World Wildlife Fund, Inc.

Financial Statements and
Independent Auditor's Report
Years Ended June 30, 2015 and 2014

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Contents

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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of **World Wildlife Fund, Inc.**, which comprise the statements of financial position as of June 30, 2015 and 2014, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the WWF's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the WWF'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 financial statements.

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

Other matters

Report on Summarized Comparative Information

We have previously audited World Wildlife Fund, Inc.'s 2014 financial statements, and our report dated October 31, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information on the statement of functional expenses presented herein for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **World Wildlife Fund, Inc.** as of June 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BDO USA, LLP

October 30, 2015
McLean, Virginia

Financial Statements

World Wildlife Fund, Inc.

Statements of Financial Position

June 30,		**2015**		2014
Assets				
Current assets				
Cash and cash equivalents	**$**	**29,579,996**	$	34,658,919
Short-term investments		**35,055,384**		35,544,500
Accounts receivable		**26,357,860**		19,535,335
Pledges receivable		**25,797,494**		28,958,597
Prepaid assets		**3,111,251**		3,451,574
Other current assets		**1,415,782**		2,055,704
Total current assets		**121,317,767**		124,204,629
Noncurrent assets				
Long-term investments, net of allowance for alternative investments		**232,179,053**		240,275,393
Pledges receivable, net of current, discount, and allowance for uncollectible pledges		**21,241,773**		33,277,286
Long-term trust receivables		**30,410,199**		28,667,017
Bond issuance costs, net of amortization		**1,047,451**		1,144,208
Other noncurrent assets		**4,695,420**		4,974,954
Land, building, and equipment, net		**60,589,777**		59,014,755
Total noncurrent assets		**350,163,673**		367,353,613
Total assets	**$**	**471,481,440**	$	491,558,242
Liabilities and net assets				
Current liabilities				
Accounts payable and accrued expenses	**$**	**14,507,590**	$	14,861,778
Grants payable		**30,724,370**		28,117,346
Deferred revenue		**7,291,405**		7,775,478
Current portion of long-term debt		**2,140,000**		2,075,000
Total current liabilities		**54,663,365**		52,829,602
Noncurrent liabilities				
Long-term debt, net of current portion		**57,690,701**		59,514,415
Other long-term liabilities		**8,657,154**		8,022,091
Interest rate swap liability		**13,436,647**		13,338,215
Total noncurrent liabilities		**79,784,502**		80,874,721
Total liabilities		**134,447,867**		133,704,323
Net assets				
Unrestricted		**162,906,032**		171,461,729
Temporarily restricted		**131,019,641**		142,927,160
Permanently restricted		**43,107,900**		43,465,030
Total net assets		**337,033,573**		357,853,919
Total liabilities and net assets	**$**	**471,481,440**	$	491,558,242

See accompanying notes to financial statements.

World Wildlife Fund, Inc.

Statements of Activities

Years ended June 30,	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2015	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2014
Operating activities								
Revenues								
Contributions	**$ 56,072,682**	**$ 54,849,744**	**$ -**	**$ 110,922,426**	$ 53,920,487	$ 82,656,305	$ -	$ 136,576,792
Government grants and contracts	**48,459,713**	**-**	**-**	**48,459,713**	50,815,516	-	-	50,815,516
WWF network revenues	**19,325,255**	**-**	**-**	**19,325,255**	17,900,629	-	-	17,900,629
Other revenues including royalties	**3,527,237**	**1,779,909**	**-**	**5,307,146**	3,076,109	2,417,972	-	5,494,081
In-kind contributions	**65,758,167**	**-**	**-**	**65,758,167**	46,956,096	-	-	46,956,096
Nonoperating income allocated to operations	**32,999,440**	**1,753,958**	**-**	**34,753,398**	32,083,794	1,663,570	-	33,747,364
Total revenues	**226,142,494**	**58,383,611**	**-**	**284,526,105**	204,752,631	86,737,847	-	291,490,478
Net assets released from restrictions	**63,075,929**	**(63,075,929)**	**-**	**-**	61,347,088	(61,347,088)	-	-
Net revenues	**289,218,423**	**(4,692,318)**	**-**	**284,526,105**	266,099,719	25,390,759	-	291,490,478
Commercial building operations								
Revenues	**6,217,505**	**-**	**-**	**6,217,505**	6,097,238	-	-	6,097,238
Expenses	**6,006,404**	**-**	**-**	**6,006,404**	5,848,794	-	-	5,848,794
Net income on commercial building operations	**211,101**	**-**	**-**	**211,101**	248,444	-	-	248,444
Total revenues and support	**289,429,524**	**(4,692,318)**	**-**	**284,737,206**	266,348,163	25,390,759	-	291,738,922
Operating expenses								
Program services								
Conservation field and policy programs	**163,243,875**	**-**	**-**	**163,243,875**	159,748,270	-	-	159,748,270
Public education	**83,621,363**	**-**	**-**	**83,621,363**	64,713,921	-	-	64,713,921
Total program services	**246,865,238**	**-**	**-**	**246,865,238**	224,462,191	-	-	224,462,191
Supporting services								
Finance and administration	**12,609,079**	**-**	**-**	**12,609,079**	12,723,554	-	-	12,723,554
Fundraising	**29,866,442**	**-**	**-**	**29,866,442**	28,707,268	-	-	28,707,268
Total supporting services	**42,475,521**	**-**	**-**	**42,475,521**	41,430,822	-	-	41,430,822
Total operating expenses	**289,340,759**	**-**	**-**	**289,340,759**	265,893,013	-	-	265,893,013
Revenues and support over operating expenses	**88,765**	**(4,692,318)**	**-**	**(4,603,553)**	455,150	25,390,759	-	25,845,909
Nonoperating activities								
Bequests, endowments, and split income gifts	**23,269,092**	**3,495,710**	**(1,159,589)**	**25,605,213**	18,974,390	(5,335,344)	(1,449,380)	12,189,666
Income on interest rate swaps	**(98,432)**	**-**	**-**	**(98,432)**	281,324	-	-	281,324
Income from investments, net	**1,648,413**	**43,047**	**802,459**	**2,493,919**	30,650,992	1,745,287	2,069,172	34,465,451
Gain/(loss) on foreign currency exchange	**(464,096)**	**-**	**-**	**(464,096)**	452	-	-	452
Loss due to changes in donor intent	**-**	**(9,000,000)**	**-**	**(9,000,000)**	-	-	-	-
Total nonoperating activities	**24,354,977**	**(5,461,243)**	**(357,130)**	**18,536,604**	49,907,158	(3,590,057)	619,792	46,936,893
Total allocated to operations	**(32,999,439)**	**(1,753,958)**	**-**	**(34,753,397)**	(32,083,794)	(1,663,570)	-	(33,747,364)
Change in net assets from nonoperating activities	**(8,644,462)**	**(7,215,201)**	**(357,130)**	**(16,216,793)**	17,823,364	(5,253,627)	619,792	13,189,529
Change in net assets	**(8,555,697)**	**(11,907,519)**	**(357,130)**	**(20,820,346)**	18,278,514	20,137,132	619,792	39,035,438
Net assets at beginning of year	**171,461,729**	**142,927,160**	**43,465,030**	**357,853,919**	153,183,215	122,790,028	42,845,238	318,818,481
Net assets at end of year	**$ 162,906,032**	**$ 131,019,641**	**$ 43,107,900**	**$ 337,033,573**	$ 171,461,729	$ 142,927,160	$ 43,465,030	$ 357,853,919

See accompanying notes to financial statements.

World Wildlife Fund, Inc.

