directors' Report

The Directors present their report on the entity for the year ended 30 June 2018.

Directors

The Directors of World Wide Fund for Nature Australia during the whole of the financial year and up to the date of the report are:

Mr R Purves AM (President)
 Mr M Wilder AM (President)*
 Ms R Boundy*
 Dr C Dickman*
 Mr P Everingham
 Dr G Fitzhardinge AM*
 Mr S Gottlieb*
 Prof L Hughes*
 Mrs N Sparshott
 Mr S Triner *

* Director for whole financial year

Principal Activities

The principal activities of the entity during the year remained unchanged, being the receiving of gifts of real and personal property or other interest and income therein for the benefit of, or in connection with, the conservation and protection of nature in all its forms and the natural environment. The entity aims to expend all available resources to achieve these objectives.

Entity Results

	Year to 30 June 2018 \$	Year to 30 June 2017 \$
Operating surplus	<u>715,142</u>	<u>1,819,117</u>

Review of Operations

In FY18, total income of WWF-Australia increased by 4.9% compared to FY17. There were some financial challenges with regular income lower compared to the prior year. However, with higher than expected Philanthropy income and careful management of costs, the organisation made a operating surplus of \$715,142 (2017: \$1,819,117). The total income increased to \$28,127,108 (2017: \$26,797,058). Significant Major donor income was received to support the organisations flag ship campaigns. The foregoing resulted in making a total comprehensive income of \$851,698 (2017: \$2,002,653). The reserves and equity position continue to be within WWF Australia's benchmarks.

During the year the entity transferred \$945,605 to Reserves (2017: \$685,874). Transfers represent monies for specific conservation projects received in current financial year to be expensed in future years. No funds were allocated to endowment funds in the year.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of World Wide Fund for Nature Australia.

Directors' Report (continued)

Matters Subsequent to the End of the Financial Year

No matters or occurrences have come to our attention up to the present time which would materially affect the financial report or disclosures therein, or which are likely to materially affect the future results or operations of World Wide Fund for Nature Australia.

The Directors are not aware of any circumstances that have arisen since 30 June 2018 which would significantly affect:

- (i) the operations of the entity in future financial years;
- (ii) the results of those operations in future financial years; or
- (iii) the state of affairs of the entity in future financial years.

Likely Developments and Expected Results of Operations

At the date of this report there were no developments in the operations of the entity likely to materially change the status shown by the financial statements at 30 June 2018 and the Directors consider that income from donations and other sources will continue to be received in order to meet ongoing conservation and other expenditure.

Directors' Benefits

No Director has received, or become entitled to receive, a benefit by reason of a contract made by the entity with the member or with a firm of which he/she is a member or with an entity in which he/she has a substantial financial interest.

Environmental Regulation

World Wide Fund for Nature Australia aims to achieve a high standard in environmental matters. Due to the nature of its operations, however, it is not subject to any significant environmental regulation under a law of the Commonwealth or of a State, or Territory.

Information on Directors

Name	Experience	Special Responsibilities
Mr R Purves AM	Governor since 1994 Director since 2010 President of World Wide Fund for Nature Australia; Former Board member of WWF International; Founding member of The Wentworth Group of Concerned Scientists; Chairman of the Purves Environmental Fund; Patron of the Lizard Island Research Station; Governor of Australian Youth Climate Coalition; Director of the Climate Council of Australia; Director, Renew Power Group	President since 2011; Member of Nominating & Governance Committee; Member of Finance, Audit and Risk Committee Retired Nov 2017
Mr M Wilder AM	Director since 2012 Governor since 2002 President of World Wide Fund for Nature Australia; Partner, Baker & McKenzie; Chair, Baker & McKenzie Law for Development Initiative; Chair, Australian Renewable Energy Agency; Director of the Climate Council of Australia; Chair of the NSW Government's Climate Change Council; Governing Board Member, Renewable Energy and Energy Efficiency Partnership (REEEP); Member, Wentworth Group of Concerned Scientists; Honorary Professor of Law at the Australian National University;	Elected President Nov 2017; Member of Finance, Audit & Risk Management Committee (since Dec 2017); Member of Nominating and Governance Committee (since Dec 2017).
Ms R Boundy	Director since 2014 Governor since 2014 Partner, Allens; Member, Australian Institute of Company Directors.	Company Secretary; Chair of Nominating & Governance Committee (to 20th June 2018); Member of Finance, Audit and Risk Management Committee

Directors' Report (continued)

Prof C Dickman	<p>Director since 2015 Governor since 1996 Member of WWF-Australia's Eminent Scientists Group; Professor in Ecology (Personal Chair), University of Sydney; Councillor, Royal Zoological Society of NSW; Member of the Research Committee for the Hermon Slade Foundation and the Australia and Pacific Science Foundation; Scientific Associate of the Taronga Conservation Society Australia; Fellow, Australian Academy of Science</p>	
Mr P Everingham	<p>Director since 2017 (Oct) Governor since 2017 Director, iCar Asia Pty Ltd.; Director, Super Retail Group.</p>	<p>Member of Finance, Audit and Risk Management Committee; Chair of Nominating and Governance Committee (since June 2018)</p>
Dr G Fitzhardinge, AM	<p>Director since 2013 Governor Since 2008 Managing Director, Thring Pastoral Co.; Director, Northern Australia Indigenous Land and Sea Management Alliance; Honorary Research Fellow, Centre for the Study of the Inland, Latrobe University; Deputy Chair, Uralba Aged Care; Member, Editorial Board for the Journal of Ecological Management and Restoration.</p>	
Mr S Gottlieb	<p>Director since 2013 Governor since 2013 Special Counsel – Tax at KPMG; Board Member, Force Majeure; Member, Chartered Accountants Australia and New Zealand; Chartered Tax Advisor.</p>	<p>Chair of Finance, Audit & Risk Management Committee</p>
Prof L Hughes	<p>Director since 2013 Governor since 2013 Member of WWF-Australia's Eminent Scientists Group; Pro Vice-Chancellor, Research Integrity and Development, Macquarie University; Councillor, the Climate Council of Australia; Member, Wentworth Group of Concerned Scientists; Member, Climate Scientists Australia; Member, Steering Group of Future Earth Australia; Steering Committee of the NESP Earth Systems and Climate Change Hub.</p>	<p>Member of Nominating and Governance Committee</p>
Mrs N Sparshott	<p>Director since 2018 Governor since 2018 CEO T2 Tea Global Vice President Unilever</p>	
Mr S Triner	<p>Director since 2017 Governor since 2016 Owner and Director, Moceanic. Director, Better World Ventures Pty Ltd</p>	<p>Member of Finance, Audit & Risk Management Committee</p>

