



## World Wildlife Fund, Inc.

Financial Statements and  
Independent Auditor's Report  
Years Ended June 30, 2016 and 2015

# World Wildlife Fund, Inc.

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Independent Auditor's Report  
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# World Wildlife Fund, Inc.

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

8401 Greensboro Drive, Suite 800  
McLean, VA 22102

## Independent Auditor's Report

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. (WWF)**, which comprise the statements of financial position as of June 30, 2016 and 2015, 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 2015 financial statements, and our report dated October 30, 2015, 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, 2015, 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, 2016 and 2015, 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

November 4, 2016  
McLean, Virginia

## Financial Statements

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# World Wildlife Fund, Inc.

## Statements of Financial Position

<i>June 30,</i>	2016	2015
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 41,310,065	\$ 36,618,839
Short-term investments	32,999,520	35,055,384
Accounts receivable	36,746,352	26,357,860
Pledges receivable	29,798,971	25,797,494
Prepaid assets	3,638,491	3,111,251
Other current assets	990,175	1,415,782
<b>Total current assets</b>	<b>145,483,574</b>	<b>128,356,610</b>
<b>Noncurrent assets</b>		
Long-term investments, net of allowance for alternative investments	205,338,342	225,140,210
Pledges receivable, net of current, discount, and allowance for uncollectible pledges	15,452,864	21,241,773
Long-term trust receivables	45,584,812	30,410,199
Bond issuance costs, net of amortization	953,776	1,047,451
Other noncurrent assets	4,195,462	4,695,420
Land, building, and equipment, net	64,701,794	60,589,777
<b>Total noncurrent assets</b>	<b>336,227,050</b>	<b>343,124,830</b>
<b>Total assets</b>	<b>\$ 481,710,624</b>	<b>\$ 471,481,440</b>
<b>Liabilities and net assets</b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 16,952,659	\$ 14,507,590
Grants payable	37,653,505	30,724,370
Deferred revenue	7,161,590	7,291,405
Current portion of long-term debt	2,195,000	2,140,000
<b>Total current liabilities</b>	<b>63,962,754</b>	<b>54,663,365</b>
<b>Noncurrent liabilities</b>		
Long-term debt, net of current portion	55,486,988	57,690,701
Other long-term liabilities	8,934,432	8,657,154
Interest rate swap liability	16,769,524	13,436,647
<b>Total noncurrent liabilities</b>	<b>81,190,944</b>	<b>79,784,502</b>
<b>Total liabilities</b>	<b>145,153,698</b>	<b>134,447,867</b>
<b>Net assets</b>		
Unrestricted	138,193,973	162,906,032
Temporarily restricted	156,152,518	131,019,641
Permanently restricted	42,210,435	43,107,900
<b>Total net assets</b>	<b>336,556,926</b>	<b>337,033,573</b>
<b>Total liabilities and net assets</b>	<b>\$ 481,710,624</b>	<b>\$ 471,481,440</b>

