



## World Wildlife Fund, Inc.

Statement of Cash Position, Cash Receipts,  
and Expenditures - Modified Cash Basis - of  
the Oceans Partnerships for Sustainable  
Fisheries and Biodiversity Conservation  
Project

Grant Number TF018235

Year Ended June 30, 2017

## World Wildlife Fund, Inc.

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Statement of Cash Position, Cash Receipts, and Expenditures - Modified  
Cash Basis - of the Oceans Partnerships for Sustainable Fisheries and  
Biodiversity Conservation Project  
Year Ended June 30, 2017

# World Wildlife Fund, Inc.

## Statement of Cash Position, Cash Receipts and Expenditures - Modified Cash Basis - of the Oceans Partnerships for Sustainable Fisheries and Biodiversity Conservation Project

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## Independent Auditor's Report

Board of Directors  
World Wildlife Fund, Inc.  
Washington D.C.

We have audited the accompanying Statement of Cash Position, Cash Receipts and Expenditures - Modified Cash Basis - (the "Project Statement") of the Oceans Partnerships for Sustainable Fisheries and Biodiversity Conservation Project of the World Wildlife Fund, Inc. (WWF) for the year ended June 30, 2017, and the related notes to the Project Statement.

### *Management's Responsibility for the Project Statement*

Management is responsible for the preparation and fair presentation of the Project Statement in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the Project Statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Project Statement that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the Project Statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Project Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Project Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Project Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Project Statement 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates, if any, made by management, as well as evaluating the overall presentation of the Project Statement.

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 Project Statement referred to above presents fairly, in all material respects, the cash position, cash receipts and expenditures of the Oceans Partnerships for Sustainable Fisheries and Biodiversity Conservation Project of the World Wildlife Fund, Inc. for the year ended June 30, 2017 in accordance with the modified cash basis of accounting described in Note 2.

*Basis of Accounting*

As discussed in Note 2, the accompanying Project Statement was prepared by WWF using the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The Project Statement is prepared to provide information to the International Bank for Reconstruction and Development (World Bank), acting as an implementing agency of the Global Environment Facility (GEF). As a result, the Project Statement may not be suitable for other purposes. Our opinion is not modified with respect to this matter.

*Restriction on Use*

This report is intended solely for the information and use of WWF, GEF and the World Bank and is not intended to and should not be used by anyone other than these specified parties.

*BDO USA, LLP*

January 24, 2018

## World Wildlife Fund, Inc.

### Statement of Cash Position, Cash Receipts and Expenditures - Modified Cash Basis - of the Oceans Partnerships for Sustainable Fisheries and Biodiversity Conservation Project

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*Year Ended June 30, 2017*

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Cash position July 1, 2016	\$ (44,550)
<b>Cash receipts</b>	<b>502,500</b>
<b>Expenditures</b>	
Personnel costs	111,077
Third party costs	159,429
Travel costs	52,387
Overhead costs	32,289
<b>Total expenditures</b>	<b>355,182</b>
<b>Excess cash receipts over expenditures</b>	<b>147,318</b>
<b>Cash position June 30, 2017</b>	<b>\$ 102,768</b>

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*See notes to the Statement of Cash Position, Cash Receipts and Expenditures - Modified Cash Basis.*

# World Wildlife Fund, Inc.

## Notes to Statement of Cash Position, Cash Receipts and Expenditures - Modified Cash Basis - of the Oceans Partnerships for Sustainable Fisheries and Biodiversity Conservation Project

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### 1. Description of the Project

Grant Number: TF018235

The Oceans Partnerships for Sustainable Fisheries and Biodiversity Conservation Project (the Project) of the World Wildlife Fund, Inc. (WWF) is being funded by the International Bank for Reconstruction and Development (World Bank), acting as an implementing agency of the Global Environment Facility (GEF).

The purpose of the Project is to catalyze investment into selected transformational public-private partnerships that mainstream the sustainable management of highly migratory fish stocks spanning areas within and beyond national jurisdictions. The Project comprises three specific components being: (i) development of business plans for long-term transformational pilots; (ii) innovation support facility; and (iii) inter-regional coordination, implementation support and monitoring and evaluation.

### 2. Summary of Significant Accounting Policies

#### *Basis of Presentation*

The Project Statement is presented on the modified cash basis of accounting. The basis of presentation is a basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Under that basis, the only asset recognized is cash. Receipts are recognized when cash is received rather than when earned, and expenditures are recognized when incurred in the Project Statement. Additionally, expenditures include WWF's allocated overhead costs.

#### *Foreign Currency Translation*

The functional currency used by WWF in its implementation of the Project is U.S. dollars (USD). Accordingly, the cash received and expenditures incurred are presented in USD.

The approved funding in support of the Project through December 31, 2018 is \$1,362,504.

WWF made total cash expenditures of \$355,182 to implement the activities of the Project for the year ended June 30, 2017.

WWF is reimbursed for project expenses based on contractually agreed upon terms and conditions of the grant agreement which require submission of an annual budget for planned spending for review and approval by the World Bank. The budget for this project has been approved by the World Bank. WWF is permitted to request funds on an advance basis or reimbursements of amounts spent at their discretion.

# World Wildlife Fund, Inc.

## Notes to Statement of Cash Position, Cash Receipts and Expenditures - Modified Cash Basis - of the Oceans Partnerships for Sustainable Fisheries and Biodiversity Conservation Project

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Cash receipts related to this project were \$502,500 for the year ended June 30, 2017. The cash receipts in excess of the expenditures amounted to \$147,318 which resulted in a cash position of \$102,768 as of June 30, 2017.

### *Cash*

WWF maintains cash balances with federally insured institutions. Accounts at federally insured institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000 per bank at June 30, 2017. At June 30, 2017, the cash of \$102,768 held by the Project of WWF is fully insured. WWF has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash.

### *Administrative Costs*

Indirect costs of up to 10% of the grant costs are included in the expenditures to cover administrative costs and audit fees.

### *Contingency*

WWF receives funding from the World Bank which is subject to audit. The ultimate determination of amounts received under this grant is generally based upon allowable costs, overhead costs and indirect expenditures reported to and subject to audit by the World Bank. There exists a contingency to refund any amounts received in excess of allowable costs. Management believes that disallowed costs, if any, will be immaterial to the Project Statement.

### **3. Subsequent Events**

Management of the Project has evaluated subsequent events through January 24, 2018 which is the date the Project Statement was available to be issued. There were no events noted that required adjustment to or disclosure in this Project Statement.