

Reg. No. T06FC6835J

**Friends Provident International Limited,  
Singapore Branch**

**Investment-Linked Funds**

**Report for the year 1 May 2012 (or the date of  
commencement of the respective Investment-Linked Funds,  
whichever is later) to 30 April 2013**

**Friends Provident International Limited, Singapore Branch**

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**Friends Provident International Limited, Singapore Branch**  
**Investment-Linked Funds**  
**For the year 1 May 2012 to 30 April 2013**

**Statement by Directors**

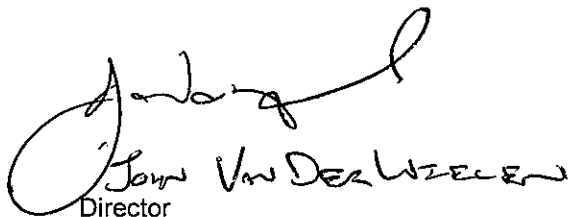
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In our opinion, the financial statements of the Investment-Linked Funds of Friends Provident International Limited, Singapore Branch ("Singapore Branch") set out on page 5 to 13 present fairly, in all material respects, the state of affairs of the Investment-Linked Funds of the Singapore Branch as at 30 April 2013 and the capital movements for the year 1 May 2012 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 April 2013, in accordance with the stated accounting policies.



MARCUS ADAMS

Director



John Van Der Wiele

Director

29 July 2013

**Friends Provident International Limited, Singapore Branch  
Investment-Linked Funds  
For the year 1 May 2012 to 30 April 2013**

**Independent Auditors' Report to Friends Provident International Limited, Singapore Branch**

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We have audited the accompanying financial statements of the Investment-Linked Funds (as set out on page 4) of Friends Provident International Limited, Singapore Branch (the "Singapore Branch"), which comprise the Statement of Assets and Liabilities as at 30 April 2013, the Capital and Income Account for the year from 1 May 2012 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 April 2013, and a summary of significant accounting policies and other explanatory information, as set out on pages 5 to 13.

**Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the stated accounting policies, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair Capital and Income Account and Statement of Assets and Liabilities and to maintain accountability of assets.

**Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Investment-Linked Funds' internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Friends Provident International Limited, Singapore Branch  
Investment-Linked Funds  
For the year 1 May 2012 to 30 April 2013**

**Independent Auditors' Report to Friends Provident International Limited, Singapore Branch**

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**Opinion**

In our opinion, the financial statements present fairly, in all material aspects, the state of affairs of the Investment-Linked Funds of the Singapore Branch as at 30 April 2013 and the capital movements for the period 1 May 2012 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 April 2013, in accordance with the stated accounting policies.

Our report is intended solely for the use of the Singapore Branch and our duties are owed solely to the Singapore Branch. We do not accept responsibility and we expressly disclaim liability for loss occasioned to any third party acting or refraining from acting as a result of our report.

This report relates solely to the financial statements of the Investment-Linked Funds of the Singapore Branch and does not extend to the financial statements of the Singapore Branch taken as a whole.

*Ernst & Young LLP*  
Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore

29 July 2013

**Friends Provident International Limited, Singapore Branch  
Investment-Linked Funds  
For the year 1 May 2012 to 30 April 2013**

**Independent Auditors' Report to Friends Provident International Limited, Singapore Branch**

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The Statements of Assets and Liabilities, Capital and Income Accounts and a summary of significant accounting policies and other explanatory notes of the following Investment-Linked Funds are covered in this report:

<u>Funds</u>	<u>Commencement Date</u>
Baring Australia	30 November 2008
Baring Eastern Europe	30 November 2008
Baring High Yield Bond Fund (R117)	22 February 2012
Baring Hong Kong & China (M55)	12 January 2009
Baring Hong Kong & China (SGD HDG) (R125)	25 April 2012
Baring International Bond (USD) (R109)	24 August 2011
Fidelity Euro Blue Chip	12 January 2009
Fidelity Euro Bond	30 September 2010
Fidelity Global Property (USD)	26 November 2008
Fidelity Global Telecommunications	30 September 2010
Fidelity Multi Asset Strategic (EUR)	12 January 2009
Fidelity Multi Asset Strategic (USD)	30 November 2008

With the exception of the Baring High Yield Bond Fund, Baring Hong Kong & China (SGD HDG) and Baring International Bond (USD) (R117, R125 and R109) which are segregated Investment-Linked Funds, the funds are invested as one part of the sub-fund of Friends Provident International Limited (the Company). These represent the elements of the sub-funds that are dedicated to customers of the Company's Singapore Branch (the Branch). The segregated Investment-Linked Funds and sub-funds are, in turn, invested in the underlying funds.