*See accompanying notes to financial statements.*

# World Wildlife Fund, Inc.

## Statements of Activities

<i>Years ended June 30,</i>	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2016	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2015
<b>Operating activities</b>								
<b>Revenues</b>								
Contributions	\$ 58,809,469	\$ 69,226,599	\$ -	\$ 128,036,068	\$ 56,072,682	\$ 54,849,744	\$ -	\$ 110,922,426
Government grants and contracts	46,365,374	-	-	46,365,374	48,459,713	-	-	48,459,713
WWF network revenues	17,934,104	-	-	17,934,104	19,325,255	-	-	19,325,255
Other revenues including royalties	3,353,799	8,960,752	-	12,314,551	3,527,237	1,779,909	-	5,307,146
In-kind contributions	75,957,723	-	-	75,957,723	65,758,167	-	-	65,758,167
Nonoperating income allocated to operations	34,282,260	1,887,090	-	36,169,350	32,999,440	1,753,958	-	34,753,398
<b>Total revenues</b>	<b>236,702,729</b>	<b>80,074,441</b>	<b>-</b>	<b>316,777,170</b>	<b>226,142,494</b>	<b>58,383,611</b>	<b>-</b>	<b>284,526,105</b>
<b>Net assets released from restrictions</b>	<b>67,971,759</b>	<b>(67,971,759)</b>	<b>-</b>	<b>-</b>	<b>63,075,929</b>	<b>(63,075,929)</b>	<b>-</b>	<b>-</b>
<b>Net revenues</b>	<b>304,674,488</b>	<b>12,102,682</b>	<b>-</b>	<b>316,777,170</b>	<b>289,218,423</b>	<b>(4,692,318)</b>	<b>-</b>	<b>284,526,105</b>
<b>Commercial building operations</b>								
Revenues	6,768,799	-	-	6,768,799	6,217,505	-	-	6,217,505
Expenses	6,235,198	-	-	6,235,198	6,006,404	-	-	6,006,404
<b>Net income on commercial building operations</b>	<b>533,601</b>	<b>-</b>	<b>-</b>	<b>533,601</b>	<b>211,101</b>	<b>-</b>	<b>-</b>	<b>211,101</b>
<b>Total revenues and other income</b>	<b>305,208,089</b>	<b>12,102,682</b>	<b>-</b>	<b>317,310,771</b>	<b>289,429,524</b>	<b>(4,692,318)</b>	<b>-</b>	<b>284,737,206</b>
<b>Operating expenses</b>								
<b>Program services</b>								
Conservation field and policy programs	165,607,069	-	-	165,607,069	163,243,875	-	-	163,243,875
Public education	93,898,134	-	-	93,898,134	83,621,363	-	-	83,621,363
<b>Total program services</b>	<b>259,505,203</b>	<b>-</b>	<b>-</b>	<b>259,505,203</b>	<b>246,865,238</b>	<b>-</b>	<b>-</b>	<b>246,865,238</b>
<b>Supporting services</b>								
Finance and administration	12,950,274	-	-	12,950,274	12,609,079	-	-	12,609,079
Fundraising	32,750,779	-	-	32,750,779	29,866,442	-	-	29,866,442
<b>Total supporting services</b>	<b>45,701,053</b>	<b>-</b>	<b>-</b>	<b>45,701,053</b>	<b>42,475,521</b>	<b>-</b>	<b>-</b>	<b>42,475,521</b>
<b>Total operating expenses</b>	<b>305,206,256</b>	<b>-</b>	<b>-</b>	<b>305,206,256</b>	<b>289,340,759</b>	<b>-</b>	<b>-</b>	<b>289,340,759</b>
<b>Revenues and other income over operating expenses</b>	<b>1,833</b>	<b>12,102,682</b>	<b>-</b>	<b>12,104,515</b>	<b>88,765</b>	<b>(4,692,318)</b>	<b>-</b>	<b>(4,603,553)</b>
<b>Nonoperating activities</b>								
Bequests, endowments, and split income gifts	17,718,313	17,131,685	(1,347,550)	33,502,448	23,269,092	3,495,710	(1,159,589)	25,605,213
Loss on interest rate swaps	(3,332,877)	-	-	(3,332,877)	(98,432)	-	-	(98,432)
(Loss)/income from investments, net	(4,907,675)	(2,214,400)	450,085	(6,671,990)	1,648,413	43,047	802,459	2,493,919
Gain/(loss) on foreign currency exchange	90,607	-	-	90,607	(464,096)	-	-	(464,096)
Loss due to changes in donor intent	-	-	-	-	-	(9,000,000)	-	(9,000,000)
<b>Total nonoperating activities</b>	<b>9,568,368</b>	<b>14,917,285</b>	<b>(897,465)</b>	<b>23,588,188</b>	<b>24,354,977</b>	<b>(5,461,243)</b>	<b>(357,130)</b>	<b>18,536,604</b>
<b>Total allocated to operations</b>	<b>(34,282,260)</b>	<b>(1,887,090)</b>	<b>-</b>	<b>(36,169,350)</b>	<b>(32,999,439)</b>	<b>(1,753,958)</b>	<b>-</b>	<b>(34,753,397)</b>
<b>Change in net assets from nonoperating activities</b>	<b>(24,713,892)</b>	<b>13,030,195</b>	<b>(897,465)</b>	<b>(12,581,162)</b>	<b>(8,644,462)</b>	<b>(7,215,201)</b>	<b>(357,130)</b>	<b>(16,216,793)</b>
<b>Change in net assets</b>	<b>(24,712,059)</b>	<b>25,132,877</b>	<b>(897,465)</b>	<b>(476,647)</b>	<b>(8,555,697)</b>	<b>(11,907,519)</b>	<b>(357,130)</b>	<b>(20,820,346)</b>
<b>Net assets at beginning of year</b>	<b>162,906,032</b>	<b>131,019,641</b>	<b>43,107,900</b>	<b>337,033,573</b>	<b>171,461,729</b>	<b>142,927,160</b>	<b>43,465,030</b>	<b>357,853,919</b>
<b>Net assets at end of year</b>	<b>\$ 138,193,973</b>	<b>\$ 156,152,518</b>	<b>\$ 42,210,435</b>	<b>\$ 336,556,926</b>	<b>\$ 162,906,032</b>	<b>\$ 131,019,641</b>	<b>\$ 43,107,900</b>	<b>\$ 337,033,573</b>