Directors' Report (continued)**Meetings of Directors**

The numbers of meetings of the entity's Directors and of each Committee held during the year ended 30 June 2018 and the numbers of meetings attended by each Director (the number of meetings Directors were eligible to attend appears in brackets):

	Full meeting of Directors	Finance, Audit and Risk Management Committee	Nominating & Governance Committee
Number of meetings held:	6	7	4
Numbers of meetings attended by:			
Mr R Purves AM	3 (3)**	1 (2) **	2 (2) **
Mr M Wilder AM	6 (6)	1 (5) **	1 (2) **
Ms R Boundy	6 (6)	7 (7)	3 (4)
Prof C Dickman	4 (6)	*	2 (3) **
Mr Peter Everingham	4 (5) **	5 (5) **	2 (2) **
Prof L Hughes	6 (6)	*	4 (4)
Dr G Fitzhardinge AM	5 (6)	*	*
Mr S Gottlieb	5 (6)	7 (7)	*
Mrs Nicole Sparshott	1 (1) **	*	*
Mr S Triner	5 (6)	7 (7)	*

* Not a member of the relevant committee

** Member for part of the year

Directors' emoluments

The Directors of World Wide Fund for Nature Australia receive no remuneration from the entity.

Key Management Personnel's (comprising the CEO, Dermot O'Gorman, the Conservation Director Sustainable Futures, Paul Toni, the CFO Romesh Lokuge) compensation:

	2018	2017
	\$	\$
Short-term employee benefits	595,569	563,949
Post-employment benefits	69,068	98,318
Termination benefits	-	-
	<u>664,637</u>	<u>662,267</u>

Directors' Report (continued)

Company Management

Day to day management of World Wide Fund for Nature Australia's affairs and the implementation of the corporate strategy and policy initiatives are formally delegated by the Board to the CEO and senior executives as set out in the entity's delegations policy. These delegations are reviewed and approved by the Board on an annual basis.

The Board reviews the performance of the CEO compared to formally agreed key performance indicators on an annual basis. The review for the 2017-18 financial year occurred in August 2018. Senior executives are formally reviewed against their individually agreed key performance indicators twice a year with the most recent review occurring in August 2018.

Structure of the Board to Add Value

The Board has a Charter of Corporate Governance, which clearly establishes the relationship between the Board and management and describes the functions and responsibilities of the Board as a collective, the responsibility of individual directors and the specific responsibilities of the President. This charter is available on the WWF web-site www.wwf.org.au.

The composition of the Board is reviewed on an ongoing basis to ensure that the Board has an appropriate balance of experience and expertise across the range of disciplines required to govern the entity, including specifically conservation, financial and legal expertise. When a vacancy exists, for whatever reason, or where it is considered that the Board would benefit from the services of a new director with particular skills, the Board will select appropriate candidates with relevant qualifications, skills and experience.

The Board reviews and evaluates its own performance and the individual performance of each director, including the President during a formal session on an annual basis as do the Committees of the Board. The Board believes that due to the size of the entity and the nature of its operations a self-assessment approach to performance evaluation is appropriate.

The Board has established two Committees (Finance, Audit and Risk Management and Nominating & Governance) to review, in more detail, specific areas of World Wide Fund for Nature Australia's activities. The charters of these Committees are also available on the WWF website www.wwf.org.au. Two Board members, Prof. Christopher Dickman and Prof Lesley Hughes are also members of an advisory committee established by the Board, the Eminent Scientists Group which helps provide scientific integrity and quality assurance for WWF conservation programs and to support conservation practitioners.

Risk Management

The Board, through the Finance, Audit and Risk Management Committee, is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. In summary, the company's policies are designed to ensure strategic, operational, legal, reputational and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of World Wide Fund for Nature Australia's objectives.

Considerable importance is placed on maintaining a strong control environment. There is an organisational structure with clearly drawn lines of accountability and delegation of authority and the Board actively promotes a culture of quality and integrity. The risk management policy and the operation of the risk management and compliance system is managed by the company's senior executives. The Finance, Audit and Risk Management Committee devotes two meetings a year to reviewing risk registers, scanning the external environment for potential risks and reviewing management's responses to identified significant risks. The outcome of these meetings and the resulting changes implemented are presented to the Board in an annual report as to the effectiveness of the company's management of material risks.

Corporate Reporting

The CEO and CFO have made the following certifications to the Board:

- that the company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the company and are in accordance with relevant accounting standards.
- that the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board and that the company's risk management and internal compliance and controls are operating efficiently and effectively in all material respects in relation to financial reporting risks.

