This annual report covers the period 1 July 2018 to 30 June 2019 and has been prepared in accordance with the International Integrated Reporting Framework. The Board approved the report on 10 October 2019.

Cover image:
*The WWF Black Rhino Range Expansion Project works collaboratively with state conservation agencies as well as private and community landowners to increase the growth rate of critically endangered black rhino.*

**ACKNOWLEDGEMENTS**

**Auditors**  
PricewaterhouseCoopers Inc., Stellenbosch

**Bankers**  
Absa Bank, Stellenbosch

**Production**  
Writing and editing: Clarity Editorial  
WWF editorial team: Sue Northam-Ras, Pedzi Gozo and Eitan Prince  
Designer: Jenny Frost Design  
Printer: Hansa Digital & Litho Printing  
Front cover photo: Micky Wiswedel

Published in 2019 by WWF South Africa, Cape Town. Any reproduction in full or in part must mention the title and credit the abovementioned publisher as the copyright owner.  
© Text 2019 WWF South Africa  
All rights reserved.

**ISBN**  
Title: WWF South Africa 2019 Integrated Annual Report  
Print: 978-0-6399063-4-8 WWF South Africa Annual Report 2019  

**Paper**  
This report has been printed on Lenza Green, a 100% Recycled paper, certified FSC® Recycled.
# CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INTRODUCTION</strong></td>
<td>2</td>
</tr>
<tr>
<td>Chairperson's statement</td>
<td>2</td>
</tr>
<tr>
<td>CEO’s foreword</td>
<td>3</td>
</tr>
<tr>
<td><strong>HIGHLIGHTS</strong></td>
<td>4</td>
</tr>
<tr>
<td>The year in review</td>
<td>4</td>
</tr>
<tr>
<td><strong>ABOUT US</strong></td>
<td>5</td>
</tr>
<tr>
<td>WWF in South Africa</td>
<td>5</td>
</tr>
<tr>
<td><strong>2018/19 PERFORMANCE REVIEW</strong></td>
<td>7</td>
</tr>
<tr>
<td><strong>GOAL 1</strong></td>
<td>8</td>
</tr>
<tr>
<td>Land and biodiversity</td>
<td>8</td>
</tr>
<tr>
<td>Oceans</td>
<td>10</td>
</tr>
<tr>
<td>Wildlife</td>
<td>12</td>
</tr>
<tr>
<td><strong>GOAL 2</strong></td>
<td>14</td>
</tr>
<tr>
<td>Freshwater</td>
<td>14</td>
</tr>
<tr>
<td>Climate and energy</td>
<td>16</td>
</tr>
<tr>
<td>Food</td>
<td>18</td>
</tr>
<tr>
<td><strong>GOAL 3</strong></td>
<td>20</td>
</tr>
<tr>
<td>Developing green skills for better environmental governance</td>
<td>20</td>
</tr>
<tr>
<td>Influencing financial flows</td>
<td>21</td>
</tr>
<tr>
<td>Influencing consumption and markets</td>
<td>22</td>
</tr>
<tr>
<td><strong>SUPPORT ACTIVITIES</strong></td>
<td>23</td>
</tr>
<tr>
<td>Raise WWF’s brand profile</td>
<td>23</td>
</tr>
<tr>
<td>Raise funds for strategic goals and activities</td>
<td>24</td>
</tr>
<tr>
<td>Attract and retain diverse, appropriately skilled and motivated employees</td>
<td>26</td>
</tr>
<tr>
<td><strong>FINANCIAL OVERVIEW</strong></td>
<td>29</td>
</tr>
<tr>
<td>Prudent financial management</td>
<td>29</td>
</tr>
<tr>
<td><strong>ORGANISATIONAL STRUCTURES</strong></td>
<td>30</td>
</tr>
<tr>
<td>Governance</td>
<td>30</td>
</tr>
<tr>
<td>Associated trusts</td>
<td>32</td>
</tr>
<tr>
<td>Our trustees</td>
<td>34</td>
</tr>
<tr>
<td><strong>THANK YOU</strong></td>
<td>35</td>
</tr>
<tr>
<td>Supporters and influencers</td>
<td>35</td>
</tr>
<tr>
<td>Our staff</td>
<td>37</td>
</tr>
<tr>
<td><strong>SUMMARISED ANNUAL FINANCIAL STATEMENTS</strong></td>
<td>38</td>
</tr>
</tbody>
</table>
Society is finally beginning to understand that environmental goals are human goals. Every technology we develop, every structure we build, every business we open relies on nature’s ability to support that action. It’s not a question of sentiment. It’s a question of practicality: we simply cannot prosper over the long term if our actions cripple and destroy our natural assets today.

The past year has been a busy one for WWF. On the international front, WWF’s Living Planet 2018 Report made waves by stating that global biodiversity continues to decline at an alarming rate, and that the Aichi Biodiversity Targets will not be achieved by 2020. Based on these findings, WWF international intensified its goals for securing/conserving habitats and species while changing production and consumption patterns.

These objectives are particularly pertinent for a country like ours, which is richly blessed with a diversity of both fauna and flora, while set against the backdrop of a developing economy. We need to act now to preserve our biodiversity so that there will be water, food and income for generations to come. The last point should not be underestimated: South Africa’s economy – and the livelihoods of our people – once revolved around the extractives industry. As mines reach the end of their productive lives, our economy is increasingly relying on the contributions of other sectors, including agriculture, forestry, fisheries and tourism – all of which rely on water and the other outputs of a healthy ecology to provide a living for our people.

The old ways of economic growth are being challenged, and new ones are emerging. This presents WWF with an opportunity to help shape a country that considers both people and nature in its development plans – because history shows us that thinking about one but not the other is at best unproductive and at worst destructive.

I am honoured to serve as Board chairperson at this exciting and challenging time. After 10 years of loyal service to WWF both Valli Moosa, our previous chair, and Cheryl Carolus had to retire from the Board. In addition, Johan van Zyl retired at the AGM and our Chair of the Audit & Risk Committee, Herman Wessels, resigned for personal reasons at the end of the financial year. He was succeeded as chair by Prof Alexandra Watson, who had by then already served on this committee for six months to ensure a smooth transition. We also welcomed onto the Board Ms Pam Yako. Together with the rest of the Board, I shall continue to support the WWF team as it creates a more sustainable future for all South Africans.

Vusi Khanyile
Chairperson:
WWF South Africa
Preserving our natural beauty and bounty is more than just a passion for us. It is the source of much that sustains us as humans.

As a country, we need healthy ecosystems if we are to provide food for our people and energy for our economic activities. We work to address the challenges these areas face, but the challenge that needs our most urgent attention – the natural asset that underpins our ability to grow food, produce fuel, and ensure the survival of our diverse fauna and flora kingdoms – is freshwater.

Freshwater is a point where the interests of people (both in terms of economics and politics) interconnect most closely with the environment. A healthy water source area provides clean water without many of us noticing it. But introduce the degradation brought about by invasive alien vegetation, the impacts of large-scale agriculture and/or the effects of climate change, and the consequences of our neglect become abundantly clear. During the year, we initiated a strategic Water Source Partnership in the Boland, the first of eight such partnerships that will see role players from various sectors and interest groups come together to restore our water sources while creating economic opportunities for people in the area. We anticipate the impact of such focused effort will be exponentially greater than if each party were to contribute in a fragmented way.

Politics and water intersect most acutely in the current land debate. The success of any land reform initiative hinges on the availability of freshwater and the way in which it is allocated. But while such allocation can (and should) be carefully planned and negotiated, the likely impacts of climate change will present even greater challenges to us. To this end, it will be key that all aspects of future land use, including land reform, are strongly guided by climate vulnerability analyses.

You will note in our Financial Report that we have restated our results in respect of two items. The first relates to the recognition of network service fees payable to WWF International for access to network expertise, and the right to use the brand. The decision has been taken to recognise the fee in the year in which the revenues are earned rather than the year in which the amount is payable, as had been done previously. As the amount is generally payable two years after the related revenue is earned, the restatement includes a catch-up of two years of network fees.

The second restatement relates to the timing of the recognition of project income. Previously this was recognised when the project income was received, but has now been changed to recognise the income when the associated services are performed. The deferred revenue balance reflects the extent to which there are future services still to be performed. This is reflected as a current liability despite the fact that it will not all be performed in the next 12 months and much of it will be funded using available investments.

WWF has the remarkable ability to inspire people from varying backgrounds to unite around a common vision for people and nature. This is a function of the knowledge, commitment and energy our people bring to their work, every day, regardless of the role they play in the organisation.

It is also a function of the insight and guidance our Board provides. Our non-executive directors give freely of their time and strategic expertise to help us pursue our ambitious environmental goals.

Finally, it is a function of the generosity and loyalty our funders and supporters show every time they give money, time or effort to our initiatives. Without this vital support, we would not be able to achieve a fraction of what we do today. For that, my colleagues and I are immensely grateful.

Morné du Plessis
WWF WOULD LIKE TO SEE A SOUTH AFRICA THAT NURTURES ITS ECOLOGICAL INTEGRITY FOR THE BENEFIT OF BOTH PEOPLE AND NATURE.

We take a collaborative, evidence-based approach towards pursuing this vision, which consciously places the needs of people – for food, water, a safe place to live, and a means to make a living – at centre stage.

HIGHLIGHTS

National grasslands park
We received a mandate to initiate a long-term project to protect the north Eastern Cape’s grasslands, which will result in the largest grassland protected area in southern Africa.

Sustainable diets and food production
After a year-long research and stakeholder engagement process, we convened a multi-stakeholder dialogue with food retailers, brands and manufacturers to explore opportunities for collaboration to reverse negative dietary trends.

Water source partnerships
We launched the first Water Source Partnership in the Boland Water Source Area, one of our 22 strategic water-producing landscapes, to catalyse action and governance in the catchment.