Statement of Functional Expenses for the year ended June 30, 2015 (with summarized comparative information for the year ended June 30, 2014)

Year ended June 30, 2015 (with comparative totals for the year ended June 30, 2014)	U.S. and Developed Countries	International Programs	G&A Program Management	Total Conservation Field and Policy Programs	Public Education	Total Program Expenses	Finance and Administration	Fundraising	Total Supporting Services Expenses	2015 Total Operating Expenses	2014 Total Operating Expenses
Project grants and contracts	$ 841,155	$ 83,379,645	$ 153,802	$ 84,374,602	$ 1,517,855	$ 85,892,457	$ 415,683	$ 675,597	$ 1,091,280	$ 86,983,737	$ 83,469,329
Salaries and benefits	1,318,746	45,444,952	4,403,864	51,167,562	6,993,288	58,160,850	8,754,119	11,520,658	20,274,777	78,435,627	77,915,402
In-kind contributions	-	3,544,924	-	3,544,924	62,004,570	65,549,494	194,957	13,716	208,673	65,758,167	46,956,096
Printing and photocopying	3,483	1,513,701	10,768	1,527,952	4,067,908	5,595,860	2,960	5,589,590	5,592,550	11,188,410	10,555,745
Office supplies, postage, and shipping	37,246	1,436,036	16,929	1,490,211	2,948,505	4,438,716	21,416	4,020,754	4,042,170	8,480,886	8,640,120
Other	17,923	1,638,777	(45,028)	1,611,672	2,813,625	4,425,297	546,507	3,391,619	3,938,126	8,363,423	8,088,362
Staff travel	103,657	5,545,310	170,552	5,819,519	202,000	6,021,519	176,327	648,626	824,953	6,846,472	6,388,538
Overhead	82,533	4,961,885	-	5,044,418	701,611	5,746,029	-	977,741	977,741	6,723,770	7,112,846
Field office rent, vehicles, and equipment	88,698	2,224,732	-	2,313,430	1,313	2,314,743	1,175,872	95,046	1,270,918	3,585,661	3,837,519
Conferences and meetings	16,226	3,055,151	36,318	3,107,695	67,213	3,174,908	178,001	110,660	288,661	3,463,569	3,066,356
Professional fees and contracts	2,269	1,649,451	63,184	1,714,904	274,610	1,989,514	670,758	638,645	1,309,403	3,298,917	3,185,358
Premiums	-	10,522	284	10,806	882,092	892,898	7,509	1,018,464	1,025,973	1,918,871	2,271,143
Audio visual	-	608,491	-	608,491	453,047	1,061,538	-	526,794	526,794	1,588,332	1,423,419
Computer services	3,445	259,076	1,928	264,449	325,933	590,382	384,147	209,861	594,008	1,184,390	1,374,967
Telephone	5,719	620,877	16,644	643,240	19,425	662,665	80,823	28,488	109,311	771,976	892,951
Mailing list rental	-	-	-	-	348,368	348,368	-	400,183	400,183	748,551	714,862
	$ 2,521,100	$ 155,893,530	$ 4,829,245	$ 163,243,875	$ 83,621,363	$ 246,865,238	$ 12,609,079	$ 29,866,442	$ 42,475,521	$ 289,340,759	$ 265,893,013

See accompanying notes to financial statements.

World Wildlife Fund, Inc.

Statements of Cash Flows

Years ended June 30,	**2015**	2014
Cash flows from operating activities		
Change in net assets	**$ (20,820,346)**	$ 39,035,438
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	**3,193,718**	3,392,312
Amortization of bond premium	**(8,713)**	(8,713)
Unrealized and realized gain on investments	**2,048,734**	(34,668,145)
Loss (gain) on swaps	**98,432**	(281,324)
Permanently restricted contributions received	**(367,002)**	(11,000)
Accretion on multi-year pledges	**1,156,536**	(280,288)
Write-off of uncollectible pledges	**9,033,131**	315,245
Gifts of investments	**(1,740,053)**	(1,679,534)
Change in assets and liabilities		
Accounts receivable	**(6,822,525)**	3,551,241
Pledges receivable	**5,006,949**	(18,725,091)
Prepaid assets	**340,323**	585,585
Other current assets	**639,921**	930,654
Long-term trust receivables	**(1,743,182)**	2,624,697
Other noncurrent assets	**279,534**	9,021,975
Accounts payable and accrued expenses	**(541,688)**	3,132,861
Grants payable	**2,607,024**	263,025
Deferred revenue	**(484,073)**	632,230
Other long-term liabilities	**822,563**	(122,729)
Net cash (used in) provided by operating activities	**(7,300,718)**	7,708,439
Cash flows used in investing activities		
Purchases of building improvements and equipment	**(4,896,534)**	(1,409,601)
Purchases of investments	**(39,144,139)**	(94,591,371)
Proceeds from sale of investments	**47,420,914**	92,556,905
Net cash provided by (used in) investing activities	**3,380,241**	(3,444,067)
Cash flows from financing activities		
Permanently restricted contributions received	**367,003**	11,000
Payments on long-term debt	**(61,450,000)**	(2,025,000)
Proceeds from issuance of long-term debt	**59,700,000**	-
Retirement of building improvements	**127,793**	-
Amortization of bond issuance costs	**96,758**	99,631
Payment on swap termination	**-**	(7,229)
Net cash used in financing activities	**(1,158,446)**	(1,921,598)
(Decrease) increase in cash and cash equivalents	**(5,078,923)**	2,342,774
Cash and cash equivalents, beginning of year	**34,658,919**	32,316,145
Cash and cash equivalents, end of year	**$ 29,579,996**	$ 34,658,919
Required supplemental disclosure		
Cash payments for interest	**$ 2,658,564**	$ 2,652,116

See accompanying notes to financial statements.

1. Summary of Accounting Policies

Organization

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.

WWF is the largest member of an international WWF network with offices in more than 50 countries. The independently incorporated WWF national organizations coordinate their conservation work. WWF-International, a secretariat located near Geneva, Switzerland, provides network services. WWF-US, WWF-International, and the WWF network are not consolidated, due to the lack of control among the entities.

Basis of Accounting

The financial statements of WWF have been prepared on the accrual basis of accounting.

Accounting Pronouncements to be Adopted

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09 *Revenue from Contracts with Customers* (Topic 606). The update establishes a comprehensive revenue recognition standard for virtually all industries under U.S. GAAP, including those that previously followed industry-specific guidance. The principle of the update is that an entity should recognize revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance is effective for fiscal year 2018. Management continues to evaluate the potential impact of this update on the financial statements.

In May 2015, the FASB issued ASU 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share*. The ASU simplifies Topic 820 by removing the requirement to categorize, within the fair value hierarchy, all investments measured using the net asset value per share practical expedient. Although classification within the fair value hierarchy is no longer required, an entity must disclose the amount of investments measured using the NAV practical expedient in order to permit reconciliation of the fair value of investments in the hierarchy to the corresponding line items in the statement of financial position. Investments measured using the NAV practical expedient continue to be: (i) exempt from the detailed disclosures related to the fair value hierarchy required by paragraph 820-10-50-2, and (ii) subject to the qualitative and quantitative disclosures described in paragraph 820-10-50-6A. The ASU, however, reduces disclosures that were required for investments that are eligible for the use of, but for which the reporting entity opts not to use, the NAV practical expedient. These investments are no longer subject to the disclosures described in paragraph 820-10-50-6A. Since the fair value for these investments is determined using observable and/or unobservable inputs, the fair value measurements for these investments continue to be subject to the fair value disclosures required by paragraph 820-10-50-2, which includes "leveling" disclosures. The amendments are effective retrospectively for fiscal years beginning after December 15, 2016. Management continues to evaluate the potential impact of this update on the financial statements.