Insurance of Officers

During the financial year, World Wide Fund for Nature Australia paid a premium of \$5,345 (2017: \$5,478) to insure the Directors and Secretaries of the entity and the managers of each of the divisions of the entity. The insurer will pay, on behalf of the Directors, Secretaries or managers any loss for which they may not be legally indemnified by World Wide Fund for Nature Australia arising out of any claim, by reason of any wrongful act committed by them in their capacity as a Director, first made against them jointly or severally during the period of insurance and notified to the insurer during the indemnity period.

Directors' Report (continued)

Independent professional advice

Directors and Board Committees have the right, in connection with their duties and responsibilities, to seek independent professional advice at the company's expense. Prior written approval of the President is required, but this will not be unreasonably withheld.

Proceedings on behalf of entity

No person has applied to the Court for leave to bring proceedings on behalf of the entity, or to intervene in any proceedings to which the entity is a party, for the purpose of taking responsibility on behalf of the entity for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the entity with leave of the Court.

Non-audit services

The entity may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the entity are important.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Australian Charities and Not-for-profits Commission Act 2012*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* for the following reason:

- none of the services undermine the general principles relating to auditor independence as set out in Professional Statement F1, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the entity, acting as advocate for the entity or jointly sharing economic risk and rewards.

Refer to Note 6 for details of fees paid or payable for audit and non-audit services. A copy of the Auditor's Independence Declaration as required under Australian Charities and Not-for-profits Commission Act 2012 is set out on page 8.

Auditor

PricewaterhouseCoopers continues in office in accordance with Australian Charities and Not-for-profits Commission Act 2012.

The company and Finance, Audit and Risk Management Committee policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually by this Committee. PricewaterhouseCoopers was appointed as the external auditor on 27 November 1998. It is PricewaterhouseCoopers' policy to rotate audit engagement partners on companies periodically, and in line with that policy a new audit engagement partner was introduced for the year ended 30th June 2009.

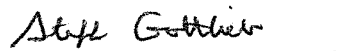
An analysis of fees paid to the external auditors, including a break-down of fees for non-audit services, is provided in Note 6 to the financial statements. It is the policy of the external auditors to provide an annual declaration of their independence to the Finance, Audit and Risk Management Committee.

PricewaterhouseCoopers will attend the annual general meeting and be available to answer members' questions about the conduct of the audit and the preparation and content of the audit report.

Signed at Sydney this 31st day of October 2018 in accordance with a resolution of Directors.



Director – M. Wilder AM



Director – S. Gottlieb



Auditor's Independence Declaration

As lead auditor for the audit of World Wide Fund for Nature Australia for the year ended 30 June 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'S.T. Maher', written in a cursive style.

Shannon Maher
Partner
PricewaterhouseCoopers

Sydney
31 October 2018

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Statement of Comprehensive Income

For the year ended 30 June 2018

	Notes	2018 \$	2017 \$
Revenue from continuing operations		27,733,833	26,497,866
Other income		393,275	299,192
Total Revenue	3	28,127,108	26,797,058
Expenses from continuing operations:			
Funds to overseas projects		1,694,557	1,260,158
Other overseas project costs		362,269	435,582
Domestic projects		11,576,268	10,102,896
Community education		3,306,251	3,180,587
Public fundraising costs		7,951,239	7,589,426
Administration		2,521,382	2,409,292
Total Expenditure		27,411,966	24,977,941
Total surplus for the year	13(b)	715,142	1,819,117
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
Changes in fair value of investments		136,556	183,536
Total Comprehensive Income for the year		851,698	2,002,653
Total Comprehensive Income for the year attributable to members of World Wide Fund for Nature Australia		851,698	2,002,653

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Balance Sheet

As at 30 June 2018

	Notes	2018 \$	2017 \$
Current Assets			
Cash assets	7	6,862,651	5,860,721
Receivables	8	1,017,231	1,019,924
Other assets	9	432,893	316,743
Total Current Assets		8,312,775	7,197,388
Non-Current Assets			
Investments	10(b)	4,272,236	3,906,706
Property, plant and equipment	10(a)	679,091	863,818
Total Non-Current Assets		4,951,327	4,770,524
Total Assets		13,264,102	11,967,912
Current Liabilities			
Payables	11	2,676,940	2,269,481
Provisions	12(a)	361,625	337,493
Total Current Liabilities		3,038,565	2,606,974
Non-Current Liabilities			
Provisions	12(b)	852,995	840,094
Total Non-Current Liabilities		852,995	840,094
Total Liabilities		3,891,560	3,447,068
Net Assets		9,372,542	8,520,844
Equity			
Reserves	13(a)	8,300,708	7,218,547
Accumulated Surplus	13(b)	1,071,834	1,302,297
Total Equity		9,372,542	8,520,844

The above Balance Sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2018

	Notes	Reserves \$	Accumulated Surplus \$	Total Equity \$
Balance at 30 June 2016		6,349,137	169,054	6,518,191
Total surplus for the year		-	1,819,117	1,819,117
Other comprehensive income		183,536	-	183,536
Total comprehensive loss for the year		183,536	1,819,117	2,002,653
Transferred to accumulated surplus from earmarked funds (reserves)		685,874	(685,874)	-
Balance at 30 June 2017	13	7,218,547	1,302,297	8,520,844
Total surplus for the year		-	715,142	715,142
Other comprehensive income		136,556	-	136,556
Total comprehensive income for the year		136,556	715,142	851,698
Transferred from accumulated surplus to earmarked funds (reserves)		945,605	(945,605)	-
Balance at 30 June 2018	13	8,300,708	1,071,834	9,372,542

