



WWF

ANNUAL
REPORT

2017

Annual Report

WWF-PHILIPPINES 2017

WWF 2017 ANNUAL REPORT

PH

WWF.PH

FRONT COVER © SALVADOR V. LAO / WWF

PRESIDENT'S MESSAGE

This year's annual report highlights the value of partnerships. From our humble beginnings 21 years ago, we have seen the organization grow its work through collaboration and collective action. At the core of our conservation work are communities dependent on the environment. The realization of setting a common goal of transforming lives has mobilized partners across sectors to support and implement initiatives with lasting impacts as we forge ahead with our core programs on Food, Water, Climate & Energy and Wildlife. Though the issues confronting us are getting complex, the support we have received over the past two decades is an indication that through partnerships, we can achieve a Philippines where 'people live in harmony with nature.'

Together Possible!



President and CEO, WWF-Philippines



ANNUAL REPORT 2017

© GREGG YAN / WWF

OVERVIEW OF THE YEAR

The highlight of WWF-Philippines' milestones from July 2016 to June 2017 is the declaration of the 1 million hectares of Marine Protected Area (MPA) by the municipality of Cagayancillo in September 2016, which brought the total area of MPAs that WWF-Philippines works in across the country to more than 1.4 million hectares.

Aside from the MPAs under the Food program, WWF-Philippines is working in 3 fishery and agriculture sites to implement sustainable practices, which includes 2 tuna Fishery Improvement Project (FIP) sites that have undergone a pre-assessment for Marine Stewardship Council (MSC) certification. Through the tuna FIP, 6,000 tuna fishermen are benefitting from increased participation in fishery governance and government assistance. WWF-Philippines has also collaborated with 183 sugarcane farmer beneficiaries of agrarian reform to improve their production, increase their food security, and assess watershed capacity to support the landscape in the long term.

For the "Forest for Water" approach under the Water program, WWF-Philippines has committed to rehabilitate 1,000 hectares out of the total 7,000 hectares of the Ipo Watershed that supplies 98% of the water of the 12.8 million residents of Metro Manila.

Under Climate Change, 2,149 megawatts of renewable energy were installed through policy and advocacy work. Geothermal energy has remained the same at 1,906 megawatts. Under Climate Change Adaptation, WWF-Philippines worked with farming communities in Isabela and Negros Occidental to increase their resilience to climate impacts and improve their productivity. This year's beneficiary of the Earth Hour Village is Barangay Guinhadap, Monreal, Masbate.

Under the Wildlife program, the first decrease in the population of the tamaraw (*Bubalus mindorensis*) was recorded since WWF-Philippines engaged in the government's annual count in 2012. On the positive side, 23 new whale sharks (*Rhincodon typus*) were photo identified in Donsol, Sorsogon in 2017, bringing the total to 491 whale sharks. Related achievements are the municipal tourism and river management plans. Furthermore, WWF-Philippines updated the fishery profile in Malampaya Sound, the habitat of the Irawaddy dolphins (*Orcaella brevirostris*).