In April 2015, FASB issued ASU 2015-03, *Interest—Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*. The ASU requires that debt issuance costs be reported in the statements of financial position as a direct deduction from the face amount of the related liability, consistent with the presentation of debt discounts. Prior to the amendments, debt issuance costs were presented as a deferred charge (i.e., an asset) on the statements of financial position. Further, the amendments require the amortization of debt issuance costs to be reported as interest expense. Similarly, debt issuance costs and any discount or premium are considered in the aggregate when determining the effective interest rate on the debt. The amendments are effective for fiscal years beginning after December 15, 2015. The amendments must be applied retrospectively. Management continues to evaluate the potential impact of this update on the financial statements.

Basis of Presentation

WWF's net assets have been grouped into the following three classes:

- Permanently restricted net assets - Permanently restricted net assets result from contributions and other inflows of assets whose use by WWF is limited by donor-imposed stipulations that they be restricted to investment in perpetuity**.** The Russell E. Train Education for Nature Fund is a fund where the principal is to be held in perpetuity. WWF has other endowments that were contributed by donors who stipulated the investments be held in perpetuity.

- Temporarily restricted net assets - Temporarily restricted net assets result from contributions and other inflows of assets whose use is limited by donor-imposed restrictions that expire either with the passage of time or the fulfillment of a specific programmatic purpose. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and are reported in the statements of activities as net assets released from restriction. When the restrictions on contributions are met in the same period that the contribution is received, the contribution is reported in the statements of activities as temporarily restricted revenues and as net assets released from restrictions.

- Unrestricted net assets - Unrestricted net assets result from revenues derived from unrestricted contributions, investment income, and other inflows of assets, the benefits of which are not limited by donor-imposed restrictions. Unrestricted Board-designated reserves result primarily from unrestricted bequests received that are designated for use in operations by the Board of Directors.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash and temporary investments with original maturities of three months or less, except for those funds held as part of the investment portfolio. WWF maintains cash balances with federally insured institutions as well as in accounts located outside the United States. Accounts at federally insured institutions are insured by the Federal Deposit Insurance Corporation up to $250,000 per bank at June 30, 2015 and 2014. At June 30, 2015 and 2014, WWF held $28,240,523 and $33,796,335, respectively, in uninsured funds. WWF has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents. Cash and cash equivalents denominated in foreign currency amounted to $12,585,990 and $16,920,037 as of June 30, 2015 and 2014, respectively.

Accounts Receivable

Accounts receivable are stated at their net realizable value. The allowance method is used to determine the uncollectible amounts. The allowance is based on prior years' experience and management's analysis of subsequent collections. If actual collection experience changes, revisions to the allowance may be required.

Pledges Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows which approximates their fair value. The discounts on those amounts are computed using treasury bonds corporate rates applicable to the years in which the promises are received. Amortization of the discount is recorded as additional contribution revenue. An allowance is made for uncollectible pledges based upon management's judgment and an analysis of the creditworthiness of the donors, past collection experience, and other relevant factors.

Prepaid Assets

Prepaid assets, which consist of premiums, are stated at the lower of cost or market, with cost based on the first-in, first-out method. Premiums are miscellaneous items that are given to donors and others.

Investments

The fair value of marketable investments in equity and debt securities (which includes both domestic and foreign issues) and U.S. government obligations are based on the published current market value at June 30, 2015 and 2014. The fair values of WWF's investments in limited partnerships are based on management's valuation of estimates and assumptions from information and representations provided by the respective general partners in the absence of readily ascertainable market values.

Certain limited partnerships and corporate investments have no readily determinable market value and are valued at fair value as estimated by the general partners and corporations. Because of the inherent uncertainty of valuation, it is reasonably possible that estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material. In addition, certain investments may also have risk associated with concentrations of investments in one geographic region and in certain industries. The limited partnership's ability to liquidate certain of its investments may be inhibited since the issuers may be privately held or the limited partnership may own a relatively large portion of the issuers' equity securities.

Long-term investments represent Board-designated reserves, endowments, charitable gift annuities, and pooled income funds held for long-term investment. Short-term investments consist of investments with a maturity date of 12 months or less.

Financial Instruments and Credit Risk

Financial instruments which potentially subject WWF to a concentration of credit risk consist principally of investments held at creditworthy financial institutions. By policy, these investments are kept within limits designed to prevent risk caused by concentration. Credit risk with respect to pledges receivable is considered limited due to the large WWF donor base. Credit risk with respect to accounts receivable relates to amounts due from the U.S. Government and other entities in the WWF Network and is considered limited due to the large number of other entities.

Bond Issuance Costs

Costs associated with issuance of bonds have been deferred and are amortized over the terms of the bonds. WWF uses the straight-line method, which approximates the effective interest method.

Land, Building, and Equipment

Land, building, and equipment are recorded at cost. WWF capitalizes all expenditures for property and equipment over $5,000. Depreciation for equipment, furniture and software is computed using the straight-line method, with the half-year convention over the estimated useful lives of the assets. Depreciation and amortization for the building, building improvements and tenant improvements is computed using the straight-line method. The estimated useful lives of WWF's assets are as follows:

Office equipment	3 years
Software and applications	3 years
Building and tenant improvements	15 years
Building	40 years

The estimated useful life of office furniture and fixtures is either 5 or 8 years, depending on the expected life of the asset. The estimated useful life of tenant improvements is the lesser of the term of the lease or life of the asset.

Impairment of Long-Lived Assets

WWF reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the long lived asset is reduced, by a charge to the statements of activities, to its carrying value.

Other Noncurrent Assets

Other noncurrent assets consists of the assets for WWF's 457(b) pension and international plans recorded at fair market value, leasing commissions and deferred rent receivable. Rent revenue is recorded on the straight-line basis.

Split Income Gifts

WWF has been named as beneficiary in several split income gifts that include charitable gift annuities and remainder trusts. The values of all split income gifts have been determined using discount rates that range from 2.0% to 2.3%, based upon rates approved by the Internal Revenue Service (IRS) as of the date of the gift.

As of June 30, 2015 and 2014, $11,346,730 and $11,911,110, respectively, were included as investments in the statements of financial position, and represent split income gifts for which WWF serves as the trustee. These gifts are recorded at the discounted present value of the gifts. WWF recognizes a liability for the portion of the split income gifts that is determined to be payable to beneficiaries under the terms of the agreements where WWF is the trustee. As of June 30, 2015 and 2014, these liabilities totaled $6,777,051 and $6,852,811, respectively, and are recorded as other long-term liabilities in the statements of financial position.

Income from these gifts is recorded as investment income and changes in the value are included in bequests, endowments, and split income gifts in the accompanying statements of activities.

For split income gifts, for which WWF does not serve as the trustee, WWF included $1,743,182 and $(6,998,914) of gain/(loss) of revenue in bequests, endowments, and split income gifts on the accompanying statements of activities for the years ended June 30, 2015 and 2014, respectively. WWF's beneficial interest in these gifts, which amounted to $30,410,199 and $28,667,017 at June 30, 2015 and 2014, respectively, is also recorded at the discounted present value of the gifts and is included in long-term trust receivables in the accompanying statements of financial position.

In addition to these gifts, WWF has been named as the beneficiary in several agreements that are either revocable, or for which a reasonable valuation cannot be calculated, or allow the donor or beneficiary to change WWF's right to receive the assets. Such agreements are therefore not recorded in the accompanying financial statements.

Grants Payable

Grants are primarily made to other conservation organizations and are accrued when WWF makes a legally enforceable pledge to the organization. For grants that are for a period of more than one year, the future years' portion is considered conditional based on specific criteria, such as management review and approval against certain milestones and the receipt of future funding by WWF. The conditional portions of multi-year grants for the years ended June 30, 2015 and 2014, are $23,774,605 and $17,595,700, respectively, and are not recorded as grants payable in the accompanying financial statements.