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2018

	Notes	2018 \$	2017 \$
Cash Flows from Operating Activities			
Receipts from fundraising:			
Corporate		2,513,453	2,009,989
Government		1,161,684	1,147,296
Legacies and bequests		2,268,154	1,483,678
Supporters / major gifts / other		19,620,861	19,939,622
WWF entities		2,446,203	2,264,211
Dividends received		143,517	33,944
Interest received		75,655	61,795
Payments to suppliers and non-conservation staff		(10,026,578)	(10,081,470)
Payments for conservation		(16,795,577)	(14,489,350)
Net cash inflow from operating activities	15	<u>1,407,372</u>	<u>2,369,715</u>
Cash Flows from Investing Activities			
Payments for plant and equipment	10	(31,376)	(83,600)
Payment for intangible assets		(204,545)	(206,000)
Sale of assets		-	898
Net (payments for) / proceeds from investments		(169,521)	(2,452,497)
Repayment from / (loan to) WWF Network		-	181,450
Net cash (outflow) / inflow from investing activities		<u>(405,442)</u>	<u>(2,559,749)</u>
Net increase/(decrease) in cash held		1,001,930	(190,034)
Cash at the beginning of the financial year		5,860,721	6,050,755
Cash at the end of the financial year	7	<u>6,862,651</u>	<u>5,860,721</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

Note 1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for World Wide Fund for Nature Australia as a single entity.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and *Australian Charities and Not-for-profits Commission Act 2012*. World Wide Fund for Nature Australia is a not-for-profit entity for the purpose of preparing the financial statements.

(i) *Compliance with Australian Accounting Standards – Reduced Disclosure Requirements*

The financial statements of World Wide Fund for Nature Australia comply with Australian Accounting Standards – reduced Disclosure Requirements as issued by Australian Accounting Standards Board (AASB).

(ii) *New and amended standards adopted by World Wide Fund for Nature Australia.*

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2017 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(iii) *Early adoption of standards*

The entity has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2017.

(iv) *Historical cost convention*

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property

(v) *Critical accounting estimates*

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.

(b) Revenue recognition

Revenue is recognised when the entity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

Donations and gifts

Donations and gifts are recognised when received.

Corporate campaign

Corporate sponsorship income is recognised on an accruals basis. Corporate donations are recognised on receipt of funds.

Note 1 Summary of Significant Accounting Policies (continued)*Legacies and bequests*

Legacies and bequests are recognised when the legacy is received. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the entity becomes legally entitled to the shares or property.

Government funding

The entity's conservation activity is partially supported by grants received from the federal, state and local governments. Revenue from grants is recognised when received.

Income from other WWF entities

Income is recognised when received.

Investment income

Investment income comprises interest, dividends and distributions. Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

Dividends and distributions from listed entities are recognised when the right to receive a dividend or distribution has been established.

(c) Expenses

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources.

Project costs are those costs incurred directly in support of expenditure on the objects of the entity and include project management carried out by central administration.

Fundraising costs are those incurred in seeking voluntary contributions by donation and do not include costs of disseminating information relating to the activities carried on by the entity.

Community education costs are those costs of disseminating information relating to the activities carried on by the entity.

Administration costs are those incurred in connection with the management and administration of the entity and compliance with constitutional and statutory requirements.

(d) Income tax

The entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(e) Earmarked funds

Business and public appeal donations and grants include monies which have been earmarked by the donors for designated conservation projects. Such donations which remain unexpended at year end are transferred to earmarked funds to be utilised on the designated projects at a subsequent date.

(f) Endowment funds

These are funds set aside in years the company makes a surplus after matching income with expenses and invested in line with WWF-International's guidelines on investments. The intention of these investments is to strengthen the financial sustainability of the company. The income or capital generated from these investments are unrestricted in nature and assists in funding World Wide Fund for Nature Australia's administration expenses.

Note 1 Summary of Significant Accounting Policies (continued)**(g) Depreciation of property, plant and equipment**

Depreciation is calculated on a straight-line basis so as to write off the net cost of each item of property, plant and equipment over its expected useful life. Estimate of useful life is:

Plant and equipment	3-5 years
---------------------	-----------

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

(h) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable on a long-term basis. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. As a not-for-profit entity, value in use is determined by reference to depreciated replacement cost. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

(i) Receivables

Receivables are for interest, dividend franking credits, services provided and corporate sponsorship. Amounts are generally received within 30 days of being recorded.

(j) Trade and other creditors

Accounts payable balances are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the economic entity. Trade accounts payable are normally settled within 30 days.

(k) Comparative information

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

(l) Investments

Investments have been classified as available-for-sale financial assets under AASB 139.9. As at 30 June 2018 interests in listed and unlisted securities are brought to account at market value and dividend income is recognised in the statement of comprehensive income when receivable. Investments are included in non-current assets as World Wide Fund for Nature Australia intends to hold the investments for more than 12 months from the reporting date.

(m) Leased non-current assets

Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between rental expense and reduction of the liability.

(n) Asset acquisition

The purchase method of accounting is used for all acquisitions of assets except for investments available-for-sale. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition.

Note 1 Summary of Significant Accounting Policies (continued)**(o) Recoverable amount of non-current assets**

The recoverable amount of an asset is the net amount expected to be recovered through the cash inflows and outflows arising from its continued use and subsequent disposal.

Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is written down to its recoverable amount.

(p) Maintenance and repairs

The cost of any maintenance or repairs of non-current assets is charged as an expense, except where they relate to the replacement of a component of an asset, in which case the cost is capitalised and depreciated in accordance with Note 1(g).

