



World Wildlife Fund, Inc.

Statement of Cash Receipts, Expenditures
and Cash Position of the Oceans
Partnerships for Sustainable Fisheries and
Biodiversity Conservation Project
Grant Number TF018235

Period from July 1, 2017 through December 31,
2018

World Wildlife Fund, Inc.

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

Grant Number TF018235

Period from July 1, 2017 through December 31, 2018

World Wildlife Fund, Inc.

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

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Tel: 703-893-0600
Fax: 703-893-2766
www.bdo.com

8401 Greensboro Drive, Suite 800
McLean, VA 22102

Independent Auditor's Report

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

We have audited the accompanying Statement of Cash Receipts, Expenditures and Cash Position (the "Project Statement") of the Oceans Partnerships for Sustainable Fisheries and Biodiversity Conservation Project of the World Wildlife Fund, Inc. (WWF) for the period from July 1, 2017 through December 31, 2018, 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 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 receipts, expenditures, and cash position of the Oceans Partnerships for Sustainable Fisheries and Biodiversity Conservation Project of the World Wildlife Fund, Inc. for the period from July 1, 2017 through December 31, 2018, 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 management 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

June 27, 2019

World Wildlife Fund, Inc.

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

Period from July 1, 2017 through December 31, 2018

Cash position as of July 1, 2017	\$	102,768
Cash receipts		705,891
Expenditures		
Personnel costs		149,181
Third party costs		456,753
Travel costs		129,185
Other direct costs		25
Overhead costs		73,515
Total expenditures		808,659
Excess cash receipts over expenditures		-
Cash position as of December 31, 2018	\$	-

See notes to the Statement of Cash Receipts, Expenditures and Cash Position.

World Wildlife Fund, Inc.

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

1. Organization and Project Description

Organization Description

The mission of World Wildlife Fund, Inc. (WWF), a Delaware nonprofit corporation, is the conservation of nature. Using the best available scientific knowledge and advancing that knowledge where we can, we work to preserve the diversity and abundance of life on earth and the health of ecological systems by:

- Protecting natural areas and wild populations of plants and animals, including endangered species;
- Promoting sustainable approaches to the use of renewable natural resources; and
- Promoting more efficient use of resources and energy and the maximum reduction of pollution.

WWF is committed to reversing the degradation of the planet's natural environment and to building a future in which human needs are met in harmony with nature. WWF recognizes the critical relevance of human numbers, poverty, and consumption patterns to meeting these goals.

Project Description

Grant Number: TF018235

The Oceans Partnerships for Sustainable Fisheries and Biodiversity Conservation Project (the Project) of the World Wildlife Fund, Inc. 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. On August 9, 2018, the Project Development Objective (PDO) was amended to identify to potential investors and develop business cases that promote the sustainable management of shared highly migratory fish stocks spanning areas within and / or beyond national jurisdiction. The Project's period of performance is November 1, 2014 through December 31, 2018.

The approved funding in support of the Project through December 31, 2018, is \$1,362,504. 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 the Project has been approved by the World Bank. On July 13, 2018, the World Bank approved the "Aide-Memoire" which permitted the payment of a consultant through April 30, 2019, for certain Project-related trailing activities. The expenditures associated with this consultant are included within the Statement of Cash Receipts, Expenditures, and Cash Position.

World Wildlife Fund, Inc.

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

2. Summary of Significant Accounting Policies

Basis of Presentation

The Project Statement has been prepared in accordance with the modified cash basis of accounting. This is a basis of accounting that is designed to meet the requirements of the World Bank; it is not designed to produce a statement that is compatible with accounting principles generally accepted in the United States (U.S. GAAP).

Under the modified cash basis of accounting, receipts are recognized when cash is received rather than when earned, and expenditures are recognized when paid, except for salary-related expenditures which are accrued and recoded when incurred. For the period from July 1, 2017 through December 31, 2018 (the close out of the Project), expenditures also include project audit fees that have been accrued for the final Project audit. Additionally, expenditures include WWF's allocated overhead costs.

Foreign Currency Translation

Project expenses are reported in United States Dollars (USD) within the Project Statement. Transactions in currencies other than USD are converted at the closing price on the date of payment.

Overhead Costs

Overhead costs are defined in the Project agreement as incremental operating costs that are reasonable expenditures directly related to the administration of the Project, incurred by WWF (which expenditures would not have been incurred absent the activities), including salaries, management services support costs, consumable materials and supplies, communications, mass media and printing services, vehicle rental, operation and maintenance, postage and handling, travel, lodging, and per diems. These incremental operating costs represent 10% of the total Project costs as defined in the approved Project budget.

3. Commitments and Risk

In accordance with the Project agreement, the programmatic achievements and corresponding funds utilized by WWF are subject to periodic assessment as well as audit by the World Bank. Management believes that disallowed costs, if any, will be immaterial to the Project Statement.

4. Contingency

The allocation rates utilized by the Project to calculate fringe benefits were based on the methodology in WWF's most recent provisional indirect rate agreement. Final approved rates will not be established until after this report date. Management believes that any adjustment between the provisional allocation rates utilized and the final approved rates will not result in a significant modification to expenditures for the Project.

World Wildlife Fund, Inc.

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

5. Subsequent Events

WWF has evaluated subsequent events through June 27, 2019, which is the date the Project Statement was available to be issued. There were no events noted that required adjustment to or disclosure in the Project Statement.