Skills development
We celebrated 10 years of our Environmental Leaders Programme, marking this milestone with a record intake of 50 graduate interns during WWF South Africa’s 50th year.

Marine protected areas
We provided significant financial support for the scientific work that underpinned government’s expansion of new marine protected areas, increasing the area of South Africa’s oceans under protection from 0.4% to 5.4%.

Employee engagement
We acted on the results of an employee engagement survey undertaken in 2017/18, including developing an internal communications strategy.

West Coast rock lobster
We lodged a successful legal appeal against the 2017/18 total allowable catch because it was set at an unsustainable level, which would jeopardise the resource, the fishery and the long-term livelihoods of people dependent on this fishery.

Climate change
Our year-long advocacy for a presidential “Just Transition Taskforce” found favour with decision-makers and led to the Presidential Climate Change Coordinating Commission being agreed to at the Presidential Jobs Summit in October 2018.

Wildlife
We continued our commitment to understanding the drivers and solutions to wildlife trafficking for the benefit of species and people.

Plastics recycling labelling
As a first step towards launching a collaborative initiative for a circular economy in plastics, the South African Plastic Pact, we convened South Africa’s big six retailers to co-develop a collective standard for on-pack recycling labelling.
ABOUT US

WWF IN SOUTH AFRICA

WWF South Africa started as the Southern African Wildlife Foundation in 1968. Five decades on and a name change later we are still working to secure the country’s rich natural heritage.

Our vision
To build an equitable and sustainable future in which both people and nature thrive.

Our mission
To champion the Earth’s capacity to provide a source of inspiration, sustainable food, water and clean energy for all.

Our values
- Integrity – We practise our values. We don’t just profess them.
- Knowledgeable – Everything we do is based on fact and science.
- Optimistic – We are inspiring, positive, ambitious and successful.
- Determined – We work with passion and urgency. We are always focused on positive results and outcomes.
- Engaging – We are open, engaging and accessible.
- Accountable – We are responsible for what we say and do. We hold ourselves and each other to account. We are guided by a code of conduct.
- Inclusive – We value and respect every stakeholder group we engage with, while appreciating the uniqueness of each individual. We take particular care in engaging those who may be affected by our work.

Our strategic goals
Our strategic goals (see page 6) inform the work of our programmes, which can be grouped into six practice areas and three cross-cutting drivers. Our core activities enable our programmes by providing fundraising and marketing, communications, human resources, finance and business support.

Our stakeholders
We draw our mandate from the people of South Africa, including government, business, communities, labour organisations, civil society, other organisations operating in the environmental space, the media, researchers and even our employees. The challenges WWF strives to remedy cannot be addressed alone. In line with Sustainable Development Goal 17 (SDG 17, partnerships for the goals), we work to maintain strong relationships with these groups, as well as international finance institutions, so that we can co-create and co-fund holistic nature-based solutions.
Collectively, the strategic goals focus on the six practice areas and three cross-cutting drivers outlined in the adjacent figure. Our practice areas align with those of the WWF network, although we substituted “forests” with “land” to reflect the South African context.

**GOAL 1: ECOLOGICAL INTEGRITY IS VALUED AND IS FOUNDATIONAL TO HUMAN WELLBEING**

We want to ensure that our country enjoys a diverse range of plants and animals, both on land and in our waters, because such diversity ensures that nature will be able to provide and thrive.

**GOAL 2: SOCIAL AND ECONOMIC PRACTICES ENSURE BENEFITS FOR HEALTHY ECOSYSTEMS AND PEOPLE**

We want to ensure that the ways we produce food, use and manage water, and produce energy will benefit all sectors of society for many generations to come without compromising our biodiversity and healthy ecosystems.

**GOAL 3: INFLUENCE DRIVERS AS A MEANS TO SHAPE THE FUTURE**

We are working to provide key role players across society with the skills they need to make environmentally sound decisions; influence investment flows to ensure support for environmentally responsible businesses; and encourage consumers to decrease demand for unsustainable products.
2018/19 PERFORMANCE REVIEW

SHOWCASING A SELECTION OF PROJECTS AND MATERIAL DEVELOPMENTS REGARDING OUR CORE ACTIVITIES DURING THE YEAR.
Poor agricultural practices, urban expansion and unregulated industrial activities are exerting extreme pressure on our vulnerable ecosystems.

**ACHIEVEMENTS**

- We received the mandate to create a dedicated grasslands protected area in the north Eastern Cape and secured three years of funding to catalyse this long-term project.

- We funded the registering of title deeds for more than 70 000 hectares of the most important biodiversity-significant land in KwaZulu-Natal. Over 60 000 hectares of this is now registered as having nature reserve status for perpetuity – the highest level of protection.

- We provided technical, logistical and financial support for a legal challenge against the issue of a licence to mine coal on formally protected land in Mabola, Mpumalanga. The High Court revoked the licence, setting an important precedent.

- The Mgundeni community in KwaZulu-Natal upgraded its biodiversity agreement to a protected environment, while continuing to derive benefits from sustainable land management practices. The land will now be formally represented on the national protected areas register.

- In the Fynbos and Succulent Karoo biomes, we purchased more than 5 000 hectares of land, effectively expanding the Anysberg Nature Reserve and the Tankwa Karoo National Park (see maps). We also finalised biodiversity stewardship agreements to protect another 45 000 hectares in the Fynbos biome.

**WHAT DECISION-MAKERS CAN DO**

- Farmers and lodges are invited to find out more about biodiversity stewardship and our land work here: [wwf.org.za/our_work/land/](http://wwf.org.za/our_work/land/)

- Take collective action as land custodians against unsustainable developments via government and with legal involvement where needed.

- Consider donating to WWF South Africa’s land programme to further the remarkable achievements in this area of work.
Small village makes big land commitment

A few years ago, land belonging to Mkhothane – a small village of 44 households in northern KwaZulu-Natal – was identified as being worthy of conservation. Even though the land qualified for the highest level of nature reserve status, the community did not want to hand over control of their land to provincial authorities. However, this didn’t stop them from taking swift and decisive action: first they committed to our biodiversity stewardship programme and then, with the support of a WWF biodiversity stewardship officer – a former WWF intern – escalated their commitment with a protected environment agreement in 2018. In this way, our most recent biodiversity stewardship partner became our newest protected environment.

Under this level of protection, the community will be able to keep earning an income from sustainably farming livestock, selling wood from the removal of invasive wattle trees and farming berries. In return, they will receive support from our biodiversity stewardship programme team in developing a sustainable land management plan and accessing potential funding for wildlife and livestock care.

WWF will also help with clearing alien vegetation – a priority for safeguarding the biodiversity of the area, which is an important foraging ground for vulnerable bird species such as the blue and wattled cranes.

Community leaders also dream of building a game lodge on a section of the land to attract more tourists beyond those who come to see the graves of their forefathers, who died at war in the 1800s. To help them achieve this ambition, we facilitated a learning visit to a game farm in Mpumalanga. We will keep working with the Mkhothane community on its sustainable stewardship journey.

Land purchases in the Fynbos and Succulent Karoo biomes, 2018/19

© ANGUS BURNS / WWF-SA
Overfishing, illegal fishing, mining, pollution and irresponsible consumption patterns threaten the diversity of aquatic life and the livelihoods of communities that rely on our oceans for their survival.

ACHIEVEMENTS

- Cabinet approved 20 new marine protected areas, increasing the area of South Africa’s ocean under protection from 0.4% to 5.4%, as gazetted on 23 May 2019. We will continue pursuing our goal of 10% by 2025.

- We have helped small-scale fishers access local markets for their WWF-SASSI green-listed catches by using smartphone technology which was co-funded by WWF. In a pilot, three fishers reported a 300% increase in the price they could ask for their catch, increasing their income without increasing the number of fish caught.

- We secured €999,700 (about R16 million) in international funding for a three-year project to build climate resilience by developing alternative and supplementary income streams for coastal communities in the Western and Eastern Cape. Further international funding of €1,320,388 (about R21 million) was secured for five years to investigate and implement sustainable livelihood activities to enhance the food security of coastal communities in the Kogelberg region (Western Cape). Preparations for both projects started in 2019 and the projects will be in full operation by 2020.

- We welcomed an additional eight WWF-SASSI Trailblazer chefs who support green-listed species. This brings the total tally to 50 South African chefs who champion WWF-SASSI.

- We developed and launched the Responsible Angler, a guideline for responsible recreational fishing in South Africa. This is the first national guideline of its kind and it generated huge interest from the largest fishing group in the country, the recreational sector.

WHAT DECISION-MAKERS CAN DO

- We encourage seafood retailers to use the WWF-SASSI app – and train employees to do the same – when purchasing stock.

- Fishers across all sectors are urged to work towards the future: catching a WWF-SASSI red- or orange-listed fish species means cash in hand today, but at the cost of tomorrow’s earnings.
A landmark ruling for fisheries and a victory for all

In September 2018, the Western Cape High Court ruled that the Department of Agriculture, Forestry and Fisheries had set the 2017/18 total allowable catch for West Coast rock lobster at an unsustainably high level.

This landmark ruling for fisheries, granted in WWF’s favour, stated that the decision in setting the catch amount for West Coast rock lobster in the 2017/18 fishing season was “unlawful, irrational and unsustainable, and disregarded scientific advice”.

The judgement was instrumental in the department lowering the total allowable catch, from 1 924 tons in 2017/18 to 1 084 tons in 2018/19, which is closer to – but not entirely in line with – the science-based recommendation of 790 tons.

This is a victory both for marine biodiversity and for those who make a living from the sea. If WWF didn’t legally challenge the total allowable catch, and lobster continued being exploited at an unsustainable level, the species would not be able to support a viable commercial fishery. Fisheries would collapse and jobs and livelihoods of coastal communities would be lost.