(q) Employee benefits*Wages and salaries and annual leave*

Liabilities for wages and salaries and annual leave expected to be settled within 12 months of the reporting date are recognised as employee benefits in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised as employee benefits in provisions (either current or non-current, as appropriate) and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The entity recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

(r) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

(s) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(t) Going concern

The Directors believe the company will continue as a going concern on the basis that existing cash resources, future revenues, grants and donations will be received of a sufficient amount to enable the entity to meet commitments for earmarked projects and other obligations as and when they fall due.

(u) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2018 reporting period and have not been early adopted by World Wide Fund for Nature Australia. The entity's assessment of the impact of these new standards and interpretations is set out below.

AASB 9 Financial Instruments

AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. This is effective for the financial year of the company ending 30 June 2019. The full impact of the new standard on the financial results of the company is being determined.

AASB 15 Revenue from contracts with customers

Revenue from contracts with clients will be effective for the first period beginning on 1 July 2019. Management has decided not to early adopt this standard. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The full impact of the new standard on the financial results of the company is being determined.

AASB 16 Leases

This new standard will replace the current guidance on lease accounting in AASB 117. The new accounting standard will be mandatory for the company's 30 June 2020 financial statements and the company has decided not to early adopt this standard. Under the new standard, the company will no longer be required to distinguish between finance leases and operating leases. For the majority of leases, this will result in the company being required to recognise a lease liability and a corresponding asset on the balance sheet. The full impact of the new standard on the financial results of the company is being determined.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods.

Note 2 Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no critical estimates and assumptions concerning the future.

Note 3 Revenue

	2018	2017
	\$	\$
Revenue from continuing operations:		
Donation and partnership income:		
Supporters	16,135,423	17,953,740
Corporate campaign:		
Mutual benefit	1,955,033	1,887,271
Philanthropic	428,289	295,346
Legacies and bequests	2,268,154	1,483,678
Grants:		
Australian Department of Foreign Affairs and Trade (DFAT)	453,620	394,452
Government (other)	714,892	709,143
Major gifts	3,342,650	1,590,683
Trusts and Foundations	-	350,348
Other WWF entities	2,435,772	1,833,205
	<u>27,733,833</u>	<u>26,497,866</u>
Other Income:		
Dividend income and distributions	143,517	67,732
Interest income	80,123	57,326
Rental income	98,559	111,422
Realised profit on sale of investments	90,641	40,137
Other	(19,565)	22,575
	<u>393,275</u>	<u>299,192</u>
Total revenue	<u>28,127,108</u>	<u>26,797,058</u>

Note 4 Expenses

	2018	2017
	\$	\$
Operating surplus includes the following specific expenses:		
Depreciation - plant and equipment	131,758	158,227
Depreciation: Leasehold improvements	83,126	81,657
Provision for employee benefits	164,824	98,403
Rental expense relating to operating leases		
Minimum lease payments	593,886	603,267
Conservation Expenditure:		
Community Education	3,306,251	3,180,587
National Conservation Program	11,576,268	10,102,896
International Conservation Program	2,056,826	1,695,740
	<u>16,939,345</u>	<u>14,979,223</u>
Conservation Expenditure is inclusive of the employee benefits and superannuation expense of WWF conservation experts.		
Employee benefits and superannuation expense	10,828,361	9,617,587

Note 5 Directors' Emoluments

The Directors of World Wide Fund for Nature Australia receive no remuneration from the entity.

Note 6 Auditor's Remuneration

During the year the following fees were paid or payable for services provided by the auditor of World Wide Fund for Nature Australia:

(a) Audit Services

	2018	2017
	\$	\$
PricewaterhouseCoopers' Australian firm		
Audit and review of financial reports	<u>58,548</u>	<u>56,814</u>

(b) Non-audit Services

	2018	2017
	\$	\$
PricewaterhouseCoopers' Australian firm		
Taxation services	<u>3,060</u>	<u>2,900</u>

Note 7 Current Assets - Cash Assets

	2018	2017
	\$	\$
Cash at bank	4,004,691	2,991,570
Deposits at call	2,857,960	2,869,151
	<u>6,862,651</u>	<u>5,860,721</u>

Cash was earning interest of 0.55% p.a. at 30 June 2018 (2017: 0.50%). The deposits were earning interest ranging from 1.50% to 2.10%pa. at 30 June 2018 (2017: from 1.70% to 2.35%pa). The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows (page 12).

Note 8 Current Assets – Receivables

	2018	2017
	\$	\$
Trade receivables	1,182,039	1,032,424
Provision for impairment	(164,808)	(12,500)
	<u>1,017,231</u>	<u>1,019,924</u>

Note 9 Other assets

	2018	2017
	\$	\$
Other Current Assets		
Prepayments	302,071	127,729
GST receivable	130,822	119,128
Loan to WWF Network	-	69,886
	<u>432,893</u>	<u>316,743</u>

Note 10 Non-Current Assets

	2018	2017
	\$	\$
(a) Property, Plant and Equipment		
Plant and equipment – at cost	1,539,008	1,521,251
Less: Accumulated depreciation	(1,284,089)	(1,152,330)
Leasehold improvements – at cost	828,955	816,555
Less: Accumulated depreciation	(404,783)	(321,658)
Total property, plant and equipment	<u>679,091</u>	<u>863,818</u>

Leasehold improvements include \$800,000 (2017: \$800,000) for the right to use the fit-out of WWF's office in Ultimo with the offsetting lease incentive liability shown in provisions (Note 12). The fit-out was paid for and is owned by the landlord. This asset and the related lease incentive liability are accounted for in accordance with the Australian Accounting Standard AASB 117 - Lease Accounting and related Interpretation UIG 115, and will be amortised over the 10 year lease period with no significant impact on the financial position of WWF.