Deferred Revenue

WWF receives funds from the WWF network and other organizations for specific projects performed at headquarters and various WWF field offices. WWF recognizes these funds as revenue earned to the extent of qualifying expenses incurred. All funds received from network sources in excess of expenses incurred are included in deferred revenue in the accompanying statements of financial position. Unrestricted revenue received from network sources is recorded as revenue when received. Any unrestricted revenue in excess of expenses incurred is included in unrestricted net assets in the accompanying statements of financial position.

Revenue Recognition

Contribution revenue is recognized at fair value on the earlier of the receipt of cash or an unconditional promise to give. From time to time, WWF receives promises to give that have certain conditions such as meeting specific milestones or revocable features to the promise to give. Conditional promises to give are recognized when the conditions are substantially met.

Federal grant awards are considered exchange transactions, and as such are recognized as revenue earned to the extent of qualifying expenses incurred or as such amounts are accrued.

Total revenue and support for the fiscal years ended June 30, 2015 and 2014 was $269,082,947 and $304,928,451, respectively. This amount is calculated based on the total revenues and support from operating activities and the change in net assets from nonoperating activities presented in the statements of activities, excluding income from interest rate swaps and gain/(loss) on foreign currency exchange.

Included in WWF network revenues on the statements of activities for the years ended June 30, 2015 and 2014, are revenues from WWF-Netherlands of $5,064,424 and $4,821,705, respectively.

In-Kind Contributions

Radio and television stations and certain publications have contributed advertising time and space to WWF at no charge. The estimated fair values of the advertisements are based on independent third-party valuations and reported as in-kind contribution revenue and program expense in the period in which the advertisements are run. Certain other in-kind contributions have also been received and recorded at fair-market value in the period in which each contribution was made.

Non-Operating Income Allocated to Operations

Contributions, except for bequests and endowments, are reported as revenue from operating activities in the appropriate category of net assets. The Board of Directors has designated that bequests and endowments are not generally available for use in operations; therefore, these contributions are recognized as non-operating activities in the appropriate category of net assets. Investment income, including realized and unrealized gains and losses, in excess of amounts utilized in operations based on the organization's spending policy, is accounted for as an increase or decrease in non-operating activities. It is classified as unrestricted unless its use is restricted by explicit donor stipulations or by law.

Allocation of Joint Costs

WWF report the costs of all materials and activities that include a fundraising appeal as fundraising costs unless certain specific conditions are met, in which case the joint costs may be allocated between fundraising, program, and general and administrative expenses. WWF evaluates all programs that include fundraising to determine which programs would meet the requirements for allocation of costs. WWF allocates joint costs based on relative direct cost method whereby costs are allocated to each of the components on the basis of their respective direct costs (i.e. costs incurred in connection with the multipurpose materials or activity that are specifically identifiable to each program or function).

In fiscal years 2015 and 2014, WWF incurred joint costs of $29,768,522 and $29,182,439, respectively, for informational materials and activities that included a fundraising appeal. Of those costs, $15,657,611 and $15,472,972 were allocated to fundraising expenses, and $14,110,911 and $13,709,467 were allocated to program expense, in fiscal years 2015 and 2014, respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Interpretation of Relevant Law

The Board of Directors has determined that an enacted version of UPMIFA applies to WWF's endowment funds. When a donor expresses intent clearly in a written gift instrument, WWF follows the donor's instructions. When a donor's intent is not so expressed, WWF shall spend an amount from the fund that is prudent, consistent with the purposes of the fund, relevant economic factors, and the donor's intent that the fund continue in perpetuity.

Investment Policy Statement

As careful stewards of our donors' contributions, and respectful of their intent to support and further WWF's conservation efforts, WWF seeks in managing the investment pool to maximize funding for conservation while prudently managing risk. Careful management of the assets is designed to ensure a total return (income plus capital change) necessary to preserve and enhance (in real dollar terms) the principal of the fund and at the same time, provide a dependable source of support for current operations and programs. The investment pool includes those assets of donor-restricted funds that WWF must hold in perpetuity or for donor-specified period(s) as well as board-designated funds. The primary investment objective of the pool is to attain a net average annual real total return of 5% over rolling ten-year periods. Actual returns in any given period may vary from this amount but should be attainable over a series of ten-year periods.

2. Accounts Receivable

Management believes amounts recorded in accounts receivable to be collectible based on historical collection experience and write-offs and other factors and, therefore, has not recorded an allowance against the receivables as of June 30, 2015 and 2014. Accounts receivable is composed of the following at June 30:

	2015	2014
U.S. Government	**$ 15,083,136**	$ 12,486,862
WWF Network	**7,183,376**	3,456,744
Other	**4,091,348**	3,591,729
	$ 26,357,860	$ 19,535,335

During the years ended June 30, 2015 and 2014, WWF determined that $574 and $288,945, respectively, of accounts receivable were uncollectible based on review of outstanding amounts and are included as a cost of fundraising on the accompanying statements of activities.

3. Pledges Receivable

Unconditional promises to give consisted of the following at June 30:

	2015	2014
Less than a year	$ 25,797,494	$ 28,958,597
One to five years	22,808,251	36,000,300
Subtotal	48,605,745	64,958,897
Less: discount to present value	(1,316,478)	(2,473,014)
Less: allowance for uncollectible pledges	(250,000)	(250,000)
Subtotal	47,039,267	62,235,883
Less: current portion of pledges receivable	(25,797,494)	(28,958,597)
Non-current portion of pledges receivable	$ 21,241,773	$ 33,277,286

The interest rates used to discount the amounts expected to be collected in future years range from 2.24% to 2.94% as of June 30, 2015. During the years ended June 30, 2015 and 2014, WWF determined that $32,559 and $26,300, respectively, of pledges receivable were uncollectible based on collection history and are included as part of operating expenses in the statements of activities. Also, WWF wrote off $9,000,000 of pledge receivable due to changes in amount pledged by a donor. The amount is presented as loss due to changes in donor intent and included as part of non-operating activities in the statement of activities.

4. Investments

Investments consisted of the following at June 30:

	2015	2014
Money market funds	**$ 35,698,416**	$ 36,394,635
Partnership investments	**131,532,595**	136,448,360
Debt and equity mutual funds	**65,483,610**	68,838,137
Common collective trusts	**9,251,085**	9,540,368
Debt securities	**18,729,888**	18,060,253
U.S. government obligations	**7,038,843**	7,038,140
Subtotal: investments before allowance	**267,734,437**	276,319,893
Less: allowance for alternative investments	**(500,000)**	(500,000)
Subtotal	**267,234,437**	275,819,893
Less: short-term investments	**(35,055,384)**	(35,544,500)
Long-term investments	**$ 232,179,053**	$ 240,275,393

Investment return consisted of the following for the years ended June 30:

	2015	2014
Dividends and interest income	**$ 1,658,087**	$ 1,390,923
Realized and unrealized gains, net	**2,048,734**	34,668,145
Less: investment expenses	**(1,212,902)**	(1,593,617)
Income from investments, net	**$ 2,493,919**	$ 34,465,451

WWF received donated securities with a fair value of $1,740,053 and $1,679,534 during the years ended June 30, 2015 and 2014, respectively, to be used for unrestricted activities.

In January, 2014, WWF entered into a 'stranded assets' total return swap. WWF pays the total return from an index of coal and tar sands companies, and receives the total return on the S&P 500 index which settles quarterly. The swap is designed to hedge against portfolio risk specifically attributed to coal and tar sand business sectors.

The swaps are recognized on the statements of financial position at fair value and are recorded as interest rate swap liability. Realized gains and losses are recorded in the statement of activities. During the year ended June 30, 2015, WWF recorded $242,553 in realized gain for these swaps. The fair market value of the swaps was $84,747 as of June 30, 2015.