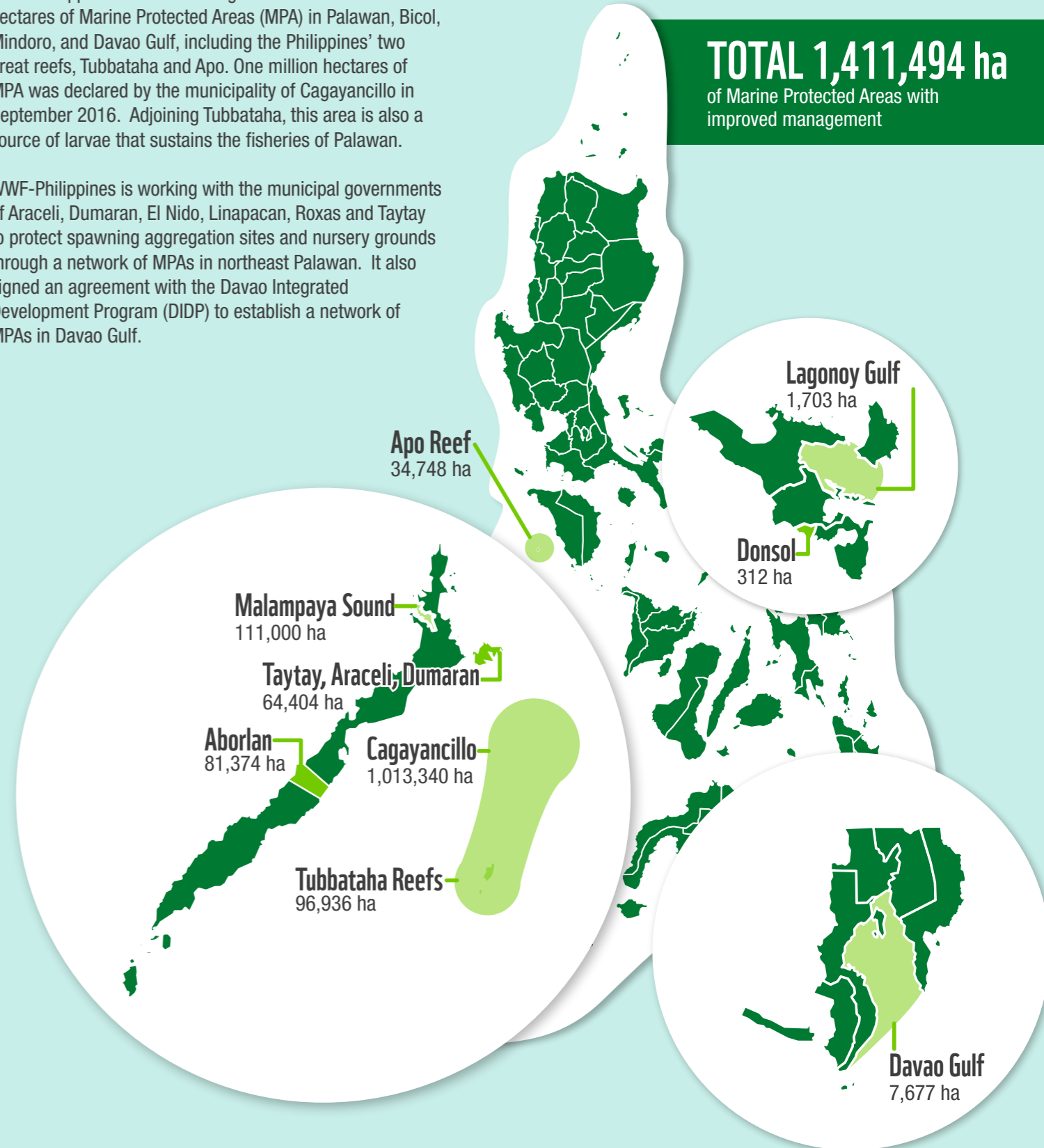
FOOD

Marine Protected Areas

WWF-Philippines is now working in more than 1.4 million hectares of Marine Protected Areas (MPA) in Palawan, Bicol, Mindoro, and Davao Gulf, including the Philippines' two great reefs, Tubbataha and Apo. One million hectares of MPA was declared by the municipality of Cagayancillo in September 2016. Adjoining Tubbataha, this area is also a source of larvae that sustains the fisheries of Palawan.

WWF-Philippines is working with the municipal governments of Araceli, Dumarán, El Nido, Linapacan, Roxas and Taytay to protect spawning aggregation sites and nursery grounds through a network of MPAs in northeast Palawan. It also signed an agreement with the Davao Integrated Development Program (DIDP) to establish a network of MPAs in Davao Gulf.