*See accompanying notes to financial statements.*



# World Wildlife Fund, Inc.

## Statement of Functional Expenses for the year ended June 30, 2016 (with summarized comparative totals for the year ended June 30, 2015)

<i>Year ended June 30, 2016 (with comparative totals for the year ended June 30, 2015)</i>	U.S. and Developed Countries	International Programs	G&A Program Management	Total Conservation Field and Policy Programs	Public Education	Total Program Service Expenses	Finance and Administration	Fundraising	Total Supporting Services Expenses	2016 Total Operating Expenses	2015 Total Operating Expenses
Project grants and contracts	\$ 518,280	\$ 85,073,552	\$ 308,570	\$ 85,900,402	\$ 1,216,173	\$ 87,116,575	\$ 329,709	\$ 901,140	\$ 1,230,849	\$ 88,347,424	\$ 86,983,737
Salaries and benefits	1,345,225	46,555,446	4,811,340	52,712,011	7,572,915	60,284,926	9,103,122	12,100,079	21,203,201	81,488,127	78,435,627
In-kind contributions	-	4,957,080	-	4,957,080	70,601,051	75,558,131	260,385	139,208	399,593	75,957,724	65,758,167
Printing and photocopying	10,100	1,081,943	6,366	1,098,409	4,046,758	5,145,167	2,419	5,826,117	5,828,536	10,973,703	11,188,410
Office supplies, postage, and shipping	19,245	1,033,569	11,774	1,064,588	3,107,191	4,171,779	41,737	4,402,877	4,444,614	8,616,393	8,480,886
Staff travel	138,843	5,365,123	170,724	5,674,690	284,135	5,958,825	215,916	653,477	869,393	6,828,218	6,846,472
Overhead	110,803	4,626,847	-	4,737,650	705,489	5,443,139	-	997,897	997,897	6,441,036	6,723,770
Advertising	2,691	157,948	-	160,639	1,888,155	2,048,794	-	2,237,203	2,237,203	4,285,997	3,302,647
Other	8,136	399,837	397,532	805,505	1,346,078	2,151,583	303,353	1,732,347	2,035,700	4,187,283	1,758,159
Conferences and meetings	37,236	3,353,861	8,164	3,399,261	80,899	3,480,160	186,989	111,496	298,485	3,778,645	3,463,569
Field office rent, vehicles, and equipment	95,616	1,987,700	620	2,083,936	50	2,083,986	1,062,047	108,199	1,170,246	3,254,232	3,585,661
Professional fees and contracts	502	1,322,187	20,076	1,342,765	272,685	1,615,450	673,780	565,978	1,239,758	2,855,208	3,298,917
Dues, fees and subscriptions	22,688	635,248	18,957	676,893	659,291	1,336,184	401,004	697,367	1,098,371	2,434,555	3,302,617
Premiums	1,085	25,206	1,272	27,563	918,672	946,235	412	1,106,109	1,106,521	2,052,756	1,918,871
Computer services	2,016	299,808	4,875	306,699	442,066	748,765	218,466	280,666	499,132	1,247,897	1,184,390
Audio visual	-	81,301	4,046	85,347	407,229	492,576	-	455,244	455,244	947,820	1,588,332
Telephone	4,189	553,404	16,038	573,631	17,324	590,955	150,935	34,596	185,531	776,486	771,976
Mailing list rental	-	-	-	-	331,973	331,973	-	400,779	400,779	732,752	748,551
	\$ 2,316,655	\$ 157,510,060	\$ 5,780,354	\$ 165,607,069	\$ 93,898,134	\$ 259,505,203	\$ 12,950,274	\$ 32,750,779	\$ 45,701,053	\$ 305,206,256	\$ 289,340,759