5. Land, Building, and Equipment

Land, building, and equipment consisted of the following at June 30:

	2015	2014
Land	**$ 17,436,974**	$ 17,436,974
Building	**46,007,955**	46,007,955
Furniture and equipment	**17,721,496**	13,276,592
Building and tenant improvements	**20,606,249**	20,460,255
	101,772,674	97,181,776
Less: accumulated depreciation and amortization	**(41,182,897)**	(38,167,021)
Land, building, and equipment, net	**$ 60,589,777**	$ 59,014,755

WWF has allocated the building operating costs and interest expense between non-commercial and commercial building operations expense based on occupancy percentages. The non-commercial portion of these costs is allocated to program expense and supporting services expense by using the Modified Total Direct Cost (MTDC) method of indirect cost allocation as defined in OMB Circular A-122, *Cost Principles for Non-Profit Organizations.* The MTDC method applies indirect costs using total salaries, benefits, and other expenses (less equipment, vehicles, and other purchases) as the base of distribution and is considered to be in agreement with generally accepted accounting principles.

Depreciation and amortization expense consisted of the following for the years ended June 30:

	2015	2014
Depreciation, commercial building operations	**$ 1,180,007**	$ 1,168,039
Depreciation, all other building and equipment	**2,013,711**	2,224,273
Amortization of bond premium and issuance costs	**96,758**	99,631
Total depreciation and amortization	**$ 3,290,476**	$ 3,491,943

The commercial building operations net cash flows were $938,331 and $922,545 for fiscal years ended June 30, 2015 and 2014, respectively.

6. Long-Term Debt

Long-term debt was as follows at June 30:

	2015	2014
WWF Taxable Variable Rate Bonds, Series 2015	$ 59,700,000	$ -
District of Columbia Variable Rate Refunding Revenue Bonds, Series 2010	-	29,310,000
WWF Taxable Variable Rate Bonds, Series 2008B	-	32,140,000
Subtotal	59,700,000	61,450,000
Unamortized original issue premium	130,701	139,415
Long-term debt	59,830,701	61,589,415
Less: current portion	(2,140,000)	(2,075,000)
Long-term debt, net of current portion	$ 57,690,701	$ 59,514,415

On October 3, 2000, WWF entered into a purchase and sale agreement with a third-party seller to acquire the building in which WWF had previously leased its headquarters office space. To finance the building acquisition and additional improvements, WWF issued $42,010,000 in District of Columbia Revenue Bonds (World Wildlife Fund, Inc. Issue) Series 2000A, which are tax-exempt, and $41,355,000 in World Wildlife Fund, Inc. Taxable Variable Rate Bonds, Series 2000B.

On November 6, 2008, WWF refinanced the outstanding taxable Series 2000B bonds with a direct-pay bank letter of credit and issued $35,600,000 World Wildlife Fund, Inc. Taxable Variable Rate Bonds, Series 20008B. On July 1, 2010, WWF refinanced the outstanding tax-exempt Series 2000A bonds with a direct-pay bank letter of credit to provide credit enhancement. The refinanced bonds were reissued as $33,015,000 District of Columbia Variable Rate Refunding Revenue Bonds (World Wildlife Fund, Inc. Issue) Series 2010.

On May 20, 2015, WWF's letter of credit provider, paid the entire balance of the series 2010 and 2008B bonds and issued the $59,700,000 World Wildlife Fund, Inc. Taxable Variable Rate Bonds Series 2015 ("Series 2015 Bonds") with substantially the same financial terms and conditions as the 2010 and 2008B bonds. The series 2015 bonds also has a maturity date of July 1, 2030 and is subject to variable interest rates, substantially similar to the series 2010 and 2008B bonds. The interest rate per annum is determined by the remarketing agent on the applicable rate determination date as the lowest average interest rate which, in the opinion of the remarketing agent, under then-existing market conditions, would result in the sale of such bonds (in the daily rate period or weekly rate period, as applicable) at a price equal to the principal amount of such bonds on the rate determination date, plus interest, if any, accrued through the rate determination date.

On the same date, WWF entered into a reimbursement agreement with JP Morgan Chase for the latter to provide letter-of-credit covering the entire balance of the 2015 bonds.

WWF evaluated the application of Accounting Standards Codification (ASC) 470-50, "Modifications and Extinguishments" and concluded that the refinancing constituted a debt modification. Under ASC 470-50, the existing bond premium issuance costs of the Series 2000B and 2010 will be amortized over the remaining term of the new Series 2015 bonds.

Upon issuance of the Series 2015 Bonds, WWF did not change the existing interest rate swaps. The swaps are used to minimize cash flow fluctuations of interest payments caused by the variable nature of the interest rates on the Series 2015 bonds. The interest on the outstanding principal balance is due monthly at the variable interest rate until maturity of the bonds and the interest on the swaps is due quarterly.

As of June 30, 2015, WWF has five interest-rate swap agreements covering $59,375,000 to synthetically fix rates between 3.01% and 5.87%. The weighted average interest rate of the swaps was 4.51% and 4.47% for the fiscal years ended June 30, 2015 and 2014, respectively.

The swaps are recognized on the statements of financial position at fair value and are recorded as interest rate swap liability. Changes in the fair value of the swaps are recorded in (loss) income on interest-rate swaps in the statements of activities. During the years ended June 30, 2015 and 2014, WWF recorded ($98,432) and $281,176 in fair-market value adjustments to the liability of the swaps, respectively. Cumulative losses on the swaps from inception totaled $13,436,647 as of June 30, 2015.

WWF incurred total interest expense on the bonds and swaps of $2,658,565 and $2,727,936 for the years ended June 30, 2015 and 2014, respectively, which is allocated among the expenses, including building operations expense, based on internal allocation methods. WWF is subject to liquidity and debt services coverage ratio requirements and certain restrictions and limitations with respect to the incurrence of indebtedness, consolidation, and merger and transfer of assets. As of June 30, 2015 and 2014, WWF was in compliance with these covenants.

Maturities of debt are as follows:

2016	$ 2,140,000
2017	2,195,000
2018	2,760,000
2019	2,910,000
2020	3,055,000
Thereafter	46,640,000
	59,700,000
Plus unamortized original issue premium	130,701
	$ 59,830,701

7. Commitments and Contingencies

Litigation

In the course of business, WWF is from time to time a party to various claims and lawsuits. If management determines, based on the underlying facts and circumstances, that it is probable a loss will result from a litigation contingency and the amount of the loss can be reasonably estimated, the estimated loss is accrued for. Management does not expect any adverse financial impact from open litigation matters occurring in the normal course of business as of June 30, 2015.

Commitments

Certain alternative investments, which include private equity investments, have rolling lockups ranging from one to three years. WWF is obligated under certain limited partnership agreements to fund certain partnership investments periodically up to a specified level. At June 30, 2015, WWF had unfunded commitments of $2,437,885. Such commitments are generally called over periods of up to seven years and contain fixed expiration dates or other termination clauses.

Operating Leases

WWF leases field office facilities under operating leases that expire on various dates through June 2019. It is expected that WWF will renew leases as necessary in the normal course of its activities. During the years ended June 30, 2015 and 2014, WWF recorded $807,712 and $850,975, respectively, in rental expense.

The following is a schedule of the future minimum lease payments as of June 30, 2015:

2016	$	917,179
2017		367,876
2018		108,203
2019		69,564
Total minimum lease payments	$	1,462,822

Tenant Income

As part of the building acquisition, WWF assumed existing tenant lease agreements and has entered into new lease agreements with additional tenants. The minimum future lease rental income is as follows:

2016	$	6,039,706
2017		5,195,399
2018		5,320,998
2019		5,366,838
2020		4,608,076
Thereafter		1,244,435
Total	$	27,775,452

Additionally, WWF has letters of credit from several banks, which list the tenants as the applicants and WWF as the beneficiary. Letters of credit in favor of WWF as of June 30, 2015 and 2014 were $707,444 and $850,000, respectively. At June 30, 2015 and 2014, no amounts had been drawn against the letters of credit.