TOTAL 1,411,494 ha
of Marine Protected Areas with improved management





FOOD

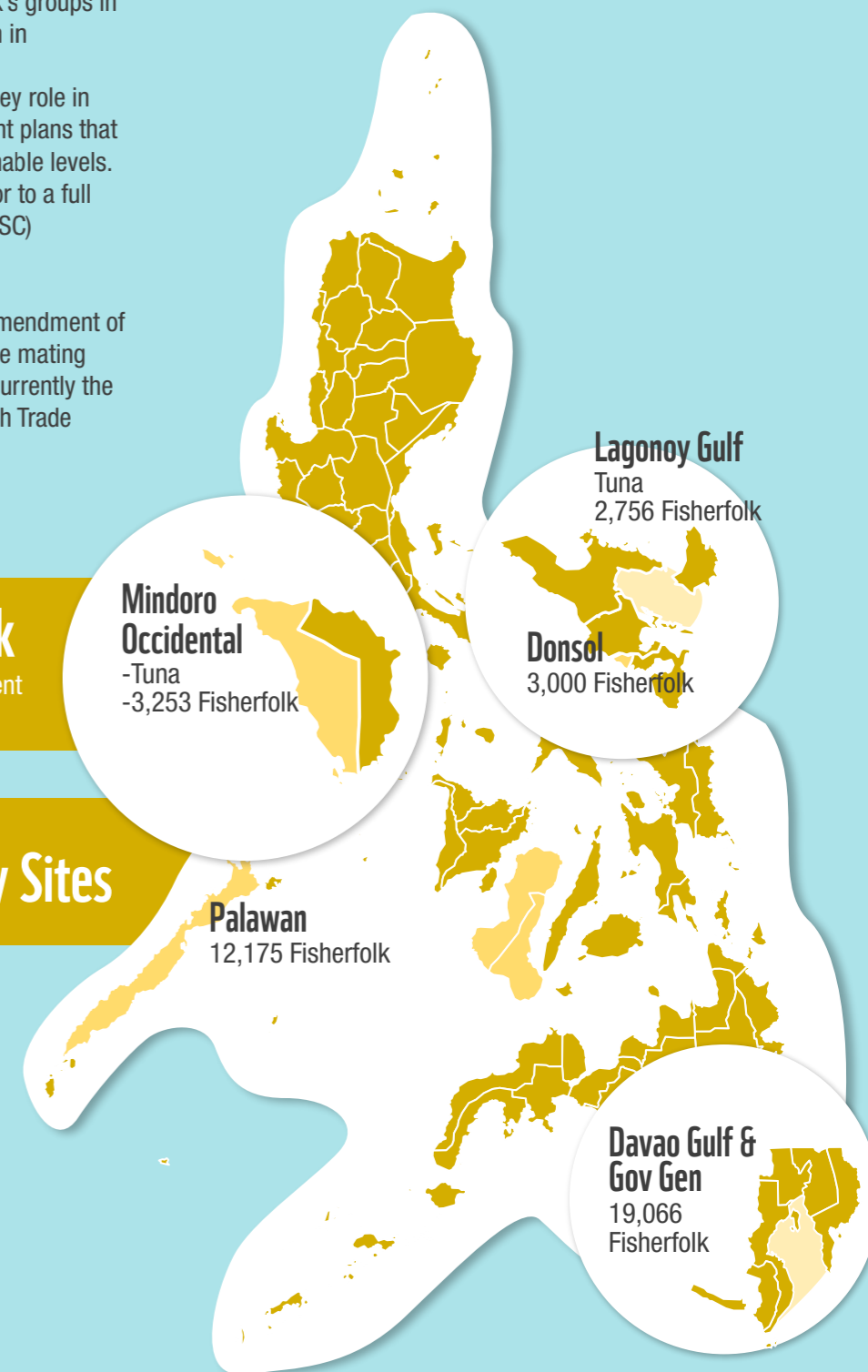
Sustainable Fisheries

Building on the past year's accomplishment of organizing the Tuna Fishers' Associations and Fisheries and Aquatic Resources Management Councils, the fisherfolk's groups in Lagonoy and Mindoro now enjoy representation in management bodies and councils of their local governments. WWF-Philippines also played a key role in drafting the national and local tuna management plans that would maintain catch volumes to within sustainable levels. This is the last indicator that should be met prior to a full assessment for Marine Stewardship Council (MSC) certification.

WWF-Philippines lobbied successfully for the amendment of the open and closed fishing season to match the mating season of the *suno* (*Plectropomus leopardus*), currently the most targeted species of the Live Reef Food Fish Trade (LRFFT) in Palawan.