*See accompanying notes to financial statements.*

# World Wildlife Fund, Inc.

## Statements of Cash Flows

<i>Years ended June 30,</i>	2016	2015
<b>Cash flows from operating activities</b>		
Change in net assets	\$ (476,647)	\$ (20,820,346)
<b>Adjustments to reconcile change in net assets to net cash used in operating activities</b>		
Depreciation and amortization	3,374,438	3,193,718
Amortization of bond premium	(8,713)	(8,713)
Unrealized and realized loss (gain) on investments	7,697,449	(2,048,734)
Loss on swaps	3,332,877	98,432
Permanently restricted contributions received	(249,543)	(367,002)
Accretion on multi-year pledges	377,157	1,156,536
Write-off of uncollectible pledges	218,421	9,033,131
Gifts of investments	(2,369,691)	(1,740,053)
<b>Change in assets and liabilities</b>		
Accounts receivable	(10,388,492)	(6,822,525)
Pledges receivable	1,191,854	5,006,949
Prepaid assets	(527,240)	340,323
Other current assets	425,607	639,921
Long-term trust receivables	(15,174,613)	(1,743,182)
Other noncurrent assets	499,958	279,534
Accounts payable and accrued expenses	2,445,069	(541,688)
Grants payable	6,929,135	2,607,024
Deferred revenue	(129,815)	(484,073)
Other long-term liabilities	277,278	822,563
<b>Net cash used in operating activities</b>	<b>(2,555,511)</b>	<b>(11,398,185)</b>
<b>Cash flows provided by investing activities</b>		
Purchases of building improvements and equipment	(7,516,420)	(4,896,534)
Purchases of investments	(64,161,632)	(35,046,671)
Proceeds from sale of investments	80,691,606	47,420,914
Write-off of fixed assets	29,965	-
<b>Net cash provided by investing activities</b>	<b>9,043,519</b>	<b>7,477,709</b>
<b>Cash flows used in financing activities</b>		
Permanently restricted contributions received	249,543	367,003
Payments on long-term debt	(2,140,000)	(61,450,000)
Amortization of bond issuance costs	93,675	96,758
Proceeds from issuance of long-term debt	-	59,700,000
Retirement of building improvements	-	127,792
<b>Net cash used in financing activities</b>	<b>(1,796,782)</b>	<b>(1,158,447)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>4,691,226</b>	<b>(5,078,923)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>36,618,839</b>	<b>41,697,762</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 41,310,065</b>	<b>\$ 36,618,839</b>
<b>Required supplemental disclosure</b>		
Cash payments for interest	\$ 2,621,519	\$ 2,658,564

*See accompanying notes to financial statements.*

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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### 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 which has 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 using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

#### *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.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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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 “levelling” 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.

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*, which applies a right-of-use (ROU) model that requires a lessee to record, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset and a liability to make lease payments. For leases with a term of 12 months or less, a practical expedient is available whereby a lessee may elect, by class of underlying asset, not to recognize an ROU asset or lease liability. At inception, lessees must classify all leases as either finance or operating based on five criteria. Statements of Financial Position recognition of finance and operating leases is similar, but the pattern of expense recognition in the statements of activities, as well as the effect on the statement of cash flows, differs depending on the lease classification. The new leases standard requires a lessor to classify leases as either sales-type, direct financing or operating, similar to existing U.S. GAAP. Classification depends on the same five criteria used by lessees plus certain additional factors. The subsequent accounting treatment for all three lease types is substantially equivalent to existing U.S. GAAP for sales-type leases, direct financing leases, and operating leases. However, the new standard updates certain aspects of the lessor accounting model to align it with the new lessee

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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accounting model, as well as with the new revenue standard under Topic 606. Lessees and lessors are required to provide certain qualitative and quantitative disclosures to enable users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The ASU is effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Management continues to evaluate the potential impact of this update on the financial statements.

In August 2016, FASB issued ASU 2016-14, *Presentation of financial statements of Not-for-profit entities*. The ASU aims to improve presentation of financial information, ultimately making nonprofit financial reporting statements more informative, transparent and useful to readers. Key qualitative and quantitative requirements covered in the final ASU include:

- Net asset classes
- Investment return
- Expenses
- Liquidity and availability of resources
- Presentation of operating cash flows

The ASU is effective for fiscal years beginning after December 15, 2017 and early adoption is permitted. 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.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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- 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, 2016 and 2015. At June 30, 2016 and 2015, WWF held \$28,521,719 and \$28,240,523, 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 \$11,559,802 and \$12,585,990 as of June 30, 2016 and 2015, 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.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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### *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, 2016 and 2015. 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.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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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 1.8% to 2.47%, based upon rates approved by the Internal Revenue Service (IRS) as of the date of the gift.