By setting the total allowable catch at a more sustainable level, the West Coast rock lobster population has an opportunity to replenish, thereby safeguarding future revenue from the harvesting and sale of this species.

WHY THE SURVIVAL OF WEST COAST ROCK LOBSTER MATTERS

CURRENT STATUS

LATE 1800s

Before commercial fishing started

2019

Today stock is 98% depleted.

2% LEFT

Severely overfished

Sought-after delicacy

At risk of commercial extinction

People’s livelihoods depend on it

Important for ecosystem
The illegal trade of animal products presents an urgent threat to both South Africa’s flagship species and people’s safety and livelihood opportunities.

ACHIEVEMENTS

- As part of the Khetha Programme, which addresses wildlife trafficking in the Great Limpopo Transfrontier Conservation Area, we interviewed over 400 community members using the Sensemaker tool to understand sentiments towards wildlife, nature and law enforcement.
- We put together a new, highly skilled research team focusing on wildlife economics and policies to help improve our understanding of both legal and illegal wildlife trade and find solutions to benefit people and nature.
- Our new southern African wildlife trafficking hub developed a strategy to help WWF and TRAFFIC address wildlife trafficking between South Africa, Mozambique, Zimbabwe, Zambia and Namibia, including providing support to rangers and access to new tools.
- We developed innovative training materials to increase understanding of wildlife trafficking with members of the South African Judicial Education Institute.
- Within the Black Rhino Range Expansion Project, we initiated genetic testing on rhino populations to inform our translocation decisions.

WHAT DECISION-MAKERS CAN DO

Wildlife trafficking occurs in areas with limited job and economic opportunities. Government has a role to play in strengthening the social fabric of these areas by improving civic governance and strengthening the judiciary.
Understanding our rhino gene pool

WWF is using a new science tool to enhance our efforts to grow rhino numbers – the indexing of rhino DNA.

DNA indexing involves taking a small tissue sample from a sedated rhino – usually when the rhino is being transported, “ear notched” for identification purposes or having its horn removed to deter poachers – in order to undertake genetic sequencing. Knowing a rhino’s genetic sequence helps conservationists manage rhino populations by providing detailed information about how rhinos are related and which are the most appropriate to be moved to create new populations. Over the past two years, WWF has indexed the DNA of 90% of the rhino population at its Black Rhino Range Expansion Project sites. The data collected is being compiled in a “stud book”, which will inform a genetic management plan for each of the sites.

Every effort is made to ensure that the animal feels no distress when the sample is taken and that the site is properly disinfected to ensure quick recovery.
South Africa’s 22 strategic water source areas – the 10% of land that provides 50% of our surface water – are under threat from poor land management, mining, alien invasive plants, more frequent wildfires and climate change.

**FRESHWATER**

**ACHIEVEMENTS**

- We hosted the fourth Journey of Water to raise awareness about the state of South Africa’s water source areas. We took celebrities and members of the media on a three-day trip to physically track Cape Town’s water supply to its source in the Boland mountains.

- Through the newly launched Boland Water Source Partnership, we have formed two job-creating SMMEs. One project employs 22 people to clear water-intensive alien vegetation in high-altitude areas, and another employs 15 people in a community-run nursery that grows indigenous plants to restore cleared river banks.

- Working with local partners, 40 eco rangers were appointed in the Eastern Cape Drakensberg Water Source Area. Over a year, they will learn about sustainable agriculture, clearing invasive alien vegetation, biomass use and good rangeland management – and how this helps to improve local livelihoods and maintain a healthy catchment.

- We established a partnership in the water-stressed uMhlathuze catchment in KwaZulu-Natal. We employ members of the local community to clear alien vegetation and identify community champions to drive efficient water use and reduce pollution.

- We developed, and translated, a fun school teaching resource to raise water awareness and encourage responsible use from a young age. This resource will be distributed to a hundred schools.

**WHAT DECISION-MAKERS CAN DO**

- Business owners can use our Water Risk Filter to understand their business’s water risk: [http://waterriskfilter.panda.org/en/Maps#region/2](http://waterriskfilter.panda.org/en/Maps#region/2)

- If you live in the Boland area, consider joining our Water Source Partnership so that you can help stop water catchment degradation and develop sustainable livelihood opportunities for your local community.
Partnering for effective water source management

Covering the Berg and Breede rivers, which feed the Boland Mountains Water Source Area, the Boland Water Source Partnership was launched in March 2019. WWF is already working with many partners within a total of eight of South Africa’s 22 strategic water source areas.

The Boland Water Source Partnership is the first to be established as a new community-corporate-public-governance platform for the management and responsible use of water in our country’s critical water-producing landscapes.

The partnership aims to facilitate collaborative decision-making and on-the-ground action to address shared water challenges such as large farms with inefficient irrigation systems, over-abstraction, water-thirsty alien invasive vegetation and addressing the effects of climate change. These issues all negatively affect water flows and quality in the Boland area, the source of 97% of Cape Town’s water.

Across the eight water source areas we currently work in, we have five public sector and 10 private sector funders united under a common vision of improving water management and restoring river flows and healthy catchments while contributing to local economic development.

WWF has secured initial funding to expand the Water Source Partnerships and will be initiating another four in 2020 – for Table Mountain, the Eastern Cape Drakensberg, Outeniqua and the Southern Drakensberg areas.
South Africa needs to contribute to global climate action and urgently decouple its economic growth from carbon emissions if it is to avoid being stranded in the economic doldrums while the world moves in a low-carbon direction.

ACHIEVEMENTS

• Our year-long advocacy for a presidential “Just Transition Taskforce” found favour with decision-makers and led to the Presidential Climate Change Coordinating Commission being agreed to at the Presidential Jobs Summit in October 2018.

• At the Presidential Jobs Summit, we put forward the argument that any job creation initiatives should contribute to climate resilience and the country’s low-carbon development, and vice versa.

• Our support for a low-carbon and climate-resilient economic transition that is socially just was manifested in our advocacy work and demonstrated by hosting a “Just Transition Momentum” conference in July 2018. Showing WWF’s convening power, civil society groupings working on environmental and social issues and, importantly, union participants from all the labour federations attended the conference. Together with our partners, we are further exploring “just transition” thinking within business.

• We published a well-received report on the viability of biofuels in sub-Saharan Africa’s aviation industry and proved the feasibility of using existing processes to convert waste biomass to liquid fuel, the first step towards developing a sustainable aviation fuel value chain in South Africa.

• By providing rigorous technical work, WWF continues to be influential in climate change policy input. We participate in all climate change studies and policy processes as well as Treasury’s carbon tax process. A significant development was that the Carbon Tax Act was gazetted in May 2019, with WWF having played a role as a bulwark against those who sought to derail it.

WHAT DECISION-MAKERS CAN DO

• Join the Alliances for Climate Action to take action for a zero-carbon economy by 2050. This is an initiative facilitated by the National Business Initiative, C40 and WWF: alliancesforcimateaction.co.za

• Join 11 other South African companies and commit your company to a Science-Based Target, which is a greenhouse gas emission reduction target in line with climate science: sciencebasedtargets.org

• Cities can join the One Planet City Challenge: wwf.org.za/our_work/initiatives/one_planet_city_challenge.cfm

• Follow WWF’s ecomobility example to reduce reliance on motorised transport by allowing employees to work from home where possible and form carpools when not.

OUR CARBON FOOTPRINT
FOR 2018/19

ELECTRICITY
152 736 KG
(2017/18: 171 098)

FLIGHTS
277 TONNES
(2017/18: 291 tonnes)
Improvements noted in climate governance at national level

Countries are increasingly considering climate change targets in their national legislation, strategies and policies, according to an article examining governance trends over the past decade.

The article, “National climate change mitigation legislation, strategy and targets: a global update”, was co-authored by WWF and speaks to our efforts to take an evidence-based approach to policy advocacy. Since being published in the journal Climate Policy in June 2018, it has been downloaded more than 4,000 times, becoming the journal’s fifth most downloaded paper in 2018.
The way we currently produce food is more damaging to the environment than any other human activity, without adding to the nation’s long-term food security.

ACHIEVEMENTS

• We reaffirmed our commitment to transforming our food system, using dietary shifts as a key lever, after a global EAT-Lancet report demonstrated the explicit link between human health, diet and the environment.

• We published two pioneering reports. Agri-food Systems: Facts and Futures explores how changes in diets, reductions in food waste, and regenerative agriculture can shift the health and food challenges facing South Africa. An Appetite for Collaboration examines how, in the absence of an enabling policy environment, the food industry can collaborate to address the country’s health challenges associated with unhealthy diets and food insecurity.

• We convened a multi-stakeholder dialogue with food retailers, brands and manufacturers to explore opportunities for collaboration to reverse negative dietary trends.

• We led the successful development of the social and environmental criteria of Solidaridad’s Farming Solution mobile app, which guides smallholder farmers to sustainably improve productivity for high-value horticultural products. The aim is to support 750 smallholder farmers over three years, of which 200 farmers have already conducted the necessary baseline studies in the first year.

• We started co-developing an ISEAL-backed tool that enables banks to recognise environmental improvements at farm level when assessing farmers for loans, so encouraging borrowers to adopt and improve sustainable agricultural practices through reduced interest rates. The tool will first be piloted with 300 small-scale sugar farms in the Mpumalanga Lowveld.

WHAT DECISION-MAKERS CAN DO

• Industry and business leaders must encourage sector-led interventions to ensure that farming does no further harm to the environment and that consumers are supported in choosing affordable, sustainable diets. This is critical to ensuring that South Africa meets its national commitments to the SDGs with swift action to reduce climate change.

• Central banks and banking associations must emphasise the need to integrate sustainability factors into decision-making processes and press for consistency across climate and environmental disclosures in the financial industry.