**Friends Provident International Limited, Singapore Branch**  
**Investment-Linked Funds**  
**For the year 1 May 2012 to 30 April 2013**

**Financial Statements**

	<b>Baring Australia</b>	<b>Baring Eastern Europe</b>
	<b>S\$</b>	<b>S\$</b>
<b>Capital and Income Account</b>		
<b>For the year 1 May 2012 to 30 April 2013</b>		
Value of Fund as at 1 May 2012	243,872	283,000
Amounts received by the Fund for creation of units	98,960	180,726
Amounts paid by the Fund for liquidation of units	(26,342)	(85,410)
Net amounts received by the Fund	72,618	95,316
Unrealised appreciation in value of investments	49,462	24,395
Loss on sale of investments	(11,158)	(12,476)
Other income	6,006	705
Management fees	(3,376)	(3,990)
Other expenses	(21)	(17)
Increase in net asset value for the year	40,913	8,617
<b>Value of Fund As at 30 April 2013</b>	<b>357,403</b>	<b>386,933</b>
<b>Statement of Assets and Liabilities As at 30 April 2013</b>		
<u>Assets</u>		
Investments in funds	358,912	387,250
Cash and bank balances	3,808	-
Other debtors	7,698	-
Total assets	370,418	387,250
<u>Liabilities</u>		
Other creditors	13,015	317
Total liabilities	13,015	317
<b>Value of Fund As at 30 April 2013</b>	<b>357,403</b>	<b>386,933</b>

**Friends Provident International Limited, Singapore Branch**  
**Investment-Linked Funds**  
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	<b>Baring High Yield Bond Fund (R117) S\$</b>	<b>Baring Hong Kong &amp; China (M55) S\$</b>
<b>Capital and Income Account</b>		
<b>For the year 1 May 2012 to 30 April 2013</b>		
Value of Fund as at 1 May 2012	1,155,967	297,083
Amounts received by the Fund for creation of units	1,503,603	142
Amounts paid by the Fund for liquidation of units	(607,190)	(293,891)
Net amounts received/ (paid) by the Fund	896,413	(293,749)
Unrealised appreciation/ (diminution) in value of investments	79,247	(41,012)
(Loss)/ gain on sale of investments	(357)	37,827
Other income	94,242	-
Management fees	(19,423)	(149)
Other expenses	(2,046)	-
Increase/ (decrease) in net asset value for the year	151,663	(3,334)
<b>Value of Fund As at 30 April 2013</b>	<b>2,204,043</b>	<b>-</b>
<b>Statement of Assets and Liabilities As at 30 April 2013</b>		
<u>Assets</u>		
Investments in funds	2,196,997	-
Cash and bank balances	30,447	-
Other debtors	-	-
Total assets	2,227,444	-
<u>Liabilities</u>		
Other creditors	23,401	-
Total liabilities	23,401	-
<b>Value of Fund As at 30 April 2013</b>	<b>2,204,043</b>	<b>-</b>



**Friends Provident International Limited, Singapore Branch**  
**Investment-Linked Funds**  
**For the year 1 May 2012 to 30 April 2013**

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	<b>Baring Hong Kong &amp; China (SGD HDG) (R125)* S\$</b>	<b>Baring International Bond (USD) (R109) S\$</b>
<b>Capital and Income Account</b>		
<b>For the year 1 May 2012 to 30 April 2013</b>		
Value of Fund as at 1 May 2012	-	1,172,573
Amounts received by the Fund for creation of units	1,930,810	943,328
Amounts paid by the Fund for liquidation of units	(389,397)	(811,584)
Net amounts received by the Fund	1,541,413	131,744
Unrealised appreciation in value of investments	30,120	8,340
Loss on sale of investments	(6,294)	(10,679)
Other income	1,149	26,713
Management fees	(15,183)	(15,105)
Other expenses	(436)	(1,557)
Increase in net asset value for the year	9,356	7,712
<b>Value of Fund As at 30 April 2013</b>	<b>1,550,769</b>	<b>1,312,029</b>
<b>Statement of Assets and Liabilities As at 30 April 2013</b>		
<u>Assets</u>		
Investments in funds	1,549,842	1,351,132
Cash and bank balances	21,864	33,562
Other debtors	-	-
Total assets	1,571,706	1,384,694
<u>Liabilities</u>		
Other creditors	20,937	72,665
Total liabilities	20,937	72,665
<b>Value of Fund As at 30 April 2013</b>	<b>1,550,769</b>	<b>1,312,029</b>

\* Note: The financial period for this investment-linked fund is from 25 April 2012 to 30 April 2013, as this fund was segregated from the 'Baring Hong Kong & China (M55)' fund on 25 April 2012.