Federal and State Programs

Amounts received and expended by WWF under various federal and state programs are subject to audit by government agencies. Management believes that adjustments, if any, which might result from such audits would not have a material impact on the financial position of WWF.

Indirect Cost Reimbursement

The reimbursement of indirect costs reflected in the accompanying financial statements as federal grants revenue is subject to final approval by federal grantors and could be adjusted upon the results of these reviews. Management believes that the results of any such adjustment will not be material to WWF's financial position or change in net assets.

8. Employee Benefits

WWF has a tax-deferred defined contribution plan under Section 403(b) of the Internal Revenue Code (IRC) for its employees. WWF's contributions under the plan are based on years of service and range from 3% to 9% of an eligible employee's annual salary. The expenses recorded by WWF for the plan were $3,472,238 and $3,363,291 for the years ended June 30, 2015 and 2014, respectively.

WWF has adopted two Deferred Compensation Plans (the Plan) in accordance with Section 457(b) and Section 457(f) of the IRC. The purpose of the 457(b) Plan is to offer certain eligible employees additional deferred compensation and/or the opportunity to defer specified amounts of compensation, on a pretax basis. The assets and liabilities associated with this Plan were $1,143,415 and $981,780 for the years ended June 30, 2015 and 2014, respectively. The assets for the 457(b) plan are included in other noncurrent assets and the liabilities are included in other long-term liabilities as presented in the statements of financial position. The purpose of the 457(f) Plan is the retention and recruitment of talent at the executive level. The expenses associated with the 457(f) Plan were $216,937 and $187,500 for the years ended June 30, 2015 and 2014, respectively. The 457(f) deferrals, which are reflected in other long-term liabilities, were $404,437 and $187,500 for the years ended June 30, 2015 and 2014.

During fiscal year 2004, WWF implemented a self-funded health insurance benefit plan under guidelines issued by the U.S. Department of Labor in accordance with the Employee Retirement Income Security Act (ERISA). Under this plan, WWF pays employee health insurance claims directly rather than using a third-party administrative service. To limit potential risk and exposure to higher than estimated claims, WWF has also purchased stop-loss insurance protecting WWF from claims over $80,000 for individual employees and 125% of the actuarially determined yearly cost for the aggregated claims. The anticipated claims incurred but not reported were $125,000 and $1,189 as of June 30, 2015 and 2014, respectively, and are included in accounts payable and accrued expenses in the accompanying statements of financial position.

9. Income Taxes

WWF has received a determination letter from the IRS that grants an exemption from income taxes under Section 501(c)(3) of the IRC except for any income that may be a result of unrelated business transactions. Additionally, the IRS has classified WWF as an organization other than a private foundation.

Under ASC 740-10 an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more-likely-than-not that the position will be sustained. WWF does not believe there are any material uncertain tax positions and accordingly it will not recognize any liability for unrecognized tax benefits. WWF has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, WWF has filed IRS Form 990 and Form 990-T tax returns as required and all other applicable returns in those jurisdictions where it is required. WWF believes that it is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for year before 2008. For the year ended

June 30, 2015 and 2014, there were no interest or penalties recorded or included in the statements of activities related to uncertain tax positions.

10. Temporarily Restricted Net Assets

Temporarily restricted net assets are restricted for the following purposes as of June 30:

	2015	2014
Purpose restricted		
Conservation and other programs	**$ 43,904,330**	$ 39,828,158
Time restricted	**47,972,215**	45,016,602
Purpose and time restricted	**39,143,096**	58,082,400
	$ 131,019,641	$ 142,927,160

11. Permanently Restricted Net Assets

Permanently restricted net assets are restricted to investment in perpetuity, the income from which is expendable, to support the following at June 30:

	2015	2014
U.S. and developed countries	**$ 301,618**	$ 301,618
International programs	**17,769,179**	17,933,497
Unrestricted support	**17,955,056**	18,005,835
Other programs	**7,082,047**	7,224,080
	$ 43,107,900	$ 43,465,030

During the year ended June 30, 2015, certain transfers were made between unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Board-approved spending policy for fiscal year 2015 and 2014 was 100% and 75%, respectively, of the trailing three-year average of available bequests, 5% of the trailing three-year average of Board-designated reserves, payout on endowments as directed by donors, other payouts approved by the Board of Directors, and payout balances available from prior years. In establishing this policy, WWF considered the long-term expected return of the investment portfolio and it is consistent with WWF's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return. The amounts authorized under this policy are reported as non-operating income on the accompanying statements of activities. Non-operating income allocated to operations represents the appropriations that are expended during the year. The amounts expended for the years ended June 30, 2015 and 2014 were $34,753,397 and $33,747,364, respectively.

Changes in endowment net assets for the year ended June 30, 2015 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	2015 Totals
Endowment net assets, beginning of year	**$ 174,128,874**	**$ 19,603,359**	**$ 43,465,030**	**$ 237,197,263**
Investment return				
Investment income	**378,650**	**56,642**	**74,956**	**510,248**
Net appreciation, realized	**4,684,614**	**696,708**	**923,412**	**6,304,734**
Net appreciation, unrealized	**(2,669,049)**	**(708,042)**	**(195,909)**	**(3,573,000)**
Total investment return	**2,394,215**	**45,308**	**802,459**	**3,241,982**
Contributions	**24,496,601**	**-**	**367,002**	**24,863,603**
Appropriation of assets for expenditure	**(40,018,898)**	**(151,292)**	**(1,526,591)**	**(41,696,781)**
Endowment net assets, end of year	**$ 161,000,792**	**$ 19,497,375**	**$ 43,107,900**	**$ 223,606,067**

Appropriation of assets for expenditure pertains to income from interest and dividends received on endowment assets which may be used by WWF for operations or specific donor-specific designations in accordance to the endowment agreements.

Changes in endowment net assets for the year ended June 30, 2014 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	2014 Totals
Endowment net assets, beginning of year	$ 151,150,846	$ 13,902,860	$ 42,845,238	$ 207,898,944
Investment return				
Investment income	(93,083)	(13,514)	(18,046)	(124,643)
Net appreciation, realized	2,310,858	336,303	453,046	3,100,207
Net appreciation, unrealized	21,836,890	5,907,436	1,634,172	29,378,498
Total investment return	24,054,665	6,230,225	2,069,172	32,354,062
Contributions	25,577,255	-	11,000	25,588,255
Appropriation of assets for expenditure	(26,653,892)	(529,726)	(1,460,380)	(28,643,998)
Endowment net assets, end of year	$ 174,128,874	$ 19,603,359	$ 43,465,030	$ 237,197,263

The distribution of endowment net assets between donor restricted and board-designated for the year ended June 30, 2015 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	2015 Totals
Donor restricted	**$ 11,840,216**	**$ 19,497,375**	**$ 43,107,900**	**$ 74,445,491**
Board-designated	**149,160,576**	**-**	**-**	**149,160,576**
Total endowment net assets	**$ 161,000,792**	**$ 19,497,375**	**$ 43,107,900**	**$ 223,606,067**

The distribution of endowment net assets between donor restricted and board-designated for the year ended June 30, 2014 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	2014 Totals
Donor restricted	$ 12,552,196	$ 19,603,359	$ 43,465,030	$ 75,620,585
Board-designated	161,576,678	-	-	161,576,678
Total endowment net assets	$ 174,128,874	$ 19,603,359	$ 43,465,030	$ 237,197,263

12. Fair Value of Financial Instruments

ASC 820-10 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring inputs that are most observable be used when available. Observable inputs are inputs that market participants operating within the same marketplace as WWF would use in pricing WWF's asset or liability based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of WWF are traded. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable as follows:

Level 1 – Valuation based on quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment. Examples include equity securities and publicly traded mutual funds that are actively traded on a major exchange or over-the-counter market.