As of June 30, 2016 and 2015, \$10,141,526 and \$11,346,730, 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, based on 2000CM mortality tables. 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, 2016 and 2015, these liabilities totaled \$6,642,691 and \$6,777,051, 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 \$15,104,030 and 1,743,182 of gain of revenue in bequests, endowments, and split income gifts on the accompanying statements of activities for the years ended June 30, 2016 and 2015, respectively. WWF's beneficial interest in these gifts, which amounted to \$45,584,812 and \$30,410,199 at June 30, 2016 and 2015,



# World Wildlife Fund, Inc.

## Notes to Financial Statements

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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, 2016 and 2015, are \$17,134,789 and \$23,774,605, 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, 2016 and 2015 was \$307,901,296 and \$269,082,947 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.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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Included in WWF network revenues on the statements of activities for the years ended June 30, 2016 and 2015, are revenues from WWF-Netherlands of \$6,165,970 and \$5,064,424, 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 2016 and 2015, WWF incurred joint costs of \$32,779,127 and \$29,768,522, respectively, for informational materials and activities that included a fundraising appeal. Of those costs, \$17,755,488 and \$15,657,611 were allocated to fundraising expenses, and \$15,023,639 and \$14,110,911 were allocated to program expense, in fiscal years 2016 and 2015, 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.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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### *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.

### *Reclassifications*

Certain prior year amounts have been reclassified for consistency with the current year presentation.

## 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, 2016 and 2015. Accounts receivable is composed of the following at June 30:

	2016	2015
U.S. Government	\$ 13,379,101	\$ 15,083,136
Private Sector	10,912,432	3,339,014
WWF Network	7,498,450	7,183,376
Others	4,956,369	752,334
	<b>\$ 36,746,352</b>	<b>\$ 26,357,860</b>

During the years ended June 30, 2016 and 2015, WWF determined that \$218,554 and \$574, 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.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

### 3. Pledges Receivable

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

	2016	2015
Less than a year	\$ 29,798,971	\$ 25,797,494
One to five years	16,642,186	22,808,251
Subtotal	46,441,157	48,605,745
Less: discount to present value	(939,322)	(1,316,478)
Less: allowance for uncollectible pledges	(250,000)	(250,000)
Subtotal	45,251,835	47,039,267
Less: current portion of pledges receivable	(29,798,971)	(25,797,494)
Non-current portion of pledges receivable	\$ 15,452,864	\$ 21,241,773

The interest rates used to discount the amounts expected to be collected in future years range from 2.21% to 2.94% as of June 30, 2016. During the years ended June 30, 2016 and 2015, WWF determined that \$133 and \$32,559, respectively, of pledges receivable were uncollectible based on collection history and are included as part of operating expenses in the statements of activities. Also, in fiscal year 2015, 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:

	2016	2015
Money market funds	\$ 35,341,343	\$ 35,698,416
Partnership investments	113,856,224	131,532,595
Debt and equity mutual funds	61,293,705	65,483,610
Common collective trusts	9,123,917	9,251,085
Debt securities	19,222,673	18,729,888
Subtotal: investments before allowance	238,837,862	260,695,594
Less: allowance for alternative investments	(500,000)	(500,000)
Subtotal	238,337,862	260,195,594
Less: short-term investments	(32,999,520)	(35,055,384)
Long-term investments	\$ 205,338,342	\$ 225,140,210

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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

	2016	2015
Dividends and interest income	\$ 2,264,385	\$ 1,658,087
Realized and unrealized (losses) gains, net	(7,697,449)	2,048,734
Less: investment expenses	(1,238,926)	(1,212,902)
(Loss) income from investments, net	\$ (6,671,990)	\$ 2,493,919

WWF received donated securities with a fair value of \$2,369,691 and \$1,740,053 during the years ended June 30, 2016 and 2015, 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 and unrealized gains and losses are recorded in the statement of activities. During the year ended June 30, 2016 and 2015, WWF recorded \$3,332,877 and \$98,432 in unrealized loss, respectively, for these swaps. The fair market value of the swaps was \$16,769,524 and \$13,436,647 as of June 30, 2016 and 2015, respectively.

### 5. Land, Building, and Equipment

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

	2016	2015
Land	\$ 17,436,974	\$ 17,436,974
Building	46,007,955	46,007,955
Furniture and equipment	24,341,252	17,721,496
Building and tenant improvements	21,442,982	20,606,249
	109,229,163	101,772,674
Less: accumulated depreciation and amortization	(44,527,369)	(41,182,897)
Land, building, and equipment, net	\$ 64,701,794	\$ 60,589,777

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 Uniform Guidance, *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)

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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:

	2016	2015
Depreciation, commercial building operations	\$ 1,156,070	\$ 1,180,007
Depreciation, all other building and equipment	2,218,368	2,013,711
Amortization of bond premium and issuance costs	93,675	96,758
<b>Total depreciation and amortization</b>	<b>\$ 3,468,113</b>	<b>\$ 3,290,476</b>

The commercial building operations net cash flows were \$299,373 and \$938,331 for fiscal years ended June 30, 2016 and 2015, respectively.