TOTAL 40,250 Fisherfolk
benefitting from improved fisheries management

TOTAL 3 Capture Fishery Sites



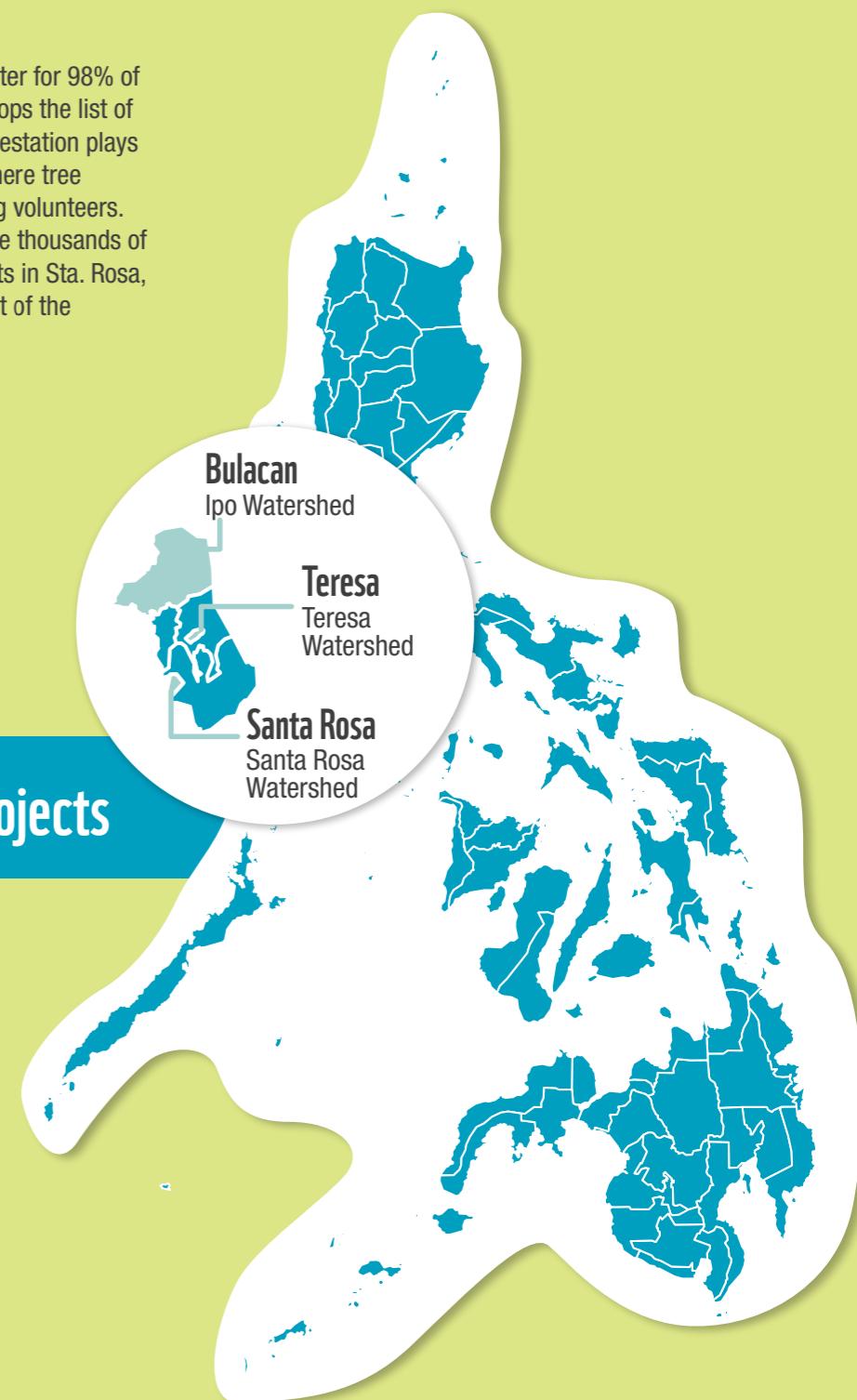


WATER

Watershed Management

WWF-Philippines works with stakeholders for proper watershed management. Millions of people depend on these watersheds as their primary source of water for domestic and agricultural use.

The Ipo Watershed, which is the source of water for 98% of Metro Manila and its neighboring provinces, tops the list of WWF-Philippines' watershed initiatives. Reforestation plays a key part in rehabilitating this watershed, where tree planting has become a popular activity among volunteers. The challenge, however, is in ensuring that the thousands of seedlings planted reach maturity. Initial efforts in Sta. Rosa, Laguna have also expanded into management of the Teresa- Morong Watershed.



TOTAL 3 Watershed Projects



CLIMATE CHANGE

Renewable Energy



WWF-Philippines advocates renewable energy (RE) by collaborating with the government, energy partners, power producers, and communities toward full implementation of policies to maximize the use of RE resources in the country. It supported initiatives that contributed 2,149 megawatts (MW) of new renewable energy and 1,917 MW of geothermal energy to the country's power mix in Rizal, Laguna, Camarines Sur, Aklan, Guimaras and Misamis Oriental. WWF-Philippines also contributed to the finalization of the Mindoro Island Power Development Plan.

Ten cities—Batangas, Catbalogan, Makati, Naga, Parañaque, Pasig, San Carlos, Tagum, and Zamboanga—joined the One Planet City Challenge, a biennial global event that recognizes cities for developing infrastructure, housing, transport and mobility solutions for low-carbon, climate resilient future.