• Policy makers must create a regulatory environment that incentivises the integration of environmental, social and governance (ESG) safeguards in food production and ensure regenerative practices that are backed by science.
Five ways to a healthier food system

WWF aims to shift food production patterns by focusing on good water management, sustainable agricultural practices, responsible sourcing, reducing food waste and bringing about a dietary shift.

These paths are explicitly linked to the UN’s SDGs and can be achieved through partnerships for action (SDG 17). Like the SDGs, they are intrinsically connected: pursuing one goal without also pursuing the others will dilute the impact of all actions.

Achieving these goals requires an improved scientific evidence base, better governance and policies, strengthened institutional capacity and an environment that supports technological innovation and behavioural change. Financial support and economic incentives will be central.

Our report, *Agri-food Systems: Facts and Futures*, contains more insights into the need for change and our approach to achieving it.
FOR BETTER ENVIRONMENTAL GOVERNANCE

Decisions that will have an impact on the environment need to be grounded in knowledge and backed by the best available science.

ACHIEVEMENTS

• We provided technical training on developing science-based emissions targets for more than 25 consultants and government representatives under the Climate and Energy practice area.

• We developed training materials to increase understanding of wildlife trafficking with members of the South African Judicial Education Institute.

• We trained 155 members of the seafood supply chain, 20 marine protection officers, 31 WWF-SASSI volunteers and 40 educators on the challenges faced by sealife and how the WWF-SASSI list works.

• We trained 50 graduates through paid internships with WWF and our partners, awarded three research fellowships and hosted 19 Grade 11 learners for job-shadowing.

• Interns were recruited from 21 universities across South Africa and Zimbabwe. Eighty-three percent of our interns are black South Africans and 73% are women, supporting transformation in the environmental sector. Of the 2019 group, 4% (two interns) have disabilities.

WHAT DECISION-MAKERS CAN DO

• Conservation organisations could consider taking on graduates through our WWF Graduate Internship Programme.

• Companies whose operations rely on healthy ecosystems would benefit from the skills and work experience of graduates who have been through our internship programme.

• Provide funding in support of our internship programme.

TRANSFORMING THROUGH DIVERSITY

21 UNIVERSITIES

NO RECRUITS YET

RURAL UNIVERSITIES

URBAN UNIVERSITIES

ECONOMIC & MANAGEMENT SCIENCES
NATURAL SCIENCES
EARTH SCIENCES
LEGAL SCIENCES
ENGINEERING
HUMANITIES
ARTS

BLACK SOUTH AFRICANS

83%

73%

27%
INFLUENCING FINANCIAL FLOWS

Basing investment decisions purely on short-term profit metrics is unsustainable, both from an environmental and a business perspective.

ACHIEVEMENTS

• We jointly developed the Green Outcomes Fund, a first-of-its-kind impact investment solution that addresses climate change and environmental sustainability by catalysing finance to support green small and growing businesses in southern Africa. The fund has received catalytic concessionary capital commitments totalling R85.8 million.

• We established a strategic partnership with Six Capitals Advisory that sees the company provide the guidance and tools required to improve the investment industry’s ESG performance. Funding has been received and the partnership has initiated a project to provide technical ESG research support to leading labour organisations.

• We formed a strategic partnership with the Development Bank of Southern Africa that sees the bank provide funding for climate change mitigation and adaptation projects through its Climate Finance Facility, while WWF contributes technical expertise to environmental standards, guidelines and capacity.

• The WWF-supported Prescient Living Planet Fund reached its four-year track record during the year. The fund continues to achieve its objective of delivering sustainable capital growth for investors. At the end of June 2019 the fund was ranked in the top half of all funds in the ASISA SA Multi-Asset High Equity category over one, two and three year periods as measured by Morningstar. The fund’s environmental footprint continues to be closely monitored and the fund increased its exposure to renewable energy investments including the Nedbank Green Bond, the Prescient Clean Energy and Infrastructure Fund, and the City of Cape Town Green Bond.

DISCLAIMER

Prescient Investment Management (Pty) Ltd is an authorised financial services provider (FSP 612). Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. Collective investment schemes are traded at the ruling price and can engage in scrip lending and borrowing. A schedule of fees and charges and maximum commissions is available on request from the manager. Performance has been calculated using net NAV to NAV numbers with income reinvested. There is no guarantee in respect of capital or returns in a portfolio. Prescient Management Company (RF) (Pty) Ltd is registered and approved under the Collective Investment Schemes Control Act (2002). For any additional information such as fund prices, fees, brochures, minimum disclosure documents and application forms please go to www.prescient.co.za.
The predominant “take-use-dispose” approach to production is unsustainable and leads to rapidly rising levels of waste, coupled with diminishing natural resources and adversely affecting nature.

ACHIEVEMENTS

- We worked with South Africa’s large retailers to agree to a standardised, on-pack recycling labelling system to increase the flow of post-consumer packaging into the recycling system. Backed by WWF research and convening support, a successful path has been charted and rollout has begun.

- We supported the WWF network at the fourth United Nations Environment Assembly meeting in Nairobi in March 2019 to lobby for a globally binding agreement on plastic pollution. Attending the event opened the door for collaboration on developing a regional strategy on plastic pollution and strengthening our engagement with national governments.

- We are co-initiating a voluntary pact, the South African Plastics Pact, to bring industry and government to the table to discuss ways to create a robust circular plastics economy underpinned by viable business opportunities for industry and recyclers. Supported by the Ellen MacArthur Foundation and WRAP Global, industry and government stakeholders attended an inaugural workshop in June 2019, with an official launch planned for later in the year.

WHAT DECISION-MAKERS CAN DO

- Manufacturers that produce plastic, or use single-use plastics to package their products, should design packaging that can be recycled in South Africa, as well as using clearer on-pack recycling labels to make it easy for users to divert used packaging into the recycling system.

- Retailers and brand owners should ensure that their plastic packaging suppliers are members of an extended producer responsibility scheme in South Africa or that they demonstrate sufficient investment in systems and infrastructure to collect and recycle their packaging.

- Retailers and brand owners should ensure that their packaging specifications align with the latest “design for recycling” guideline and on-pack recycling labelling specifications.

- Retailers and brand owners should educate consumers about reusing and recycling plastic packaging.

- Companies should have recycling systems in place in all their operations to sort waste at source.
SUPPORT ACTIVITIES
RAISE WWF’S BRAND PROFILE

We partnered with agencies and media outlets to build our brand and raise awareness of the challenges WWF strives to address.

Our overall reach for the year – which has been made largely possible by generous contributions in kind from various media partners – was 31 million, with the “For Nature. For You.” brand campaign contributing well to this growing awareness. Engagement with Facebook, Twitter and Instagram posts stands at 380,500 people.

Other brand-building activities during the year include:

• Partnering with local artists to produce a nature-inspired music video titled “Back to the Source”, which has been viewed more than 21,600 times.

• Using 20 strategically placed influencers to promote our work. These influencers include Carte Blanche presenter Claire Mawisa, actress Pearl Thusi, and media personality and rapper ProVerb.

• Hosting our fourth Journey of Water with celebrities and journalists (see page 14).

• Contributing to the knowledge base by publishing various reports on key topics. All of these can be downloaded here: wwf.org.za/our_research/publications/
Support Activities

Raise Funds for Strategic Goals and Activities

We use every donation we receive, no matter how small, to pursue our vision of building an equitable, sustainable future for people and nature.

We use our financial resources and internal technical capability to leverage external funding on a per-project basis.

Our approach to corporate funders is one of collaboration, working with companies to provide strategic guidance and technical advice on the sustainability aspects of their operations, while gaining financial support for our work at the same time.

Although individual giving declined during the year – in line with national economic trends – donations from the corporate sector and trusts/foundations remained largely stable.

International public sector partners are playing an increasingly important role. Over the past year, these organisations have funded the Khetha Programme (see page 12) and some of our marine-focused work supporting small-scale fishers and climate adaptation (see page 10), among other projects.

We secured R104 million in public sector funding, which includes funding from government, bilateral aid agencies and multilateral aid agencies. The majority of our funding goes towards our environmental programmes and projects, with a small portion set aside for operational support.

We hosted 50th birthday fundraising events in Johannesburg and Cape Town with sponsorship from Woolworths, Sanlam, Nedbank, Heineken, Prescient and Distell. Nearly 600 people attended these events, which raised R1.7 million in total.

We internalised our in-person fundraising activities, deploying a team of 26 fundraisers across various locations in Gauteng and the Western Cape (see box).

We launched a legacy campaign to encourage individuals over the age of 55 to pledge a donation to WWF in their wills. The campaign obtained 185 pledges, with five confirmed bequests.

WWF is a registered public benefit organisation (PBO number 130002490). Qualifying donations are tax deductible and count towards a company’s socio-economic development expenditure.
In-house fundraising reaps rewards

The number of individual donors supporting us recruited by our in-house team increased from 478 in 2017/18 to 4,889 in 2018/19.

Before 2018, our face-to-face fundraising was handled by external agencies. Launching our own individual donors fundraising programme in March of that year has allowed us to provide the training, supervision and motivation necessary to ensure that the public’s interaction with us is positive, compelling and in line with our values.

To date, our 26 fundraisers – a diverse group of graduates seeking work experience and professional salespeople with an interest in environmental issues – have held 260 fundraising drives at malls, expos and corporates, largely in Cape Town and Gauteng.

Despite difficult prevailing economic conditions, the team managed to sign up 4,889 new donors in the financial year – a remarkable success rate that is expected to improve our income from this donor group for many years to come.
We strive to reflect our values in all that we do and we ensure that staff members are encouraged to seize the learning opportunities open to them.

Our staff come from diverse backgrounds and typically have degrees or diplomas. Of the 17 new appointments we made across all levels during the year, 78% were diversity candidates (African, Coloured or Indian), against an internal target of 75%.