**Friends Provident International Limited, Singapore Branch**  
**Investment-Linked Funds**  
**For the year 1 May 2012 to 30 April 2013**

**Financial Statements**

	<b>Fidelity Euro Blue Chip S\$</b>	<b>Fidelity Euro Bond S\$</b>
<b>Capital and Income Account</b>		
<b>For the year 1 May 2012 to 30 April 2013</b>		
Value of Fund as at 1 May 2012	222,267	-
Amounts received by the Fund for creation of units	333,381	41,044
Amounts paid by the Fund for liquidation of units	(73,657)	(33,568)
Net amounts received by the Fund	259,724	7,476
Unrealised appreciation in value of investments	105,422	1,277
Loss on sale of investments	(32,156)	(238)
Other income	-	-
Management fees	(3,906)	(83)
Other expenses	(21)	(1)
Increase in net asset value for the year	69,339	955
<b>Value of Fund As at 30 April 2013</b>	<b>551,330</b>	<b>8,431</b>
<b>Statement of Assets and Liabilities As at 30 April 2013</b>		
<u>Assets</u>		
Investments in funds	553,117	8,430
Cash and bank balances	-	1
Other debtors	-	-
Total assets	553,117	8,431
<u>Liabilities</u>		
Other creditors	1,787	-
Total liabilities	1,787	-
<b>Value of Fund As at 30 April 2013</b>	<b>551,330</b>	<b>8,431</b>

**Friends Provident International Limited, Singapore Branch**  
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	Fidelity Global Property (USD) S\$	Fidelity Global Tele- communications S\$
<b>Capital and Income Account</b>		
<b>For the year 1 May 2012 to 30 April 2013</b>		
Value of Fund as at 1 May 2012	104,921	40,401
Amounts received by the Fund for creation of units	143,724	68,109
Amounts paid by the Fund for liquidation of units	(36,453)	(32,238)
Net amounts received by the Fund	107,271	35,871
Unrealised appreciation in value of investments	20,820	15,403
Gain/ (loss) on sale of investments	20,560	(4,951)
Other income	-	-
Management fees	(2,021)	(687)
Other expenses	(306)	(6)
Increase in net asset value for the year	39,053	9,759
<b>Value of Fund</b>		
<b>As at 30 April 2013</b>	<b>251,245</b>	<b>86,031</b>
<b>Statement of Assets and Liabilities</b>		
<b>As at 30 April 2013</b>		
<u>Assets</u>		
Investments in funds	251,628	85,840
Cash and bank balances	3,606	191
Other debtors	-	-
Total assets	255,234	86,031
<u>Liabilities</u>		
Other creditors	3,989	-
Total liabilities	3,989	-
<b>Value of Fund</b>		
<b>As at 30 April 2013</b>	<b>251,245</b>	<b>86,031</b>

**Friends Provident International Limited, Singapore Branch**  
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	<b>Fidelity Multi Asset Strategic (EUR) S\$</b>	<b>Fidelity Multi Asset Strategic (USD) S\$</b>
<b>Capital and Income Account</b>		
<b>For the year 1 May 2012 to 30 April 2013</b>		
Value of Fund as at 1 May 2012	13,208	42,034
Amounts received by the Fund for creation of units	3,354	53,754
Amounts paid by the Fund for liquidation of units	(5)	(19,725)
Net amounts received by the Fund	3,349	34,029
Unrealised appreciation in value of investments	1,707	7,377
Loss on sale of investments	(514)	(3,478)
Other income	-	324
Management fees	(179)	(610)
Other expenses	(2)	(3)
Increase in net asset value for the year	1,012	3,610
<b>Value of Fund As at 30 April 2013</b>	<b>17,569</b>	<b>79,673</b>
<b>Statement of Assets and Liabilities As at 30 April 2013</b>		
<u>Assets</u>		
Investments in funds	17,586	79,763
Cash and bank balances	-	-
Other debtors	-	-
Total assets	17,586	79,763
<u>Liabilities</u>		
Other creditors	17	90
Total liabilities	17	90
<b>Value of Fund As at 30 April 2013</b>	<b>17,569</b>	<b>79,673</b>