Level 2 – Valuation based on quoted market prices of investments that are not actively traded or for which certain significant inputs are not observable, either directly or indirectly, such as municipal bonds. The fair value of municipal bonds is estimated using recently executed transactions, bid/asked prices and pricing models that factor in, where applicable, interest rates, bond spreads and volatility.

Level 3 – Valuation based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value. Examples include limited partnerships and private equity investments.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

Mutual funds: WWF's holdings in publicly traded mutual funds consist principally of debt and equity securities carried at their aggregate market value that is determined by quoted market prices. Each of these investments can be liquidated daily. Valuation is based on Level 1 inputs within the hierarchy used in measuring fair value.

Common collective trusts: Common collective trusts are non-registered pooled investment funds. The fair values of the investments have been estimated using the net asset value per share of the fund. Common collective trust fund shares may be redeemed at net asset value on a daily or monthly basis, depending on the fund.

Long-term trust receivables: Long-term trust receivables consist of charitable remainder trust receivables. The fair value of trust receivables is based on the present value of future expected earnings. Given the fact that these long-term receivables do not have quoted market prices and are not actively traded, their valuation is based on Level 3 inputs within the hierarchy used in measuring fair value.

Partnership investments: Partnership investments consist of alternative investments made in limited partnerships, offshore limited liability companies and private equity concerns, all of which are valued based on Level 3 inputs within the investment hierarchy used in measuring fair value. Given the absence of market quotations, the fair value is estimated using information provided to WWF by the investment managers or general partners. The values are based on estimates that require varying degrees of judgment and, for fund of funds investments, are primarily based on financial data supplied by the investment managers of the underlying funds. Individual investment holdings within the alternative investments may include investments in both nonmarketable and market-traded securities. Nonmarketable securities may include equity in private companies, real estate, thinly traded securities, and other investment vehicles. The investments may indirectly expose WWF to the effects of securities lending, short sales of securities, and trading in futures and forward contracts, options, swap contracts, and other derivative products. While these financial instruments contain varying degrees of risk, WWF's exposure with respect to each such investment is limited to its carrying amount (fair value as described above) and any unfunded commitments in each investment. The financial statements of the investees are audited annually by nationally recognized firms of independent auditors. WWF does not directly invest in the underlying securities of the investment funds and due to restrictions on transferability and timing of withdrawals from the limited partnerships, the amounts ultimately realized upon liquidation could differ from reported values that are based on current conditions.

Interest rate swap liability: The estimate of fair value of the interest rate swap liability at year end approximates its carrying amount, which represents the amount WWF would pay to exit the swap agreements taking into account current interest rates. Given that the swaps do not have quoted market prices and are not actively traded, their valuation is based on Level 3 inputs within the hierarchy used in measuring fair value.

Financial assets and liabilities carried at fair value measured on a recurring basis as of June 30, 2015 are as follows:

	Level 1	Level 2	Level 3	Totals
Investments				
Money market funds	$ 35,192,487	$ 505,929	$ -	$ 35,698,416
Partnership investments:				
Fixed income	-	-	9,784,125	9,784,125
Equity & other	6,139,880	-	1,635,957	7,775,837
International	-	-	94,624,233	94,624,233
Specialty	-	-	16,750,382	16,750,382
Other tangible assets	-	-	2,598,018	2,598,018
Mutual funds:				
Large Cap	27,873,125	-	-	27,873,125
Small & mid Cap	589,119	-	-	589,119
International	37,021,366	-	-	37,021,366
Specialty	-	-	-	-
Common collective trusts:				
Fixed income	-	2,930,653	-	2,930,653
Large Cap	-	2,065,748	-	2,065,748
Small & mid Cap	-	1,314,218	-	1,314,218
International	-	2,743,507	-	2,743,507
Specialty	-	196,959	-	196,959
Debt securities	18,729,888	-	-	18,729,888
U.S. Government securities	7,038,843	-	-	7,038,843
Total investments	132,584,708	9,757,014	125,392,715	267,734,437
Long-term trust receivables				
Cash & money market	-	-	2,475,480	2,475,480
Mutual funds	-	-	994,678	994,678
Equity & other	-	-	6,620,841	6,620,841
Large-Cap	-	-	195,271	195,271
Mid-Cap	-	-	39,853	39,853
Small-Cap	-	-	45,100	45,100
International	-	-	10,626,572	10,626,572
Fixed income	-	-	1,644,121	1,644,121
Bonds & notes	-	-	3,242,133	3,242,133
Specialty	-	-	3,663,235	3,663,235
Other tangible assets	-	-	862,915	862,915
Total long-term trust receivables	-	-	30,410,199	30,410,199
Total assets, at fair value	$ 132,584,708	$ 9,757,014	$155,802,914	$298,144,636
Interest rate swap liability	$ -	$ -	$ (13,436,647)	$ (13,436,647)

Financial assets and liabilities carried at fair value measured on a recurring basis as of June 30, 2014 are as follows:

	Level 1	Level 2	Level 3	Totals
Investments				
Money market funds	$ 35,674,217	$ 720,418	$ -	$ 36,394,635
Partnership investments:				
Fixed income	-	-	14,579,176	14,579,176
Equity & other	-	-	14,671,002	14,671,002
International	-	-	93,605,452	93,605,452
Specialty	-	-	10,367,150	10,367,150
Other tangible assets	-	-	3,225,580	3,225,580
Mutual funds:				
Large Cap	28,281,911	-	-	28,281,911
Small & mid Cap	631,192	-	-	631,192
International	39,925,034	-	-	39,925,034
Specialty	-	-	-	-
Common collective trusts:				
Fixed income	-	2,597,100	-	2,597,100
Large Cap	-	2,538,873	-	2,538,873
Small & mid Cap	-	965,206	-	965,206
International	-	3,126,573	-	3,126,573
Specialty	-	312,616	-	312,616
Debt securities	18,060,253	-	-	18,060,253
U.S. Government securities	7,038,140	-	-	7,038,140
Total investments	129,610,747	10,260,786	136,448,360	276,319,893
Long-term trust receivables				
Cash & money market	-	-	393,605	393,605
Mutual funds	-	-	2,206,299	2,206,299
Equity & other	-	-	3,442,574	3,442,574
Large-Cap	-	-	236,014	236,014
Mid-Cap	-	-	74,000	74,000
Small-Cap	-	-	56,334	56,334
International	-	-	10,855,044	10,855,044
Fixed income	-	-	1,588,385	1,588,385
Bonds & notes	-	-	4,533,834	4,533,834
Specialty	-	-	4,091,447	4,091,447
Other tangible assets	-	-	1,189,481	1,189,481
Total long-term trust receivables	-	-	28,667,017	28,667,017
Total assets, at fair value	$ 129,610,747	$ 10,260,786	$ 165,115,377	$ 304,986,910
Interest rate swap liability	$ -	$ -	$ (13,338,215)	$ (13,338,215)

The following table presents WWF's activity for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as defined in ASC 820 for the years ended June 30:

	2015	2014
Beginning balance	**$ 165,115,377**	$ 155,748,324
Total gains (realized/unrealized) included in changes in net assets	**7,522,792**	16,101,721
Purchases	**49,899**	25,705,990
Settlements	**(16,885,154)**	(32,440,658)
Ending balance	**$ 155,802,914**	$ 165,115,377

The following table presents WWF's activity for liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as defined in ASC 820 for the years ended June 30:

	2015	2014
Beginning balance	**$ (13,338,215)**	**$** (13,619,539)
Total gains (realized/unrealized) included in changes in net assets	**(98,432)**	281,324
Ending balance	**$ (13,436,647)**	**$** (13,338,215)

Quantitative Information

Quantitative information as of June 30, 2015, with respect to assets and liabilities measured and carried at fair value on a recurring basis with the use of significant unobservable inputs (Level 3) follows:

Description	Fair Value	Principal Valuation Techniques	Unobservable Inputs	Weighted Average
Long-term trust receivables	$ 30,410,199	Income Approach	Discount rates Life expectancies Trust payouts Allocation percentages	N/A

Quantitative unobservable inputs are not developed by WWF in the valuation of its investments or swap liabilities. WWF uses the values reported by each fund manager as the basis for valuation noting that the valuation techniques and unobservable inputs vary widely among its fund managers. The swap liabilities are non-complex instruments and are valued using standard yield curves adjusted to mid-market values as deemed appropriate by the counterparties.