Our Graduate Internship Programme (see page 20) remains an important tool for improving diversity, both within WWF and in the environmental sector. We also, for the first time, appointed two paid interns for short internships to complete their diplomas in marketing and IT.

Our retention rate of 89% (2017/18: 88%) and the results of an anonymous employee engagement survey conducted in June 2018 (see next page) indicate that our employees are passionate about the work they do. To encourage this passion and make sure that WWF remains an employer of choice in the environmental sector, Human Resources reached out to managers to highlight the training opportunities available to staff during the year, resulting in the training budget more than doubling to R326 000 (2018: R146 759).

We also revised our maternity policy so that employees now receive their full salaries for the duration of their four-month leave, provided they have been with WWF for a year. There is also a 50% salary benefit for employees who have been with us for more than six months. The previous policy paid only 75% of salaries for four months, and only if the employee had been with WWF for 18 months.
An industry fuelled by passion and recognition

We have taken several steps to improve the WWF employee experience based on feedback from an anonymous employee engagement survey conducted late last year.

- We doubled our training budget and improved communication about training opportunities for staff.
- We hired security personnel and improved physical security measures at the Braamfontein office.
- We are developing a more sustained rewards and recognition programme to motivate staff throughout the year. We currently hand out staff awards at our year-end function in December.
- We developed an internal communications strategy.

Most of the survey respondents were from the head office in Cape Town (64%), while the Braamfontein (Johannesburg) and Hilton (Pietermaritzburg) offices each accounted for 13%. The remote offices accounted for the rest of the responses (11%).
We practise sound procurement and a frugal approach to spending, which ensures that our finances remain healthy. At least 80% of donor funding is used to fund conservation projects.

Our annual income increased by 15% to R152.6 million during the year. Both core and project income experienced good growth. Note, our project income excludes R43.9 million of receipts deferred to future years. This was due to the prudent step taken to defer income received in advance of providing goods or services until the entity has performed the services.

Our expenses for the year increased by 20% to R165 million. Key factors contributing to this were:

- An increase in spend on conservation activities.
- An increase in on our core activities spend, due to the following:
  - Staffing costs represents our largest cost. Our core staff complement of 77 employees remained largely unchanged despite significant growth in project income. However, we had fewer vacancies during 2019, and our staff received an increase matching inflation.
  - Increased investment in marketing and fundraising costs (particularly the establishment of our in-house face-to-face fundraising team). These investments will secure future donation income.
- Legal fees for the landmark West Coast rock lobster court case. The court ruled in our favour with costs, so some of these fees will be recovered over time.
- The cost of Oracle NetSuite, the enterprise resource planning: software that was approved by the Board and continues to be customised and rolled out under the management of a steering committee. The software will improve our efficiency in business processes, enabling paperless record-keeping and improved knowledge management.
Our Board guides our strategy and ensures we use the funds entrusted to us by our donors with care and integrity.

Congratulations to Dr Jacqueline King, who was named the 2019 Stockholm Water Prize Laureate for her game-changing contribution to global river management.

Read our Board members’ bios here: wwf.org.za/board
Board structure and committees

The Board consists of 10 non-executive members and two executive members, the chief executive officer (CEO) and the chief financial officer (CFO).

Vusi Khanyile replaced Valli Moosa as the chair during the year. Valli Moosa, Cheryl Carolus and Dr Johan van Zyl retired at the 2018 AGM. Herman Wessels resigned on 20 June 2019. Alex Watson and Pam Yako joined the Board, creating a healthy balance between institutional knowledge and fresh perspectives.

The non-executive members are unpaid volunteers who bring a broad range of business, environmental, finance and communications skills to the Board. They serve a maximum of three consecutive three-year terms, during which time they are typically expected to cover their own travel and accommodation costs. The CFO acts as the Company Secretary.

The Board’s activities are guided by a Board Charter, which outlines its deliverables and delegations of authority. WWF members (trustees) are responsible for appointing the Board, and the Board is responsible for appointing the CEO. All Board members sign an annual declaration of interests.

The Board conducts a self-assessment in line with King IV standards every two years. The most recent self-assessment was completed in August 2019.

Meetings and decisions are minuted and ratified by Board members. Operational decisions made at Board level are communicated to the staff through the CEO and CFO.

Five Board committees and an Executive Committee help the Board fulfil its role. All of the committees are guided by a charter.

<table>
<thead>
<tr>
<th>Chairperson as at end June 2019</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Finance Committee</strong></td>
<td>Anthony Phillips</td>
</tr>
<tr>
<td></td>
<td>Recommends annual budget for Board approval</td>
</tr>
<tr>
<td><strong>Audit and Risk Committee</strong></td>
<td>Herman Wessels</td>
</tr>
<tr>
<td></td>
<td>(resigned 20 June 2019)</td>
</tr>
<tr>
<td></td>
<td>Oversees risk management, financial reporting, internal financial controls, and legal compliance</td>
</tr>
<tr>
<td><strong>Nominations Committee</strong></td>
<td>Vusi Khanyile</td>
</tr>
<tr>
<td></td>
<td>Identifies suitable candidates for the Board</td>
</tr>
<tr>
<td><strong>Remuneration and Human Resources Committee</strong></td>
<td>Anthony Phillips (acting)</td>
</tr>
<tr>
<td></td>
<td>Ensures market-related remuneration to attract skilled staff</td>
</tr>
<tr>
<td><strong>Social, Ethics and Transformation Committee</strong></td>
<td>Mavuso Msimang</td>
</tr>
<tr>
<td></td>
<td>Monitors WWF’s effects on social and economic development; environmental, health and public safety; and labour and employment</td>
</tr>
<tr>
<td><strong>Executive Committee</strong></td>
<td>Morné du Plessis</td>
</tr>
<tr>
<td></td>
<td>Oversees WWF’s day-to-day operations</td>
</tr>
</tbody>
</table>

Guiding legislation, policies and codes

We abide by the rule of law, with particular reference to tax laws as they relate to registered public benefit organisations.
ASSOCIATED TRUSTS

To further our conservation work, we manage five trusts:

- The National Parks Trust of South Africa
- The WWF Nedbank Green Trust
- The Leslie Hill Succulent Karoo Trust
- The Table Mountain Fund
- The Southern African Wildlife College Trust.

Each trust is an independent legal entity, with its own trustees, that has contracted WWF to manage it. The trustees retain the fiduciary duties. Our duties include legal and governance support, project management, secretarial services and financial management. The trusts do not directly employ people. WWF employs two Table Mountain Fund staff.

The National Parks Trust of South Africa

This is a partnership between SANParks and WWF since 1986 that focuses primarily on procuring land to expand the country’s protected area network. To date, it has disbursed over R170 million to secure more than 125,000 hectares of land to enhance South Africa’s protected area network.

**Trustees:** Mr JP Rupert (chairperson), Dr MA du Plessis, Dr LE Dziba, Mr FG Mketeni and Mr MEC Read.

[wwf.org.za/npt](http://wwf.org.za/npt)

The WWF Nedbank Green Trust

Established in 1991, this partnership between Nedbank and WWF funds innovative conservation projects that aim to address socio-environmental challenges in the country. To date, more than R298 million has been raised to fund innovative and diverse environmental projects.

**Trustees:** Mr V Naidoo (chairperson), Prof B de L Figaji, Dr MA du Plessis, Mr TSB Jali, Dr BJ Kani, Mr WJ Krüger, Ms MP Mbengashe, Ms ASM Mearns, Mr PS Mokoena and Ms LR van Hasselt.

[wwf.org.za/greentrust](http://wwf.org.za/greentrust)
The Leslie Hill Succulent Karoo Trust

This trust was founded in 1995 by the late Leslie Hill to fund strategic initiatives to conserve plant species indigenous to the Succulent Karoo. Its interventions include acquiring land to create and expand protected areas, and funding research. To date, more than R165 million has been disbursed for the purchase of more than 252 000 hectares of conservation land and to fund strategic stewardship initiatives.

Trustees: Mr FJ van der Merwe (chairperson), Dr MA du Plessis and Prof MT Hoffman.

wwf.org.za/lhskt

The Table Mountain Fund

The Table Mountain Fund was started in 1998 by WWF South Africa with R7 million in donations raised by WWF from the custodians of Table Mountain, and a grant of US$4.9 million from the Global Environment Facility, for the conservation of the Cape Floristic Region, particularly its endemic fynbos and allied ecosystems. To date, more than R76 million has been disbursed to relevant projects.

Trustees: Ms Y Firfiry (chairperson from 12 June 2018), Prof B de L Figaji (chairperson up to 12 June 2018), Dr CT Johnson, Mr JJ Manuel, Mr EB Mnisi, Mr KA Nengu and Mr J Smith.

wwf.org.za/tmf

The Southern African Wildlife College Trust

WWF South Africa formed this trust in 2000 to support the training of Southern African Development Community conservation managers at the Southern African Wildlife College and to ensure sustainable income to the college. To date, the trust has awarded R12.9 million in scholarships and funding to the college.

Trustees: Ms LJ Richardson (chairperson), Mr S Abrahams, Ms KM Bergh, Mr CH de Villiers, Countess SMMI Labia, Mr W Myburgh, Mr LD Sefu and Ms SL Snyman (appointed 3 March 2018).

wwf.org.za/sawct
Our Trustees

Trustees help us gain legitimacy among South Africans. They contribute to or increase support for our work and, ultimately, enable us to achieve our strategic goals.

Trustees are not directors and have no fiduciary duty towards WWF. Neither do they have the authority to act on our behalf. The Board formally approves the appointment of trustees. Directors are indicated in bold.