Reconciliation

Reconciliations of the carrying amount of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below:

	2018	2017
	\$	\$
Carrying amount at start of year	863,818	1,021,000
Additions: Plant and equipment	18,976	67,045
Additions: Leasehold improvements	12,400	16,555
Disposals: Plant and equipment	(1,219)	(898)
Depreciation expense Plant and equipment (Note 4)	(131,758)	(158,227)
Depreciation expense Leasehold improvements (Note 4)	(83,126)	(81,657)
Carrying amount at end of year	<u>679,091</u>	<u>863,818</u>

Note 10 Non-Current Assets (continued)

	2018	2017
	\$	\$
(b) Investments		
Investments at cost	3,931,630	3,672,307
Unrealised gain on investments	405,641	269,085
Impairment of investments	(65,035)	(34,686)
	<u>4,272,236</u>	<u>3,906,706</u>

The unrealised gain on investments represents the difference between cost and market value of these investments. These investments are intended to be held for the long-term.

(c) Intangibles

In FY 18 WWF purchased and retired the last commercial gill net fishing licence and related material in a conservation effort to save dugongs, dolphins, turtles and sharks in Princess Charlotte Bay in northern Great Barrier Reef. The total cost of the licence purchased is \$204,544. As the licence has no commercial value it has been fully amortised with the net book value being nil.

In FY 17 WWF purchased and retired two N4 shark fishing licences in a conservation effort to save sharks on the Great Barrier Reef. The total cost of the licences purchased is \$206,000. As the licence has no commercial value it has been fully amortised with the net book value being nil.

Note 11 Current Liabilities – Payables

	2018	2017
	\$	\$
Trade creditors	872,767	768,334
Other creditors	1,071,210	836,697
Employee benefits	732,963	664,450
	<u>2,676,940</u>	<u>2,269,481</u>

Average number of employees during the financial year was 95 (2017: 91).

Note 12 Provisions

(a) Current Provisions	2018	2017
	\$	\$
Current employee benefits	279,065	277,400
Current lease incentive liability	82,560	60,093
Total current provisions	<u>361,625</u>	<u>337,493</u>
(b) Non-Current Provisions	2018	2017
	\$	\$
Non-current employee benefits	270,738	176,092
Non-current lease incentive liability	582,257	664,002
	<u>852,995</u>	<u>840,094</u>

Lease incentive liability - This represent the amounts paid by the landlord in respect of the leasehold improvements outlined in Note 10.

Note 13 Accumulated Surplus and Reserves

	2018	2017
	\$	\$
(a) Reserves		
Earmarked Funds	3,478,550	2,532,945
Endowment Funds	4,416,518	4,416,518
Changes in the fair value of Investments	405,640	269,084
	<u>8,300,708</u>	<u>7,218,547</u>
	2018	2017
	\$	\$
Movements:		
Balance at the beginning of the financial year	7,218,547	6,349,137
Transferred from accumulated surplus	945,605	685,874
Changes in the fair value of investments	204,452	305,377
Reclassification to profit or loss on sale	(67,896)	(121,841)
Balance at the end of the financial year	<u>8,300,708</u>	<u>7,218,547</u>
	2018	2017
	\$	\$
(b) Accumulated surplus		
Accumulated surplus at the beginning of the financial year	1,302,297	169,054
Operating surplus	715,142	1,819,117
Transferred (to) Earmarked Funds	(945,605)	(685,874)
	<u>1,071,834</u>	<u>1,302,297</u>

(c) Nature and purpose of Reserves

Earmarked Funds are those amounts received from donors which remain unexpended to pay for specific projects.

Endowment Funds are unrestricted and are to be used at the discretion of the Board (refer Note 1(f)).

Note 14 Related Parties

The company is limited by guarantee and there is no immediate and ultimate controlling entity. However, in relation to conservation policies and procedures the entity complies with the policies of World Wide Fund for Nature International (incorporated in Switzerland). The entity received \$2,435,772(2017: \$1,833,205) from other WWF entities during the period. The entity paid \$3,413,474 (2017: \$3,087,562) to other WWF entities during the period.

There were no related party transactions with directors or executive staff, other than the reimbursement of expenses and the receipt by the entity of donations in the normal course of business.

Note 15 Reconciliation of Operating Surplus to Net Cash Inflow from Operating Activities

	2018 \$	2017 \$
Operating surplus	715,142	1,819,117
Depreciation - plant and equipment	131,758	158,227
Leasehold improvement	83,126	81,657
Amortisation	204,545	206,000
Loss on disposal of assets	1,219	898
Net gain on sale of investments	(90,641)	(40,137)
Unrealised loss on sale of investments	30,349	25,699
Decrease/(increase) in receivables	2,693	(191,947)
(Increase)/decrease in other assets	(115,310)	150,692
Increase in employee benefit provisions	164,824	98,403
Increase in trade and other payables	279,667	61,106
Net cash inflow from operating activities	<u>1,407,372</u>	<u>2,369,715</u>

Note 16 Directors & Key Management Personnel Disclosures**(a) Directors**

The Directors of World Wide Fund for Nature Australia during the financial year were those persons listed in the Directors' Report on pages 3 to 4.