Level 3 Valuation Process

Absent a solid, reliable quantitative model to assess the reasonableness of investment manager reported valuations, WWF management applies qualitative measures which consist of various informational analyses including:

- Comparisons of reported performance to benchmark performances, with particular interest in fund performance in excess of 5% above or below appropriate benchmarks.
- Reviews of external audit reports of each fund.
- Reviews of Service Organization Controls (SOC) 1 reports of each fund where available.
- Monitoring and evaluations of relevant news in the financial press.
- Participation in conference calls, presentations, or investor meetings conducted by investment managers.
- Consideration and review of non-public information available through subscription financial information services and/or communications from individual fund managers.
- Consideration of fund managers' delivery of quality and timely fund performance information, risk analysis, market outlook analysis and overall responsiveness to investor queries and requests for information.

WWF's investment advisor also performs on-going due diligence of the funds which includes evaluation of each fund manager's investment process, organizational changes, compliance with applicable rules and regulations, review of fees and charges, and analysis of performance, leverage, return patterns, volatility over time, drawdowns and recovery periods, gross and net exposures, and other factors as determined to be appropriate, conducting regular calls with management of the funds and meeting periodically with WWF's investment committee to reports the performance of the funds. There were no changes in valuation techniques noted for these funds for 2015 and 2014.

For long-term trust receivables, WWF gathers as much information as possible for each instrument, including the initial and current trust value, the amount allocated to WWF, the date of birth of any other beneficiaries and payout amounts. WWF uses a standard charitable gift calculation model using these inputs and a standard discount rate reset each year based on current IRS discount rates. For any input not readily available, management develops a best estimate for use in the calculation. There were no changes in valuation techniques for these receivables for 2015 and 2014.

For swap liabilities, WWF tracks quoted values for each instrument monthly to assess the reasonableness of reported values. Management also ensures that there have not been any changes in the underlying terms of each swap during the year. There were no changes in valuation techniques for the swaps for 2015 and 2014.

Level 3 Sensitivity of Fair Value Measurements and Changes in Significant Observable Inputs

The significant unobservable inputs used in the fair value measurement of WWF's long-term trust receivables and alternative investments are subject to market risks resulting from changes in the market value of their underlying investments. The significant unobservable inputs used in the fair value measurement of WWF's swap liabilities are subject to market risks resulting from changes in the mid-market consensus for similar instruments.

The estimated fair values of WWF's financial instruments that are not measured at fair value on a recurring basis as of the year ended June 30, 2015 are as follows:

	Carrying Amount	Fair Value
Pledges receivable	**$ 47,039,267**	**$ 47,289,267**
Debt	**$ 59,830,701**	**$ 59,700,000**
Other long-term liabilities	**$ 8,657,154**	**$ 8,657,154**

The estimated fair values of WWF's financial instruments that are not measured at fair value on a recurring basis as of the year ended June 30, 2014 are as follows:

	Carrying Amount	Fair Value
Pledges receivable	$ 62,235,883	$ 62,713,675
Debt	$ 61,589,415	$ 61,450,000
Other long-term liabilities	$ 8,022,091	$ 8,022,091

The carrying amount is the amount at which the financial instrument is recorded on the books of WWF. The fair value is the estimated amount at which the financial instrument could be exchanged in a current transaction between willing parties.

Pledges receivable: Fair value is estimated based on the present value of pledges receivable using estimated future payments and current IRS discount rates.

Long-term debt: Fair value is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to WWF for debt of the same remaining maturities. As WWF debt is backed by a variable rate letter of credit, it trades and is valued at par.

Other long-term liabilities: Fair value is estimated based on the present value of outstanding liabilities using current IRS discount rates.

13. Net Asset Value (NAV) Per Share

In accordance with ASU 2009-12, *Fair Value Measurements and Disclosures (Topic 820) – Investment in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent),* WWF expanded disclosures to include the category, fair value, redemption frequency, and redemption notice period for those assets whose fair value is estimated using the net asset value per share or its equivalent for which fair value is not readily determinable. For WWF, such assets include the partnership investments.

The following table summarizes WWF's investments with a reported NAV as of June 30, 2015:

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency	Notice Period (Days)
Fund Partnerships -				
Equity	$ -	$ -	Annually	60
Equity	5,505,777	-	Every 36 months	90
Equity	2,270,061	1,654,944	No immediate liquidity*	n/a
Equity	81,358	-	Semi-Annually	45
Equity	4,610,871	-	No immediate liquidity*	n/a
Fixed Income	4,842,308	-	Every 24 months	90
Fixed Income	4,941,816	-	Quarterly	60
International	12,644,856	-	Monthly	6
International	13,394,549	-	No immediate liquidity*	n/a
International	9,289,389	-	Quarterly	30
Specialty	380,530	-	Annually	45
Specialty	2,199,451	5,639	No immediate liquidity*	n/a
Specialty	6,824,134	-	Annually	60
Specialty	1,206,388	-	Daily	1
Tangible Assets	1,530,681	702,077	No immediate liquidity*	n/a
Tangible Assets	8,233,005	75,195	No immediate liquidity*	n/a
Global Private Equity	-	-	No immediate liquidity*	n/a
Mutual Funds -				
Equity & other	47,437,541	-	No immediate liquidity*	n/a
	$ 125,392,715	$ 2,437,855		

The following table summarizes WWF's investments with a reported NAV as of June 30, 2014:

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency	Notice Period (Days)
Fund Partnerships -				
Equity	$ 251,424	$ -	Annually	60
Equity	5,234,310	-	Every 36 months	90
Equity	2,908,035	1,724,194	No immediate liquidity*	n/a
Equity	106,386	-	Semi-Annually	45
Equity	5,694,116	-	No immediate liquidity*	n/a
Fixed Income	5,214,484	-	Every 24 months	90
Fixed Income	9,364,692	-	Quarterly	60
International	12,655,252	-	Monthly	6
International	12,170,463	-	No immediate liquidity*	n/a
International	8,605,694	-	Quarterly	30
Specialty	519,288	-	Annually	45
Specialty	1,488,349	5,639	No immediate liquidity*	n/a
Specialty	6,939,013	-	Annually	60
Specialty	1,420,500	-	Daily	1
Tangible Assets	2,004,586	751,976	No immediate liquidity*	n/a
Tangible Assets	1,114,608	-	No immediate liquidity*	n/a
Global Private Equity	9,569,442	75,195	No immediate liquidity*	n/a
Mutual Funds -				
Equity & other	51,187,718	-	No immediate liquidity*	n/a
	$ 136,448,360	$ 2,557,004		

** Non-marketable alternative assets (NMAA), or alternative investments, included above have varying withdrawal restrictions. The typical NMAA fund cycle provides for an initial investment period of 1-5 years, a growth management phase of 2-7 years, and realization/distribution of investment returns over years 7-10.*

14. Subsequent Events

WWF evaluated subsequent events through October 30, 2015 which is the date the financial statements were issued. No subsequent events were noted that required disclosure in the financial statements.