T Abrahamse  PM Goss
GM Ackerman  GE Gray
R Andersen  DCS Haggie
HI Appelbaum  J Hanks
W Appelbaum  N Harris
G Avery  PK Harris
PD Bacon  M Hau-Yoon
L Bailes  R Havenstein
SW Barlow  DA Hawton
M Barnes  BE Hersov
HI Appelbaum  EH Hertzog
W Appelbaum  GM Hossack
R Andersen  BJ Huntley
T Abrahamse  T Ikalafeng
HI Appelbaum  HC Japhet
L Bailes  J L Job
SW Barlow  R Jordaan
M Barnes  M Joubert
HI Appelbaum  MM Katz
L Bailes  VP Khanyile
SW Barlow  MG Khumalo
M Barnes  FWJ Kilbourn
HI Appelbaum  J King
L Bailes  P Kingston
SW Barlow  A Kleinhans-Curd
M Barnes  ADC Knott-Craig
HI Appelbaum  M Kuzwayo
L Bailes  Countess S Labia
SW Barlow  R Lascaris
M Barnes  DM Lawrence
HI Appelbaum  D Lewis
L Bailes  A Lubner
SW Barlow  JA Mabuza
M Barnes  EM Mafuna
HI Appelbaum  M Makanjee
L Bailes  Archbishop T Makgoba
SW Barlow  PM Makwana
M Barnes  KI Mampolele
HI Appelbaum  P Mann
L Bailes  M Maponyane
SW Barlow  E Masilela
M Barnes  J Matsau
HI Appelbaum  AA Maule
L Bailes  GD May
SW Barlow  WJ McAdam
M Barnes  E Meaker
HI Appelbaum  RP Menell
L Bailes  T Modise
SW Barlow  B Mohale
M Barnes  D Mokhobo
HI Appelbaum  MV Moosa
L Bailes  MM Morobe
SW Barlow  DB Mostert
M Barnes  JP Mouton
HI Appelbaum  M Msimang
L Bailes  NF Newton-King
SW Barlow  K Njobe
M Barnes  CG Olver
HI Appelbaum  NF Oppenheimer
L Bailes  K Patel
SW Barlow  JW Penny
M Barnes  AJ Phillips
HI Appelbaum  R Phiyega
L Bailes  A Pistorius
SW Barlow  RA Plumbridge
M Barnes  M Rademeyer
HI Appelbaum  FE Raimondo
L Bailes  ME Ramano
SW Barlow  G Ravazzotti
M Barnes  ME Read
HI Appelbaum  E Rees-Jones
L Bailes  L Richardson
SW Barlow  L Rodwell van Hasselt
M Barnes  L Roode
HI Appelbaum  KC Rumble
L Bailes  GA Rupert
SW Barlow  JP Rupert
M Barnes  H Rupert-Koegelenberg
HI Appelbaum  Z Rylands
L Bailes  G Saintz
SW Barlow  RJ Scholes
M Barnes  A Singh
HI Appelbaum  S Singh
L Bailes  BP Slingers
SW Barlow  W Smith
M Barnes  FA Sonn
HI Appelbaum  RJA Sparks
L Bailes  JDT Stofberg
SW Barlow  KE Taeuber
M Barnes  RKC Taylor
HI Appelbaum  DJ Upshon
L Bailes  E van As
SW Barlow  E van As
M Barnes  VAP van der Bijl
HI Appelbaum  F van der Merwe
L Bailes  GD van der Veer
SW Barlow  AP van Heerden
M Barnes  G van Heerden
HI Appelbaum  JH van Huyssteen
L Bailes  AS van Jaarsveld
SW Barlow  G van Niekerk
M Barnes  JC van Reenen
HI Appelbaum  P van Rynveld
L Bailes  J van Zyl
SW Barlow  JJM van Zyl
M Barnes  PJ van Zyl
HI Appelbaum  Adv J Verster
L Bailes  T Vosloo
SW Barlow  K Waddell
M Barnes  A Watson
HI Appelbaum  H Wessels
L Bailes  CH Wiese
SW Barlow  ME Wilson
M Barnes  P Yako
HI Appelbaum  PL Zim
L Bailes
SW Barlow
We are grateful for the generosity of our supporters and influencers, whose time and financial support help us create a sustainable future for all.
SENIOR PARTNER/GOLD
AVI Ltd
Barloworld Ltd
Belgotex Flooring South Africa
Distell Ltd
Emira Property Fund
Fairtree Capital (Pty) Ltd
Fedgroup Ventures (Pty) Ltd
Investec Bank Ltd
Italtile
JSE Limited
Lions Hill Development Company
MediClinic
Melbro Group (Pty) Ltd
National Ceramic Industries South Africa (Pty) Ltd
Nissan South Africa (Pty) Ltd
Rallen (Pty) Ltd
Sappi Limited
SPAR Group
Tetra Pak South Africa (Pty) Ltd
The Ceramic Industries Group
Virgin Active South Africa

PARTNER/SILVER
Ceres Fruit Juices
Competitive Capabilities (Pty) Ltd
Eco-Cycle Environmental Group
Emirates Airlines
Haggie Charitable Trust
Hollard Group
IBTT
Illovo Sugar Africa
Inzalo t/a Thornybush
Isibindi Forest Retreat
Marshalla Group Ltd
MBB Services International (Pty) Ltd
Ovland Group (Pty) Ltd
Penguin Random House South Africa
Sentinel International
Seolo Africa
South African Sugar Association
The Mackenzie Foundation
Werkmans Attorneys

PUBLIC SECTOR PARTNERSHIPS
Centre for Environment, Fisheries and Aquaculture Science (CEFAS)
Embassy of the Federal Republic of Germany
European Commission
Federal Ministry for Economic Cooperation and Development, BMZ
Federal Ministry for the Environment of Nature Conservation and Nuclear Safety, BMU
Global Environment Facility (GEF)
Global Environment Technology Foundation
Government of Flanders
International Climate Initiative (IKI)
International Institute for Sustainable Development (IISD)
Marine Stewardship Council
Ministry for the Environment, Food and Rural Affairs (Defra)
Rhodes University
Solidaridad
South African Deep-Sea Trawling Industry Association (SADSTIA)
Transport Education and Training Authority (TETA)
United Nations 10 Year Framework of Programmes on Sustainable Consumption and Production (tYFPP)
University of Stellenbosch
US Agency for International Development (USAID)

CAUSE RELATED MARKETING
Carrol Boyes
Falke
H&M
MySchool MyVillage MyPlanet Programme

ADDITIONAL PROJECT FUNDING
WWF Austria
WWF Canada
WWF Germany
WWF International
WWF Mediterranean Programme Office
WWF Mexico
WWF Namibia
WWF Netherlands
WWF Sweden
WWF United Kingdom
WWF United States

DONATIONS IN KIND
AVIS Rent A Car, South Africa
Creamer Media
Distell Ltd
eTV
Everard Read Gallery
Ford Motor Company of South Africa (Ford Wildlife Foundation)
Heineken
iPoint Media CC
Khombisa Media
Marais Müller Hendricks
Mediology
MultiChoice South Africa
Nissan
SAA Voyager Programme
South African Broadcasting Association (SABC)
Spoor & Fisher

WWF SOUTH AFRICA INTEGRATED ANNUAL REPORT 2019 | PAGE 36

Influencers
Carishma Basday
Siya Beyile, aka Threaded Man
Zoe Brown
Catherine Constantineides
Jeannie de Gouveia, aka Jeannie D
Kia Johnson
Hakim Malema, aka Trashgod
Masego “Maps” Maponyane
Claire Mawisa
Siya Metane, aka Slikor
Sizwe Moeketsi, aka Reason HD
Khetsiwe “Doowap” Morgan
Azania Mosaka
Vuyo Mpantsha
Zola Nene
Kutloano Nhlapo, aka Da Kruk
Ryan Sandes
Tebogo “ProVerb” Thekisho
Pearl Thusi
Lizeel van der Westhuizen
Ongama Zazayokwe
John Kani*
Austin Malema*
Tarryn Oppel*
Hanli Prinsloo*
Chad Saaiman*
Jason Whitehead*

*Influencers without contracts
We are the sum of the knowledge, passion and energy of our people.
Statement of responsibility and approval by the Board of Directors for the year ended 30 June 2019

The Directors are responsible for the preparation, integrity and fair presentation of the annual financial statements of WWF South Africa. The summarised annual financial statements presented on pages 39 to 45 have been derived from the annual financial statements of WWF South Africa for the year ended 30 June 2019, prepared in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs) and include amounts based on judgements and estimates made by management.

The going concern basis has been adopted in preparing the financial statements and the directors are of the opinion that the organisation will continue as a going concern in the future.

The annual financial statements have been audited by the independent auditors, PricewaterhouseCoopers Inc., who were given unrestricted access to all financial records and related data, including minutes of all meetings of the Board of Directors. The audit report of PricewaterhouseCoopers Inc. is presented below.

The summarised annual financial statements, which have been derived from the audited annual financial statements of the organisation for the year ended 30 June 2019, were approved by the Board of Directors on 10 October 2019 and are signed on their behalf by:

Mr Vusi Khanyile Ms Alex Watson
Chairperson Director
Addo, Eastern Cape, 10 October 2019

Independent auditor’s report on the summarised financial statements to the members of WWF South Africa

The summary financial statements of WWF South Africa, set out on pages 39 to 45, which comprise the summary statement of financial position as at 30 June 2019, and the summary statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and the related notes, are derived from the audited financial statements of WWF South Africa for the year ended 30 June 2019.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with International Financial Reporting Standards for Small and Medium-sized Entities as applicable to summary financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards for Small and Medium-sized Entities as applicable to the annual financial statements. Reading the summary financial statements and the auditor’s report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor’s report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements.

Directors’ Responsibility for the Financial Statements

The directors are responsible for the preparation of a summary of the audited financial statements in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities as applicable to summary financial statements.