TOTAL 158mw, 13,491kWp
generated from project sites



Total Load Drop
165 MW
Total LGUs
Participated
742 LGUs



CLIMATE CHANGE

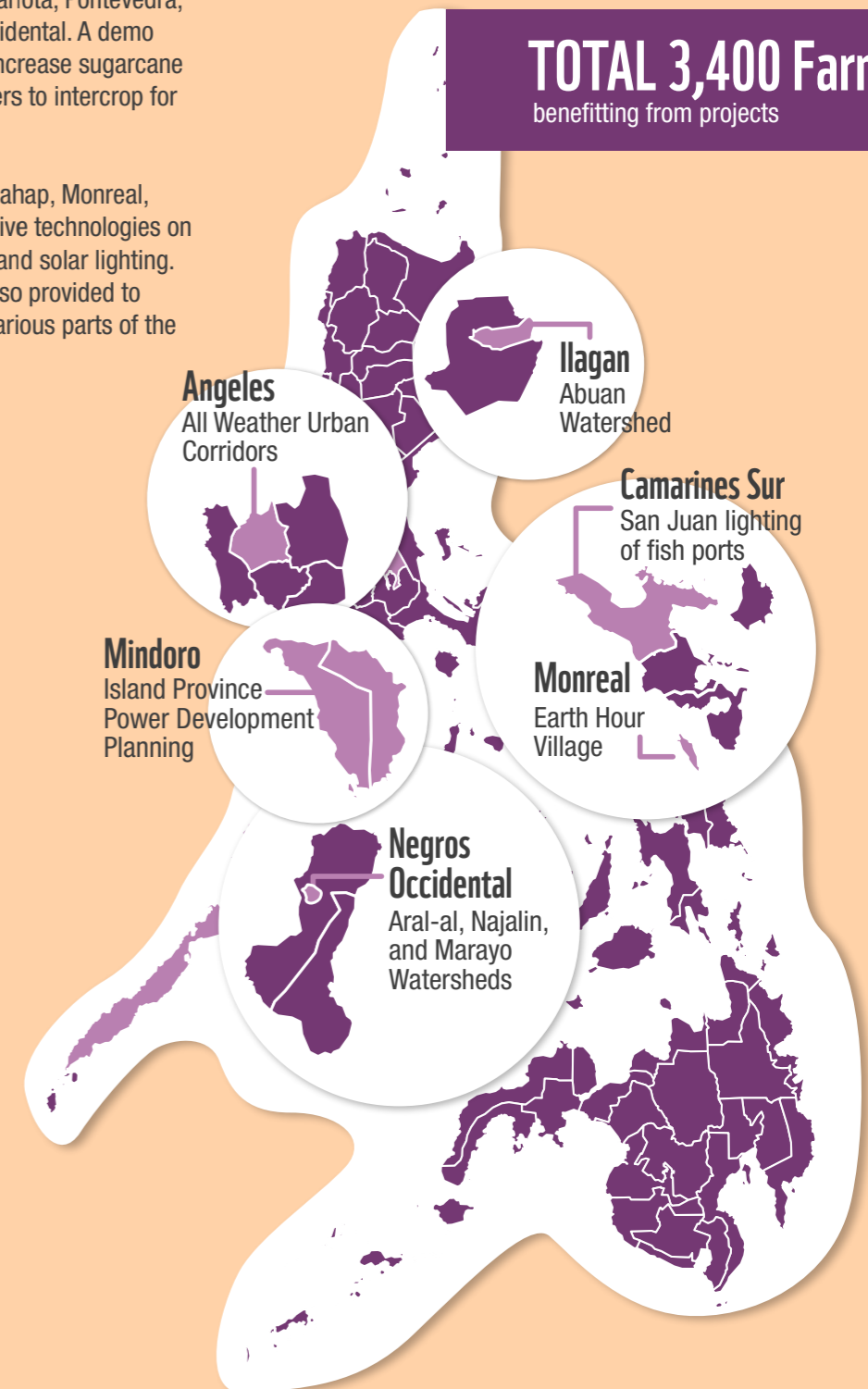
Adaptation

WWF-Philippines is concluding its 5-year project in Abuan, Isabela that enhanced the resiliency of 8 barangays to flooding, proven by zero-casualty reports during strong typhoons. 1,200 farmers enrolled in text-based weather information system to guide their planting schedules.

WWF-Philippines started working in La Carlota, Pontevedra, San Enrique, and Villadolid in Negros Occidental. A demo farm in Pontevedra showed potential to increase sugarcane productivity by 70% while allowing farmers to intercrop for better food security.

The Earth Hour Village of Barangay Guindahap, Monreal, Masbate benefited 9 sitios through adaptive technologies on container farming, rainwater harvesting, and solar lighting. Solar powered pumps and lamps were also provided to off-grid and vulnerable communities in various parts of the country.