### 6. Long-Term Debt

Long-term debt was as follows at June 30:

	2016	2015
WWF Taxable Variable Rate Bonds, Series 2015	\$ 57,560,000	\$ 59,700,000
Unamortized original issue premium	121,988	130,701
Long-term debt	57,681,988	59,830,701
Less: current portion	(2,195,000)	(2,140,000)
<b>Long-term debt, net of current portion</b>	<b>\$ 55,486,988</b>	<b>\$ 57,690,701</b>

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.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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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 series 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, 2016, WWF has five interest-rate swap agreements covering \$57,237,500 to synthetically fix rates between 3.01% and 5.87%. The weighted average interest rate of the swaps was 4.56% and 4.51% for the fiscal years ended June 30, 2016 and 2015, 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 on interest-rate swaps in the statements of activities. During the years ended June 30, 2016 and 2015, WWF recorded (\$3,332,877) and (\$98,432) in fair-market value adjustments to the liability of the swaps, respectively. Cumulative losses on the swaps from inception totaled \$16,769,524 as of June 30, 2016.

WWF incurred total interest expense on the bonds and swaps of \$2,621,519 and \$2,658,564 for the years ended June 30, 2016 and 2015, 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, 2016 and 2015, WWF was in compliance with these covenants.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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Maturities of debt are as follows:

2017	\$	2,195,000
2018		2,760,000
2019		2,910,000
2020		3,055,000
2021		3,215,000
Thereafter		43,425,000
		<hr/> 57,560,000
Plus unamortized original issue premium		121,988
	\$	<hr/> 57,681,988

### 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, 2016.

#### *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, 2016, WWF had unfunded commitments of \$2,260,424. 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 October 2020. It is expected that WWF will renew leases as necessary in the normal course of its activities. During the years ended June 30, 2016 and 2015, WWF recorded \$843,998 and \$807,712, respectively, in rental expense.



# World Wildlife Fund, Inc.

## Notes to Financial Statements

The following is a schedule of the future minimum lease payments as of June 30, 2016:

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2017	\$	930,729
2018		706,690
2019		250,283
2020		134,485
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Total minimum lease payments	\$	2,022,187

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### *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:

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2017	\$	5,195,399
2018		5,320,998
2019		5,366,838
2020		4,608,076
2021		447,491
Thereafter		919,221
<hr/>		
Total	\$	21,858,023

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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, 2016 and 2015 were \$457,444 and \$707,444, respectively. At June 30, 2016 and 2015, 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.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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### 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 \$3,696,123 and \$3,472,238 for the years ended June 30, 2016 and 2015, 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 \$1,277,553 and \$1,143,415 for the years ended June 30, 2016 and 2015, 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 \$277,500 and \$216,937 for the years ended June 30, 2016 and 2015, respectively. The 457(f) deferrals, which are reflected in other long-term liabilities, were \$681,937 and \$404,437 for the years ended June 30, 2016 and 2015.

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 \$202,000 and \$125,000 as of June 30, 2016 and 2015, 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 as a Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi).

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 years before 2013. For the year ended June 30, 2016

# World Wildlife Fund, Inc.

## Notes to Financial Statements

and 2015, 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:

	2016	2015
Purpose restricted		
Conservation and other programs	\$ 55,502,922	\$ 43,904,330
Time restricted	62,762,770	47,972,215
Purpose and time restricted	37,886,826	39,143,096
	<b>\$ 156,152,518</b>	<b>\$ 131,019,641</b>

### 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:

	2016	2015
U.S. and developed countries	\$ 301,618	\$ 301,618
International programs	17,573,782	17,769,179
Unrestricted support	17,721,864	17,955,056
Other programs	6,613,171	7,082,047
	<b>\$ 42,210,435</b>	<b>\$ 43,107,900</b>

During the year ended June 30, 2016, certain transfers were made between unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The transfer are in accordance to the spending policy below.

#### *Spending Policy and How the Investment Objectives Relate to Spending Policy*

The Board-approved spending policy for fiscal year 2016 and 2015 is 100% 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.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

The amounts expended for the years ended June 30, 2016 and 2015 were \$36,169,350 and \$34,753,397, respectively.