(b) Key Management Personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of World Wide Fund for Nature Australia, directly or indirectly, during the financial year:

Name	Position
Dermot O'Gorman	Chief Executive Officer
Paul Toni	Conservation Director Sustainable Futures
Romesh Lokuge	Chief Financial Officer

(c) Key Management Personnel compensation (comprising staff named above)

	2018 \$	2017 \$
Short-term employee benefits	595,569	563,949
Post-employment benefits	69,068	98,318
Termination benefits	-	-
	<u>664,637</u>	<u>662,267</u>

Note 17 Operating Leases

	2018 \$	2017 \$
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	533,113	586,976
Later than one year but not later than five years	1,608,638	1,921,807
Later than five years	-	801,864
Commitments not recognised in the financial statements	<u>2,141,751</u>	<u>3,310,647</u>

For the year ended 30 June 2018, World Wide Fund for Nature Australia has \$329,137 (2017: \$329,137) of combined bank guarantees with ANZ Banking Group Limited.

Note 18 Events Occurring after Reporting Date

No matters or occurrences have come to our attention up to the present time which would materially affect the financial report or disclosures therein, or which are likely to materially affect the future results or operations of World Wide Fund for Nature Australia.

Note 19 Contingent liabilities

World Wide Fund for Nature Australia does not have any contingent liabilities at the end of the financial year which would require disclosure in these financial statements (2017: nil).

Note 20 Information and Declarations to be furnished under the Charitable Fundraising Act 1991**Details of Aggregate Gross Income and Total Expenses of Fundraising Appeals**

	2018 \$	2017 \$
Gross proceeds from fundraising appeals	21,861,395	21,727,040
Supporters	16,135,423	17,953,740
Major gifts	3,342,650	1,590,683
Corporate fundraising	2,383,322	2,182,617
Total costs of fundraising appeals	7,951,239	7,589,426

Information on any Material Matter or Occurrence

There were no material matters or occurrences requiring disclosure during the year ended 30 June 2018. In line with the company's strategic objective to acquire an increased number of individual donors in order to fund a larger conservation program in future years, World Wide Fund for Nature Australia invested \$5,196,590 (2017: \$4,875,455) in supporter acquisition programs. This activity will be on-going in 2018/19. This investment is expected to achieve an appropriate return over the expected 3-5 year commitment from these donors.

Statements showing how funds raised were applied to charitable purposes

	2018 \$	2017 \$
Net surplus from fundraising appeals	13,910,156	14,137,614
This was applied to charitable purposes in the following manner:		
Conservation program expenditure	13,633,093	11,798,636
Community education	3,306,251	3,180,587
Administration expenditure *	2,521,382	2,409,292
	19,460,726	17,388,515

* Administration expenditure includes support for some elements of the conservation projects. This support has not been charged against the projects.

The shortfall of \$5,550,570 (2017: \$3,250,901) between the amount received from charitable and fundraising donations and expenditure was provided by the following sources:

	2018 \$	2017 \$
Government grants	1,168,512	1,103,595
WWF entities	2,435,772	1,833,205
Corporate campaign and other	2,661,428	2,133,217
Total income from other sources	6,265,712	5,070,017

The excess of expenditure over income of \$715,142 represents the surplus for the year (2017: \$1,819,117).

**Note 20 Information and Declarations to be furnished under the Charitable Fundraising Act 1991
(continued)**

	2018 \$	2017 \$
Comparison of certain monetary figures and percentages		
Total cost of public fundraising	<u>7,951,239</u>	<u>7,589,426</u>
Gross income from fundraising	21,861,395	21,727,040
	36%	35%
Net surplus from fundraising	<u>13,910,156</u>	<u>14,137,614</u>
Gross income from fundraising	21,861,395	21,727,040
	64%	65%
Total conservation expenditure	<u>16,939,344</u>	<u>14,979,223</u>
Total expenditure	27,411,966	24,977,941
	62%	60%
Total conservation expenditure	<u>16,939,344</u>	<u>14,979,223</u>
Total income received	28,127,108	26,797,058
	60%	56%

Note 21 ACFID Compliance

WWF-Australia is a signatory to the ACFID Code of Conduct, which is a voluntary, self - regulatory sector code of good practice. As a signatory we are committed and fully adhere to the ACFID Code of Conduct, conducting our work with transparency, accountability and integrity.

The ACFID Code of Conduct offers a mechanism to address concerns relating to signatories' conduct. Complaints against WWF-Australia may be initiated by any member of the public and lodged with the ACFID Code of Conduct Committee at acfid.asn.au/code-of-conduct/complaints or for further information on the ACFID Code please see ACFID website acfid.asn.au.

Statement of comprehensive income for the Year Ended 30 June 2018

	2018 \$	2017 \$
REVENUE		
Donations and gifts – monetary	21,861,395	22,077,388
Bequests and Legacies	2,268,154	1,483,678
Grants		
Department of Foreign Affairs & Trade	453,620	394,452
Other Australian	714,892	709,143
Other overseas	2,435,772	1,833,205
Investment income	393,275	299,192
TOTAL REVENUE	28,127,108	26,797,058
EXPENDITURE		
International aid and development programs expenditure		
Funds to international programs	1,159,711	856,510
Program support costs	362,269	420,300
Community education	15,022	15,282
Total international aid and development programs expenditure	1,537,002	1,292,092
Other international programs		
Funds to international programs	534,846	403,648
Program support costs		
Fundraising costs		
Public	-	69,298
Total Other International Programs Expenditure	534,846	472,946
Domestic Programs Expenditure		
Funds to domestic programs	11,576,268	10,102,896
Community education	3,291,229	3,180,587
Fundraising costs		
Public	7,951,239	7,520,128
Accountability and administration	2,521,382	2,409,292
Total domestic programs expenditure	25,340,118	23,212,903
TOTAL EXPENDITURE	27,411,966	24,977,941
EXCESS/(SHORTFALL) OF REVENUE OVER EXPENDITURE	715,142	1,819,117

Note 21 ACFID Compliance (continued)

The value of services provided by volunteers during the financial year and relating to International aid and development programs is \$251 (2017: \$625). The value of these services has been calculated in accordance with Department of Foreign Affairs and Trade (DFAT) guidelines and has not been included in the above figures.