TOTAL 3,400 Farmers
benefitting from projects





WILDLIFE

Conservation Programs

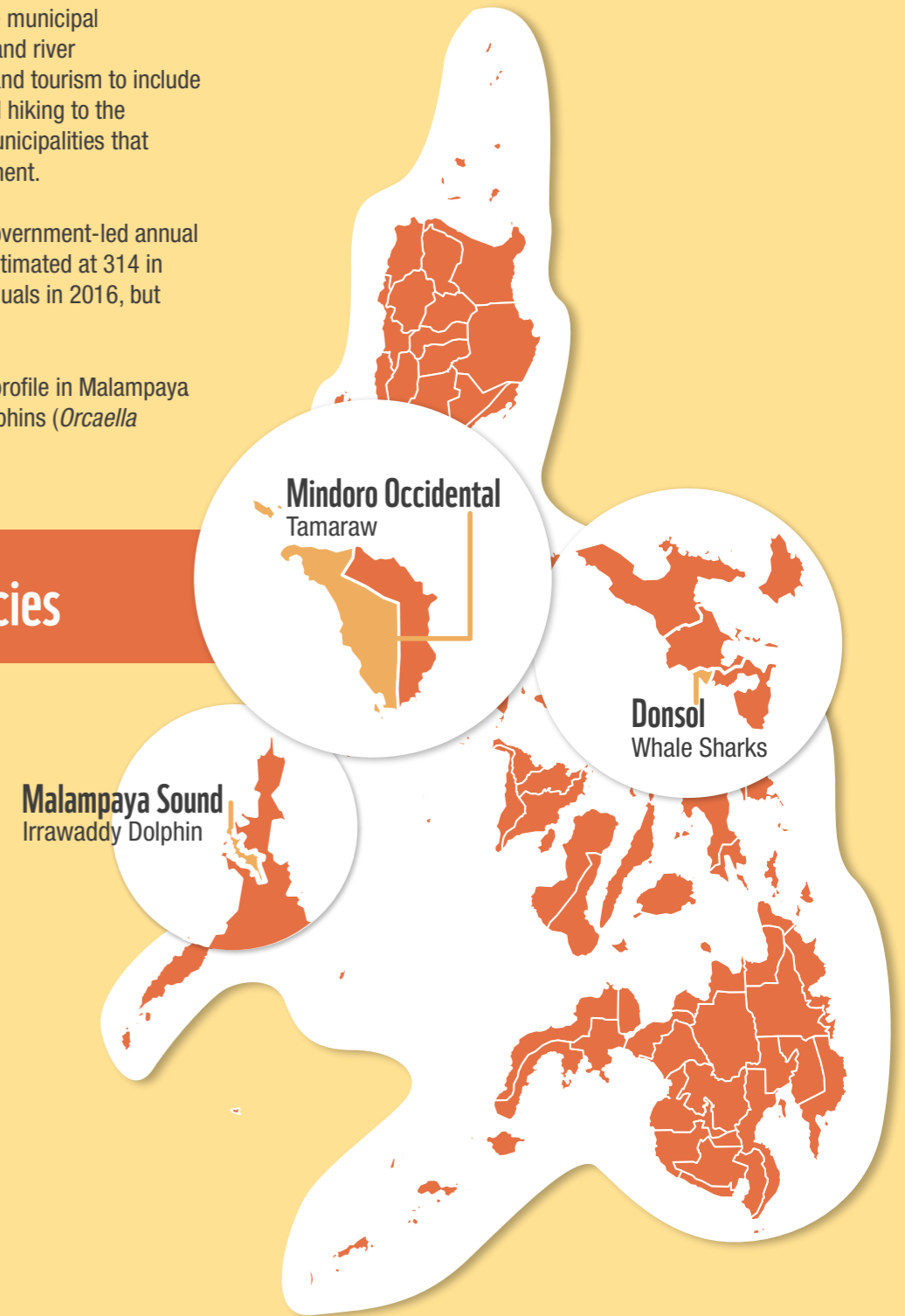


23 new whale sharks (*Rhincodon typus*) were photo identified in Donsol, Sorsogon in 2017, bringing the total to 491 which is 44% of all whale sharks photo identified in the country. WWF-Philippines assisted the municipal government in developing its tourism and river management plans, which aim to expand tourism to include river based activities like kayaking and hiking to the waterfalls, and engage neighboring municipalities that share its watersheds in river management.

WWF-Philippines participated in the government-led annual tamaraw count. The population was estimated at 314 in 2010, increased steadily to 413 individuals in 2016, but dipped to 401 in 2017.

WWF-Philippines updated the fishery profile in Malampaya Sound, the habitat of the Irrawaddy dolphins (*Orcaella brevirostris*).