**Friends Provident International Limited, Singapore Branch**  
**Investment-Linked Funds**  
**For the year 1 May 2012 to 30 April 2013**

**Notes to the Financial Statements**

**1. Units in issue and net asset value**

1.1 The Units in issue and the Net Asset Value per unit of the Investment-Linked Funds of Friends Provident International Limited, Singapore Branch as at 30 April 2013 comprise:

<u>Funds</u>	<u>Commencement date</u>	<u>Units in issue as at 30 April 2013</u>	<u>Net asset value per unit S\$</u>
Baring Australia	30 November 2008	26,690	13.39
Baring Eastern Europe	30 November 2008	204,373	1.89
Baring High Yield Bond Fund (R117)	22 February 2012	689,318	3.20
Baring Hong Kong & China (M55)	12 January 2009	-	-
Baring Hong Kong & China (R125)	25 April 2012	21,636	71.68
Baring International Bond (USD) (R109)	24 August 2011	172,953	7.59
Fidelity Euro Blue Chip	12 January 2009	289,297	1.91
Fidelity Euro Bond	30 September 2010	3,855	2.19
Fidelity Global Property (USD)	26 November 2008	254,642	0.99
Fidelity Global Telecommunications	30 September 2010	118,100	0.73
Fidelity Multi Asset Strategic (EUR)	12 January 2009	11,195	1.57
Fidelity Multi Asset Strategic (USD)	30 November 2008	72,070	1.11

**Friends Provident International Limited, Singapore Branch  
Investment-Linked Funds  
For the year 1 May 2012 to 30 April 2013**

**Notes to the Financial Statements**

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**2. Summary of significant accounting policies**

**2.1 *Basis of preparation***

The financial statements of the Investment-Linked Funds of Friends Provident International Limited, Singapore Branch ("Singapore Branch") are presented in Singapore dollars. The financial statements have been prepared on the historical cost basis, except for investments which are carried at fair value.

Where Singapore policy holders are not the only investors in a fund, an apportionment method is applied. This apportionment method is based on Singapore policy holders' unit holdings as a percentage of the total unit holdings of the fund. In the instance that the fund is wholly owned by Singapore investors there is no apportionment method applied.

**2.2 *Investments***

All purchases of investments, which include unit trusts, quoted equities and bonds, are recognised on their trade dates, i.e. the date the commitment exists to purchase the investments. The investments are initially recorded at cost, being the fair value of the consideration given. The attributable transaction costs are recognised in the Capital and Income Account when incurred. Subsequent to initial recognition, the investments are recorded at fair value and the unrealised gains or losses on re-measurement to fair value are taken to the Capital and Income Account. The fair value is determined by using open market valuation at the year-end date.

**2.3 *Amounts received by the funds for creation of units***

The amounts received by the funds comprise the gross premiums received by the Singapore Branch (after deducting charges which include bid-offer spread) and switches by the policyholders from other funds.

**2.4 *Amounts paid by the funds for liquidation of units***

The amounts paid by the funds for liquidation of units comprise the sale of units in the Investment-Linked Funds for the payment of death claims or surrenders and for switches by the policyholders to the other funds.

**2.5 *Gains/losses from sale of investments***

All sales of investments are recognised on their trade dates, the date the fund commits to sell the investments. The cost of disposal of investments is determined on the weighted-average cost basis. Realised gains/losses from the sale of investments are taken to the Capital and Income Account.

**2.6 *Income and expenses***

Income and expenses are accounted for on an accrual basis. Dividend income is recognised in the Capital and Income Account when the right to receive payment is established. Interest income from investments is recognised on an accrual basis. Income and expense balances are apportioned monthly based on the Singapore Branch's unit holding at the month end.

**Friends Provident International Limited, Singapore Branch**  
**Investment-Linked Funds**  
**For the year 1 May 2012 to 30 April 2013**

**Financial Statements**

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**2. Summary of significant accounting policies (cont)**

**2.7 *Foreign currencies***

Foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the balance sheet date. Foreign currency transactions are translated at exchange rates on transaction dates. Differences in exchange are taken to the Capital and Income Account.