During the year to 30 June 2018, WWF- Australia had no transactions in the Evangelistic, Political or Religious Poselytisation programs category.

During the year to 30 June, 2018, WWF- Australia had no category of income or expenditure required to be disclosed in accordance with the ACFID Code of Conduct other than as shown above.

Balance Sheet as at 30 June 2018

	2018	2017
	\$	\$
ASSETS		
Current Assets		
Cash and cash equivalents	6,862,651	5,860,721
Trade and other receivables	1,017,231	1,019,924
Other financial assets	432,893	316,743
Total Current Assets	<u>8,312,775</u>	<u>7,197,388</u>
Non-Current Assets		
Other financial assets	4,272,236	3,906,706
Property, plant and equipment	679,091	863,818
Total Non-Current Assets	<u>4,951,327</u>	<u>4,770,524</u>
Total Assets	<u>13,264,102</u>	<u>11,967,912</u>
LIABILITIES		
Current Liabilities		
Trade and other payables	2,676,940	2,269,481
Provisions	361,625	337,493
Total Current Liabilities	<u>3,038,565</u>	<u>2,606,974</u>
Non-Current Liabilities		
Provisions	852,995	840,094
Total Non-Current Liabilities	<u>852,995</u>	<u>840,094</u>
Total Liabilities	<u>3,891,560</u>	<u>3,447,068</u>
Net Assets	<u>9,372,542</u>	<u>8,520,844</u>
EQUITY		
Reserves	8,300,708	7,218,547
Retained Earnings	1,071,834	1,302,297
Total Equity	<u>9,372,542</u>	<u>8,520,844</u>

As at 30 June 2018 WWF Australia had no category of Assets or Liability required to be disclosed in accordance with the ACFID code of conduct other than as shown above.

Note 21 ACFID Compliance (continued)

Statement of Changes in Equity for the Year Ended 30 June 2018

	Retained Earnings	Reserves			Total
		Earmarked Funds	Investments Revaluation	Endowment Fund	
Balance at 1 July 2017 (commencing balance)	1,302,297	2,532,945	269,084	4,416,518	8,520,844
Excess of revenue over expenses	715,142	-	-	-	715,142
Amount transferred (from) / to reserves	(945,605)	945,605	-	-	-
Investment revaluation	-	-	136,556	-	136,556
Balance at 30 June 2018 (year-end balance)	1,071,834	3,478,550	405,640	4,416,518	9,372,542

Directors' Declaration

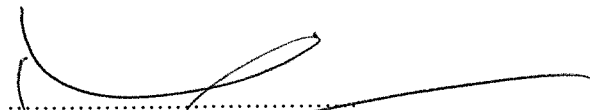
The Directors declare that the financial statements and notes set out on pages 9 to 27:

- (a) comply with Accounting Standards and other mandatory professional reporting requirements; and
- (b) give a true and fair view of the entity's financial position as at 30 June 2018 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.


In the Directors' opinion:

- (a) the financial statements and notes are in accordance with the *ACNC Act 2012*;
- (b) there are reasonable grounds to believe that the entity will be able to pay its debts as and when they fall due;
- (c) the provisions of the *Charitable Fundraising Act 1991* and the regulations under this Act and the conditions attached to the authority to fundraise have been complied with;
- (d) the provisions of the NSW Charitable Fundraising Regulations 2015 have been complied with;
- (e) the internal controls exercised by World Wide Fund for Nature Australia are appropriate and effective in accounting for all income received; and
- (f) the entity has complied with the requirements of the Australian Council for International Development Code of Conduct.

Signed at Sydney this 31st day of October 2018
in accordance with a resolution of Directors.



.....
Director – M Wilder AM



.....
Director – S. Gottlieb



Independent auditor's report

To the members of World Wide Fund for Nature Australia

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of World Wide Fund for Nature Australia (the Company) is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

What we have audited

The financial report comprises:

- the balance sheet as at 30 June 2018
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

Independence

We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

PricewaterhouseCoopers, ABN 52 780 433 757

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Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2018, including the director's report, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.



Report on the requirements of the Charitable Fundraising Act 1991 (NSW) and the Charitable Fundraising Regulation 2015 (NSW)

We have audited the financial report of World Wide Fund for Nature Australia (the Company) as required by Section 24(2) of the *Charitable Fundraising Act 1991 (NSW)* (the Act). The directors of the Company are responsible for the preparation and presentation of the financial report in accordance with the Act and the *Charitable Fundraising Regulation 2015 (NSW)* (the Regulation). Our responsibility is to express an opinion on the financial report based on our audit.

In our opinion, in all material respects:

- (a) the financial report of the Company represents a true and fair view of the financial result of the fundraising appeals for the year ended 30 June 2018 and has been prepared in accordance with section 24(2)(a) of the Act
- (b) the accounts and associated records have been properly kept in accordance with sections 20(1), 22(1-2) and 24(1-3) of the Act during the year ended 30 June 2018
- (c) money received as a result of fundraising appeals conducted by the Company during the year ended 30 June 2018 has been properly accounted for and applied in accordance with the Act and the Regulation.

PricewaterhouseCoopers

Shannon Maher
Partner

Sydney
31 October 2018