TOTAL 3 Iconic Species





ENVIRONMENTAL EDUCATION

WWF-Philippines' environmental education team raises awareness among students, educators and the general public through interactive learning sessions. Topics include biodiversity, climate change, food, well-being, waste management, water conservation and renewable energy. With increased knowledge and understanding, communities are better able to plan and take environmental actions.



760,690 Reached
through Environmental Education Since 1999

PHOTO FROM TOP TO BOTTOM © WWF-PHILIPPINES, KIM MARCELO / WWF



NATIONAL YOUTH COUNCIL

The WWF-Philippines National Youth Council (NYC), established in 2016 as the organization's youth arm, brought together eight young Filipinos to spread WWF's message of environmental conservation and bring pressing issues to the general consciousness of the Filipino youth while empowering them as they face vast environmental concerns.

TOTAL REACH

771,535 INDIVIDUALS

ON SOCIAL MEDIA

5,101 YOUTHS

Public Schools 13
Private Schools 5

5,873 COMMUNITY MEMBERS

Provinces 5
Municipalities 10
Barangays 35

FIRST TWO PHOTOS © WWF-PHILIPPINES | BOTTOM © PHOTO ALFREDO RUZOL / WWF



OUTREACH

Project Partners and Beneficiaries

45 LGUs Assisted

Donsol	1	Lagonoy Gulf	15
Palawan	6	Mindoro Occidental	6
Aborlan	1	Abuan	1
Cagayancillo	1	Negros	4
Davao Gulf	10		

5 NIPAs Sites Assisted

Tubbataha Reefs	1
Apo Reef	1
Iglit-Baco	1
Malampaya Sound	1
Davao Gulf	1

Reach and Donors

130,000 social media followers

6,000 Individual Donors

TOP TWO PHOTOS © WWF-PHILIPPINES | BOTTOM PHOTO © NICOLAS CEGALERBA, JOANNA SZWEMBERG / WWF

INDEPENDENT AUDITORS' REPORT

The Board of Trustees
KABANG KALIKASAN NG PILIPINAS FOUNDATION, INC.
4th floor JBD Plaza, 65 Mindanao Avenue
Bagong Pag-asa, Quezon City

Opinion

We have audited the financial statements of KABANG KALIKASAN NG PILIPINAS FOUNDATION INC. ("the Foundation"), which comprise the statements of the financial position as of June 30, 2017 and 2016 and the statements of receipts and expenses, statements of changes in fund balance and statements of cash flows for the fiscal years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respect, the financial position of the Foundation as of June 30, 2017 and 2016, and its financial performance and its cash flows for the fiscal years then ended in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities (PFRS for SMEs).

Basis for Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the Philippine Ethics Standards Board for Accountants (PESBA Code) together with the ethical requirements in the Philippines, the Code of Ethics for Professional Accountants in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

Material Uncertainty Related to Going Concern

Having regard to the future period to which those charged with governance have paid particular attention in assessing going concern, we have planned and performed procedures specifically designed to identify any material matters which could indicate concern about the entity's ability to continue as a going concern. As stated in Note 2 to the financial statements, no events or conditions indicate that a material uncertainty exists that may cast significant doubt in the Foundation's ability to continue as a going concern. Use of going concern basis of accounting is appropriate and no material uncertainty has been identified.

Emphasis of Matter

We draw attention to Note 23 to the financial statements which describe the policy adopted by the Foundation of when an entity should adjust its financial statements for events after the reporting period; and the disclosures that an entity should give about the date when the financial statements were authorized for issue and events after the reporting period.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities (PFRS for SMEs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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


We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits.

Report on Legal and Other Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 22 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue. The information in the sworn statement is presented per SEC Rule 68 as amended in 2011, part I (4B). The aforementioned information is not required part of the basic financial statements and such information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the aforementioned information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

BANARIA, BANARIA AND COMPANY, CPAs

By: 
IRENISA D. LAYCO
Partner
CPA Certificate No. 44776
Tax Identification No. 131-939-866
PTR No. 3804467-C, January 5, 2017, Quezon City
CTC No. 34599651, January 6, 2017, Quezon City
BOA Accreditation No. 0030, valid until December 31, 2018 (Firm)
SEC Accreditation No. 0260-FR-1, valid until May 1, 2019 (Firm)
BIR Accreditation No. 07-000931-1-2015, valid until September 3, 2018 (Partner)
BIR Accreditation No. 07-001323-002-2017, valid until June 27, 2020 (Firm)