Auditor’s Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

PricewaterhouseCoopers Inc.
Director: D Adriaans
Registered Auditor
Stellenbosch, 10 October 2019
### ASSETS

<table>
<thead>
<tr>
<th>Notes</th>
<th>2019 R'000</th>
<th>2018 R'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>2</td>
<td>243 179</td>
</tr>
<tr>
<td>Financial assets at fair value through profit and loss</td>
<td>3</td>
<td>298 783</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable and other debtors</td>
<td></td>
<td>14 765</td>
</tr>
<tr>
<td>Inventory</td>
<td></td>
<td>834</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>4</td>
<td>36 710</td>
</tr>
<tr>
<td>Total assets</td>
<td></td>
<td>594 271</td>
</tr>
</tbody>
</table>

### FUNDS AND LIABILITIES

<table>
<thead>
<tr>
<th>Funds</th>
<th>2019 R'000</th>
<th>2018 R'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital fund</td>
<td></td>
<td>176 490</td>
</tr>
<tr>
<td>Project funds - Restricted</td>
<td></td>
<td>34 850</td>
</tr>
<tr>
<td>Property fund</td>
<td></td>
<td>239 036</td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td>143 895</td>
</tr>
<tr>
<td>Accounts payable and other liabilities</td>
<td></td>
<td>20 610</td>
</tr>
<tr>
<td>Provisions</td>
<td>5</td>
<td>10 645</td>
</tr>
<tr>
<td>Deferred income</td>
<td>6</td>
<td>112 640</td>
</tr>
<tr>
<td>Total funds and liabilities</td>
<td></td>
<td>594 271</td>
</tr>
</tbody>
</table>

* Refer to note 11 for details regarding the restatement as a result of errors

### Income

<table>
<thead>
<tr>
<th>2019 R'000</th>
<th>2018 R'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriptions and donations - other</td>
<td>76 600</td>
</tr>
<tr>
<td>Donations - property</td>
<td>7 305</td>
</tr>
<tr>
<td>Public sector funding</td>
<td>15 168</td>
</tr>
<tr>
<td>WWF Network project funding</td>
<td>13 647</td>
</tr>
<tr>
<td>Bequests</td>
<td>12 659</td>
</tr>
<tr>
<td>Interest and dividends</td>
<td>11 123</td>
</tr>
<tr>
<td>Earned income</td>
<td>16 170</td>
</tr>
</tbody>
</table>

### Disbursements

<table>
<thead>
<tr>
<th>2019 R'000</th>
<th>2018 R'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservation disbursements</td>
<td>116 102</td>
</tr>
<tr>
<td>Finance and Business support</td>
<td>23 183</td>
</tr>
<tr>
<td>Marketing and Fundraising</td>
<td>25 693</td>
</tr>
<tr>
<td>Operating deficit for the year</td>
<td>(12 306)</td>
</tr>
<tr>
<td>Fair value gains</td>
<td>8 456</td>
</tr>
<tr>
<td>Total comprehensive (loss)/ income for the year</td>
<td>(3 850)</td>
</tr>
</tbody>
</table>

* Refer to note 11 for details regarding the restatement as a result of errors
<table>
<thead>
<tr>
<th>Statement of changes in funds for the year ended 30 June 2019</th>
<th>General fund R’000</th>
<th>Capital fund R’000</th>
<th>Project funds R’000</th>
<th>Property fund R’000</th>
<th>Total R’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 July 2017</td>
<td>11 014</td>
<td>185 460</td>
<td>92 038</td>
<td>222 718</td>
<td>511 230</td>
</tr>
<tr>
<td>Correction of error</td>
<td>(6 027)</td>
<td>(4 128)</td>
<td>(59 264)</td>
<td>(69 419)</td>
<td>(69 419)</td>
</tr>
<tr>
<td>*Restated balance at 1 July 2017</td>
<td>4 987</td>
<td>181 332</td>
<td>32 774</td>
<td>222 718</td>
<td>441 811</td>
</tr>
<tr>
<td>Total comprehensive income for the year (restated)*</td>
<td>(3 147)</td>
<td>7 251</td>
<td>64</td>
<td>8 247</td>
<td>12 415</td>
</tr>
<tr>
<td>Transfers of funds (restated)*</td>
<td>(1 840)</td>
<td>(133)</td>
<td>1 178</td>
<td>795</td>
<td>–</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2018</strong></td>
<td><strong>–</strong></td>
<td><strong>188 450</strong></td>
<td><strong>34 016</strong></td>
<td><strong>231 760</strong></td>
<td><strong>454 226</strong></td>
</tr>
<tr>
<td>Total comprehensive loss for the year</td>
<td>204</td>
<td>(11 989)</td>
<td>630</td>
<td>7 305</td>
<td>(3 850)</td>
</tr>
<tr>
<td>Transfers of funds</td>
<td>(204)</td>
<td>29</td>
<td>204</td>
<td>(29)</td>
<td>–</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2019</strong></td>
<td><strong>–</strong></td>
<td><strong>176 490</strong></td>
<td><strong>34 850</strong></td>
<td><strong>239 036</strong></td>
<td><strong>450 376</strong></td>
</tr>
</tbody>
</table>

* Refer to note 11 for details regarding the restatement as a result of errors

<table>
<thead>
<tr>
<th>Statement of cash flow for the year ended 30 June 2019</th>
<th>2019 R’000</th>
<th>2018 R’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash receipts from donors and other income</td>
<td>180 958</td>
<td>113 976</td>
</tr>
<tr>
<td>Cash payments to suppliers, employees and projects</td>
<td>(149 544)</td>
<td>(131 476)</td>
</tr>
<tr>
<td>Cash generated from/(utilised in) operations</td>
<td>31 414</td>
<td>(17 500)</td>
</tr>
<tr>
<td>Interest and dividends received</td>
<td>11 123</td>
<td>9 407</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) from operating activities</td>
<td>42 537</td>
<td>(8 093)</td>
</tr>
</tbody>
</table>

**Cash flows from investing activities**

| Purchase of property, equipment and improvements to leasehold property | (9 760) | (9 790) |
| Reinvestment of investment income                          | (9 573) | (7 967) |
| Purchase of investments                                    | (44 802) | (286) |
| Drawings of investments                                    | 40 010   | 18 638   |
| Proceeds on sale of properties, vehicles and equipment    | 44       | 28       |
| Net cash (utilised)/generated from investing activities    | (24 081) | 623      |

**Net increase/(decrease) in cash and cash equivalents**

| 18 456 | (7 470) |

**Cash and cash equivalents at the beginning of the period**

| 18 254 | 25 724 |

**Cash and cash equivalents at the end of the period**

| 36 710 | 18 254 |
1 ACCOUNTING POLICIES

The principle accounting policies applied in the preparation of these annual financial statements are set below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The summarised financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs). The financial statements have been prepared on the historical cost basis, except for financial assets which are recognised at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the organisation’s accounting policies.

The following is an extract of the more important accounting policies relevant to the summarised annual financial statements:

1.1 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost or, if donated, at valuation on date less accumulated depreciation and any impairment losses. Land has an indefinite useful life and is therefore not depreciated. Property, plant and equipment are depreciated on a straight-line basis over their expected useful lives. The depreciation charge for each period is recognised in total comprehensive income unless it is included in the carrying amount of another asset. The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of comprehensive income. Project assets which have been made available for the organisation’s specific use are written off as project disbursements and the title remains with the donor until completion of the project.

1.2 FINANCIAL INSTRUMENTS

The organisation classifies its financial instruments into the following categories:
- financial assets at fair value through profit or loss and
- financial assets and liabilities at amortised cost.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Financial assets at fair value through profit or loss

Financial instruments are initially measured at the transaction price. Financial instruments at fair value through profit or loss are subsequently carried at fair value. Gains and losses arising from changes in the fair value are recognised through profit or loss. Dividends on financial assets at fair value through profit or loss are recognised in profit or loss as part of income when the organisation's right to receive payments is established. Interest income from financial assets at fair value through profit or loss is included in interest and dividends in the profit and loss.

Accounts receivable and other debtors

Accounts receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Accounts payables and other liabilities

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.
1 ACCOUNTING POLICIES continued

1.3 FOREIGN CURRENCY TRANSLATION
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

1.4 LEASES
Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease. The leases have varying terms, escalation clauses and renewal rights.

1.5 REVENUE RECOGNITION
Revenue comprises receipts of subscriptions, donations and bequests, sponsorship income, project funding, earned income, interest, dividends and the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the organisation’s activities. Income is shown net of Value Added Tax, returns, rebates and discounts.

The entity recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the entity’s activities, as described below.

(a) Interest income
Interest income is recognised using the effective interest method.

(b) Dividend income
Dividends are recognised when the right to receive payment is established.

(c) Subscriptions, donations, sponsorship income and bequests
Subscriptions, donations, sponsorship income and bequests are recognised when received. Donations of non-cash items of a capital nature are brought to account at valuation on the dates of the transactions. Donations with donor imposed restrictions are retained within a restricted reserve until such time that it is utilised in line with such restrictions.

(d) Project income
Project income is recognised when the entity has entitlement; receipt is probable; and the amount can be reliably measured. When income is received in advance of providing goods or services, it is deferred until the entity has performed the services for which the consideration was received.

(e) Earned income
Earned income comprises management fees received from associated trusts, project coordination and support fees, investment management fees and traversing fees. Earned income is recognised as it accrues and any advances received for project co-ordinations are deferred until the entity has performed the services for which the consideration was received.

1.6 FUNDS
There are four main types of funds identified within reserves:

General fund – unrestricted funding received to support operational sustainability.

Capital fund – unrestricted funding received or transferred from the General fund that can be used at the discretion of the board.

Project funds – these are restricted donations where the donor has specified that the funds must be used for a particular objective or in respect of an identified project.