Changes in endowment net assets for the year ended June 30, 2016 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	2016 Totals
Endowment net assets, beginning of year	\$ 161,000,792	\$ 19,497,375	\$ 43,107,900	\$ 223,606,067
Investment return				
Investment income	667,504	109,081	140,984	917,569
Net appreciation, realized	5,452,954	893,963	1,155,648	7,502,565
Net depreciation, unrealized	(10,966,925)	(3,147,461)	(846,548)	(14,960,934)
Total investment loss	(4,846,467)	(2,144,417)	450,084	(6,540,800)
Contributions	20,964,269	-	249,543	21,213,812
Appropriation of assets for expenditure	(37,373,128)	-	(1,597,092)	(38,970,220)
Other adjustments	(1,551,493)	-	-	(1,551,493)
Endowment net assets, end of year	\$ 138,193,973	\$ 17,352,958	\$ 42,210,435	\$ 197,757,366

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, 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 depreciation, 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

# World Wildlife Fund, Inc.

## Notes to Financial Statements

The distribution of endowment net assets between donor restricted and board-designated for the year ended June 30, 2016 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	2016 Totals
Donor restricted	\$ 10,383,889	\$ 17,352,958	\$ 42,210,435	\$ 69,947,282
Board-designated	127,810,084	-	-	127,810,084
Total endowment net assets	\$ 138,193,973	\$ 17,352,958	\$ 42,210,435	\$ 197,757,366

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

## 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.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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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

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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, 2016 are as follows:

	Level 1	Level 2	Level 3	Totals
<b>Investments</b>				
Money market funds	\$ 34,797,272	\$ 544,071	\$ -	\$ 35,341,343
Partnership investments:				
Fixed income	-	-	4,561,885	4,561,885
Equity & other	6,748,240	-	10,498,748	17,246,988
International	-	-	67,384,443	67,384,443
Specialty	-	-	23,276,836	23,276,836
Other tangible assets	-	-	1,386,072	1,386,072
Mutual funds:				
Large-Cap	29,576,692	-	-	29,576,692
International	31,717,013	-	-	31,717,013
Common collective trusts:				
Fixed income	-	2,508,529	-	2,508,529
Large-Cap	-	2,128,681	-	2,128,681
Small & mid-Cap	-	1,105,568	-	1,105,568
International	-	2,875,531	-	2,875,531
Specialty	-	505,608	-	505,608
Debt securities	19,222,673	-	-	19,222,673
<b>Total investments</b>	<b>122,061,890</b>	<b>9,667,988</b>	<b>107,107,984</b>	<b>238,837,862</b>
<b>Long-term trust receivables</b>				
Cash & money market	-	-	1,430,529	1,430,529
Mutual funds	-	-	1,159,860	1,159,860
Equity & other	-	-	6,686,675	6,686,675
Large-Cap	-	-	439,427	439,427
Mid-Cap	-	-	47,352	47,352
Small-Cap	-	-	45,495	45,495
International	-	-	8,846,792	8,846,792
Fixed income	-	-	2,111,024	2,111,024
Bonds & notes	-	-	2,683,981	2,683,981
Specialty	-	-	2,028,326	2,028,326
Other tangible assets	-	-	20,105,351	20,105,351
<b>Total long-term trust receivables</b>	<b>-</b>	<b>-</b>	<b>45,584,812</b>	<b>45,584,812</b>
<b>Total assets, at fair value</b>	<b>\$122,061,890</b>	<b>\$ 9,667,988</b>	<b>\$152,692,796</b>	<b>\$ 284,422,674</b>
<b>Interest rate swap liability</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (16,769,524)</b>	<b>\$ (16,769,524)</b>

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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
<b>Investments</b>				
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
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
<b>Total investments</b>	<b>125,545,865</b>	<b>9,757,014</b>	<b>125,392,715</b>	<b>260,695,594</b>
<b>Long-term trust receivables</b>				
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
<b>Total long-term trust receivables</b>	<b>-</b>	<b>-</b>	<b>30,410,199</b>	<b>30,410,199</b>
<b>Total assets, at fair value</b>	<b>\$ 125,545,865</b>	<b>\$ 9,757,014</b>	<b>\$ 155,802,914</b>	<b>\$ 291,105,793</b>
<b>Interest rate swap liability</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (13,436,647)</b>	<b>\$ (13,436,647)</b>



# World Wildlife Fund, Inc.

## Notes to Financial Statements

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:

	2016	2015
<b>Beginning balance</b>	<b>\$ 155,802,914</b>	<b>\$ 165,115,377</b>
Total (losses) gains (realized/unrealized) included in changes in net assets	(8,222,788)	7,522,792
Purchases	42,603,582	49,899
Settlements	(37,490,912)	(16,885,154)
<b>Ending balance</b>	<b>\$ 152,692,796</b>	<b>\$ 155,802,914</b>

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:

	2016	2015
<b>Beginning balance</b>	<b>\$ (13,436,647)</b>	<b>\$ (13,338,215)</b>
Total losses (realized/unrealized) included in changes in net assets	(3,332,877)	(98,432)
<b>Ending balance</b>	<b>\$ (16,769,524)</b>	<b>\$ (13,436,647)</b>

### Quantitative Information

Quantitative information as of June 30, 2016, 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	\$ 45,584,812	Income Approach	Discount rates Life expectancies Trust payouts Allocation percentages	N/A
Partnership investments	\$ 107,107,984	Each of Fund Manager's principal valuation techniques is to discount future cash flows	Unobservable inputs for each underlying funds' investment are less than any liabilities of the fund discount rate and liquidity discounts	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

# World Wildlife Fund, Inc.

## Notes to Financial Statements

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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 2016 and 2015.

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 2016 and 2015.

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 2016 and 2015.

# World Wildlife Fund, Inc.

## Notes to Financial Statements

### *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. There were no transfers in and out of level 3.

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, 2016 are as follows:

	Carrying Amount	Fair Value
Pledges receivable	\$ 45,251,835	\$ 45,501,836
Debt	\$ 57,681,988	\$ 57,560,000
Other long-term liabilities	\$ 8,934,432	\$ 8,934,432

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 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.

# World Wildlife Fund, Inc.

## Schedule of Findings and Questioned Costs

### 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, 2016:

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency	Notice Period (Days)
Fund Partnerships -				
Equity	\$ 5,074,233	\$ -	Every 36 months	90
			No immediate	
Equity	1,843,620	1,623,194	liquidity*	n/a
Equity	50,414	-	Semi-Annually	45
			No immediate	
Equity	225,395	-	liquidity*	n/a
Equity	3,530,482	-	Quarterly	60
Fixed Income	4,561,885	-	Every 24 months	90
Fixed Income	-	-	Quarterly	60
International	11,592,701	-	Monthly	6
			No immediate	
International	28,692,858	-	liquidity*	n/a
International	9,164,923	-	Quarterly	30
International	6,179,178	-	Daily	3
International	5,258,529	-	Monthly	3
International	892,702	-	Quarterly	33
Specialty	373,078	-	Annually	45
			No immediate	
Specialty	1,797,926	5,639	liquidity*	n/a
Specialty	7,047,400	-	Annually	60
Specialty	4,959,033	-	Quarterly	95
Specialty	3,971,404	-	Annually	44
Specialty	5,127,995	-	Quarterly	45
			No immediate	
Tangible Assets	1,386,072	614,709	liquidity*	n/a
			No immediate	
Global Private Equity	5,378,156	16,882	liquidity*	n/a
	<b>\$107,107,984</b>	<b>\$ 2,260,424</b>		

# World Wildlife Fund, Inc.

## Schedule of Findings and Questioned Costs

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)
<b>Fund Partnerships -</b>				
Equity	\$ 5,505,777	\$ -	Every 36 months	90
			No immediate	
Equity	2,270,061	1,654,944	liquidity*	n/a
Equity	81,358	-	Semi-Annually	45
			No immediate	
Equity	4,610,871	-	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
			No immediate	
International	13,394,549	-	liquidity*	n/a
International	9,289,389	-	Quarterly	30
Specialty	380,530	-	Annually	45
			No immediate	
Specialty	2,199,451	5,639	liquidity*	n/a
Specialty	6,824,134	-	Annually	60
Specialty	1,206,388	-	Daily	1
			No immediate	
Tangible Assets	1,530,681	702,077	liquidity*	n/a
			No immediate	
Tangible Assets	8,233,005	75,195	liquidity*	n/a
			No immediate	
Global Private Equity	-	-	liquidity*	n/a
<b>Mutual Funds -</b>				
			No immediate	
Equity & other	47,437,541	-	liquidity*	n/a
	\$ 125,392,715	\$ 2,437,855		

\* 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 November 4, 2016 which is the date the financial statements were issued. No subsequent events were noted that required disclosure in the financial statements.