KABANG KALIKASAN NG PILIPINAS FOUNDATION, INC.
(Also known as WWF - Philippines/ World Wildlife Fund - Philippines, A National Organization of
Worldwide Fund for Nature - International Based in Gland, Switzerland)

STATEMENTS OF FINANCIAL POSITION

June 30, 2017 and 2016
(Amounts in Philippine Peso)

	Notes	2017	2016
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	P 47,091,616	P 47,646,445
Receivables	6	21,529,460	11,569,910
Other current assets	7	670,935	922,190
Total Current Assets		<u>69,292,011</u>	<u>60,138,545</u>
NON-CURRENT ASSETS			
Investment in trust fund	8	61,817,200	61,803,351
Property and equipment - net	9	357,907	794,846
Software costs - net	10	186,800	373,600
Total Non-current Assets		<u>62,361,907</u>	<u>62,971,797</u>
TOTAL ASSETS		<u>P 131,653,918</u>	<u>P 123,110,342</u>
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITY			
Accrued expenses and other liabilities	11	P 4,450,455	P 3,409,790
NON-CURRENT LIABILITY			
Retirement benefits liability	16	5,712,278	3,200,208
TOTAL LIABILITIES		<u>10,162,733</u>	<u>6,609,998</u>
FUND BALANCES			
Restricted		90,719,705	84,003,112
Unrestricted		30,771,480	32,497,232
TOTAL FUND BALANCES		<u>121,491,185</u>	<u>116,500,344</u>
TOTAL LIABILITIES AND FUND BALANCES		<u>P 131,653,918</u>	<u>P 123,110,342</u>

KABANG KALIKASAN NG PILIPINAS FOUNDATION, INC.
(Also known as WWF - Philippines/ World Wildlife Fund - Philippines, A National Organization of
Worldwide Fund for Nature - International Based in Gland, Switzerland)

STATEMENTS OF RECEIPTS AND EXPENSES

For the Years Ended June 30, 2017 and 2016
(Amounts in Philippine Peso)

	Notes	2017			2016
		Unrestricted Funds	Restricted Funds	Total	
RECEIPTS					
Individuals and others		P 17,665,654	P -	P 17,665,654	P 20,106,893
WWF Network	12	584,062	53,419,151	54,003,213	48,143,844
Corporate		3,145,696	22,796,373	25,942,069	23,720,036
Government and aid agencies		-	19,572,940	19,572,940	24,853,312
Trusts and foundations		400,000	15,168,906	15,568,906	5,781,384
Total Cash Donations		21,795,412	110,957,370	132,752,782	122,605,469
Non-cash donations		12,211,474	-	12,211,474	15,677,444
Unrealized forex gain (loss)	5	-	141,657	141,657	20,580
Unrealized loss on investment	5	(88,589)	-	(88,589)	-
Interest income	5,8	102,438	18,257	120,695	2,767,173
Total Receipts		<u>34,020,735</u>	<u>111,117,284</u>	<u>145,138,019</u>	<u>141,070,666</u>
EXPENSES					
Projects	13		1		
National conservation:					
National programme		1,366,579	77,367,848	78,734,427	62,898,783
Education		-	2,750,037	2,750,037	5,440,884
Conservation policy		690,985	1,753,432	2,444,417	2,089,120
Communication		8,083,680	4,643,365	12,727,045	18,590,049
International conservation		-	10,697,329	10,697,329	3,648,579
Expenses from Projects		<u>10,141,244</u>	<u>97,212,011</u>	<u>107,353,255</u>	<u>92,667,415</u>
Operations					
Fund raising	14	21,533,776	-	21,533,776	18,770,444
Administrative	15	4,071,467	-	4,071,467	11,239,227
Expenses from Operations		<u>25,605,243</u>	<u>-</u>	<u>25,605,243</u>	<u>30,009,671</u>
Total Expenses		<u>35,746,487</u>	<u>97,212,011</u>	<u>132,958,498</u>	<u>122,677,087</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENSES		<u>P (1,725,752)</u>	<u>P 13,905,273</u>	<u>P 12,179,521</u>	<u>P 18,393,580</u>

(See notes to the financial statements)



TOGETHER POSSIBLE



[wwf.philippines](https://www.facebook.com/wwf.philippines)



[wwf_philippines](https://twitter.com/wwf_philippines)



[wwfphilippines](https://www.instagram.com/wwfphilippines)

Tel: +632 920 7923 / 7926 / 7931

Fax: +632 426 3927

Email: kkp@wwf.org.ph

4th Floor JBD Plaza

#65 Mindanao Ave.

Barangay Bagong Pag-asa,
Quezon City 1105 Philippines