Property fund – restricted donations received where the donor has specified that the funds are to be utilised to support property acquisitions, which include freehold properties.
Notes to the summarised annual financial statements for the year ended 30 June 2019
continued

1.7 RETIREMENT BENEFITS
The organisation participates in a defined contribution scheme, the assets of which are held in a separate trustee-administered fund. The organisation’s contributions to the scheme are charged to the statement of comprehensive income in the year to which they relate. The organisation has no further payment obligations once the contributions have been paid.

1.8 PROVISIONS
Provisions for network fees are recognised when: the entity has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

1.9 INVENTORIES
Inventories are measured at the lower of cost and net realisable value.

Net realisable value is estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>R’000</td>
<td>R’000</td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>197 931</td>
<td>190 626</td>
</tr>
<tr>
<td>Buildings</td>
<td>41 381</td>
<td>41 334</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(276)</td>
<td>(200)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>239 036</strong></td>
<td><strong>231 760</strong></td>
</tr>
</tbody>
</table>

Vehicles

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>At cost</td>
<td>355</td>
<td>433</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(256)</td>
<td>(238)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>99</strong></td>
<td><strong>195</strong></td>
</tr>
</tbody>
</table>

Equipment and leasehold improvements

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>At cost</td>
<td>10 118</td>
<td>9 349</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(6 074)</td>
<td>(6 770)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4 044</strong></td>
<td><strong>2 579</strong></td>
</tr>
</tbody>
</table>

**243 179** | **234 534**

Included in Land are nature reserves. The use and management of nature reserves has been transferred to relevant statutory conservation agencies by way of long-term lease agreements at nominal rentals. Details regarding these nature reserves are available at the registered office of the organisation.
Notes to the summarised annual financial statements for the year ended 30 June 2019

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

Investments

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulated Collective Investment Schemes</td>
<td>293 407</td>
<td>266 001</td>
</tr>
<tr>
<td>Regulated Administrative Income Funds</td>
<td>5 376</td>
<td>6 108</td>
</tr>
<tr>
<td><strong>Total Investments</strong></td>
<td><strong>298 783</strong></td>
<td><strong>272 109</strong></td>
</tr>
</tbody>
</table>

All investments are categorised as Financial assets through profit and loss. Financial assets are mainly invested in regulated Collective Investment Schemes (unit trusts), managed by authorised and regulated Financial Service Providers. Market and portfolio risk is managed by specialist and knowledgeable investment managers according to the strategic mandate. Asset class exposure is diversified and the long-term strategic benchmark is: Equities 70% and Income Funds 30%.

4 CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>1 344</td>
<td>771</td>
</tr>
<tr>
<td>Cash advances</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Term and call deposits</td>
<td>35 359</td>
<td>17 477</td>
</tr>
<tr>
<td><strong>Total Cash</strong></td>
<td><strong>36 710</strong></td>
<td><strong>18 254</strong></td>
</tr>
</tbody>
</table>

Cash resources are structured on a combination of floating and fixed interest rates. The organisation’s exposure to interest rate risk and the effective interest rates at year-end are:

Local institutions – Call and fixed accounts 1% to 6.45% (2018: 1% to 6.55%)
Local institutions – Current accounts 4.08% (2018: 3.90%)
Cash resources are monitored by management on a proactive basis.

5 PROVISIONS

<table>
<thead>
<tr>
<th>Provision for network fees</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>11 953</td>
<td>10 155</td>
</tr>
<tr>
<td>Current year change</td>
<td>5 706</td>
<td>4 939</td>
</tr>
<tr>
<td>Amounts charged against provision current year</td>
<td>(7 014)</td>
<td>(3 141)</td>
</tr>
<tr>
<td><strong>Total Provision</strong></td>
<td><strong>10 645</strong></td>
<td><strong>11 953</strong></td>
</tr>
</tbody>
</table>

6 DEFERRED LIABILITY

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred earned income</td>
<td>9 468</td>
<td>4 353</td>
</tr>
<tr>
<td>Deferred project income</td>
<td>103 172</td>
<td>59 265</td>
</tr>
<tr>
<td><strong>Total Deferred</strong></td>
<td><strong>112 640</strong></td>
<td><strong>63 618</strong></td>
</tr>
</tbody>
</table>

7 COMMITMENTS

The organisation is committed to make payments on:

7.1 Approved projects

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within the next 12 months</td>
<td>102 015</td>
<td>62 086</td>
</tr>
<tr>
<td>Thereafter</td>
<td>28 425</td>
<td>5 197</td>
</tr>
<tr>
<td><strong>Total Approved</strong></td>
<td><strong>130 440</strong></td>
<td><strong>67 283</strong></td>
</tr>
</tbody>
</table>

7.2 Office rental

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within the next 12 months</td>
<td>3 438</td>
<td>3 156</td>
</tr>
<tr>
<td>Between 2–4 years</td>
<td>6 622</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total Office</strong></td>
<td><strong>10 060</strong></td>
<td><strong>3 156</strong></td>
</tr>
</tbody>
</table>
8 CONTINGENT LIABILITIES

The organisation has provided a guarantee to the value of R27 100 to ABSA Bank Limited with regards to the provision of electricity by ESKOM to the Southern African Wildlife College. The organisation has also provided a guarantee to the value of R755 112 to Eris Property Group (Pty) Ltd with regards to the lease agreement of 1st Floor, Bridge House, Boundary Terraces, Mariendahl Lane, Newlands.

9 RETIREMENT BENEFITS

The organisation participates in a defined contribution scheme. Most permanent employees are members of the scheme, which is invested independently of the finances of the organisation by Sanlam Life Insurance Ltd. The scheme is governed by the Pension Funds Act of 1956.

10 TAXATION

The organisation has been approved by the South African Revenue Service as a “public benefit organisation” in terms of section 30 of the Income Tax Act and is exempt from income tax in terms of section 10(1)(cN) of the Act. Donations to the organisation are exempt from donations tax and estate duty and will be tax-deductible in the hands of donors in terms of and subject to the limitations prescribed in Section 18A of the Income Tax Act.

11 CORRECTION OF ERRORS IN EARMARKED FUNDING AND NETWORK FEES

Earmarked funding has previously been incorrectly accounted for on the cash basis instead of on the accrual basis as required by IFRS for SMEs. As a consequence, the earmarked funds have been recognised as income to the extent that expenditure has been incurred; the remaining balance has been recognised as a liability as deferred income R103 171 922 (2018: R59 264 770).

Network fees have previously been incorrectly accounted for on the cash basis instead of on the accrual basis as required by IFRS for SMEs. As a consequence, a provision has been raised for the network fees to be charged to the entity.

The error has been corrected by restating each of the affected financial statement line items for the prior periods as follows:

<table>
<thead>
<tr>
<th>Statement of financial position (extract)</th>
<th>30 June 2018 Increase/ (Decrease)</th>
<th>30 June 2018 (Restated)</th>
<th>1 July 2017 Increase/ (Decrease)</th>
<th>1 July 2017 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred liability</td>
<td>– 59 265</td>
<td>59 265</td>
<td>– 59 265</td>
<td>59 265</td>
</tr>
<tr>
<td>Provisions</td>
<td>– 11 953</td>
<td>11 953</td>
<td>– 10 155</td>
<td>10 155</td>
</tr>
<tr>
<td>Net assets</td>
<td>– 71 218</td>
<td>71 218</td>
<td>– 69 420</td>
<td>69 420</td>
</tr>
<tr>
<td>General Fund</td>
<td>7 000</td>
<td>(7 000)</td>
<td>11 014</td>
<td>(6 027)</td>
</tr>
<tr>
<td>Capital Fund</td>
<td>193 403</td>
<td>(4 953)</td>
<td>188 450</td>
<td>(4 128)</td>
</tr>
<tr>
<td>Project Funds – Restricted</td>
<td>93 280</td>
<td>(59 265)</td>
<td>92 038</td>
<td>(59 265)</td>
</tr>
<tr>
<td>Property Fund</td>
<td>231 760</td>
<td>– 231 760</td>
<td>222 718</td>
<td>– 222 718</td>
</tr>
</tbody>
</table>

Statement of Comprehensive Income (Extract) | 30 June 2018 Profit increase/ (decrease) | 30 June 2018 (Restated) |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Disbursements</td>
<td>136 038</td>
<td>1 798</td>
</tr>
<tr>
<td>Conservation disburses</td>
<td>101 483</td>
<td>1 798</td>
</tr>
<tr>
<td>Operating deficit for the year</td>
<td>(3 590)</td>
<td>(1 798)</td>
</tr>
</tbody>
</table>
| Total comprehensive income for the year  | 14 213                           | (1 798)                 | 12 415

The audited annual financial statements are available at the registered office of the organisation.
Ways to support us

MAKE A DONATION
Support our work by donating once-off or by a regular debit order
wwf.org.za/donate

LEAVE A LEGACY
By leaving a bequest in your will, you leave a living legacy that will have a lasting impact

GET ACTIVE FOR NATURE
The For Nature campaign invites cyclists, runners and swimmers to raise funds and awareness for conservation

SHOP WITH WWF
Support our work by purchasing from our wide range of WWF merchandise
wwf.org.za/shop

BECOME A BUSINESS PARTNER
From CSI to corporate strategies, WWF is your partner for innovation and shared value towards business sustainability

PAYROLL GIVING
Engaging your staff through payroll giving creates a culture of participation and giving

CAUSE-RELATED MARKETING
Products that meet our sustainability criteria can be co-branded with our logo, with a percentage of proceeds coming to WWF

Why we are here
To stop the degradation of the planet’s natural environment and to build a future in which humans live in harmony with nature.

WWF-SA is a registered non-profit organisation, number 003-226 NPO. © 1986 panda symbol and WWF-World Wide Fund For Nature (formerly World Wildlife Fund), 1st Floor, Bridge House, Boundary Terraces, Mariendahl Lane, Newlands, Cape Town, PO Box 23273, Claremont, 7735, t +27 21 657 6600, e info@wwf.org.za, www.wwf.org.za